

STRATFORD-UPON-AVON TOWN TRUST

Annual Report and Accounts 2020



Stratford
Town Trust

at the heart of our community

Registered Charity No. 1088521
Registered Company No. 04222949
(A Company Limited by Guarantee)

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STRATFORD-UPON-AVON TOWN TRUST

JOINT MESSAGE FROM OUR CHAIR OF THE BOARD AND CHIEF EXECUTIVE

This introduction to our 2020 Report and Accounts naturally reflects on what has been an unusually challenging year for not only our organisation, but our communities, our town and the world at large. The impact of the pandemic has been far reaching and along with the charities and good causes we support, we have had to adapt the way we work, responding to a reduced income and increased need.

We are delighted to report though, that we close this year in a break-even position, before gains and losses. Despite a decrease in our income, particularly in relation to town centre retail rents, we have minimised our costs taking advantage of the government's coronavirus job retention scheme and through exceptionally careful management of the organisation by our senior management team. This means that the Trust is in a solid position to enter the next financial year where we anticipate some ongoing uncertainty around the impact of the pandemic.

As a large part of the Trust's income is derived from our commercial property portfolio, the effect of repeated lockdowns has led to more void properties and less footfall in our town. Although this has reduced the income available to grant awards during 2020, it does not tell the whole story. We also saw also a reduction in the number of voluntary groups and charities coming forward to apply for funding, as many were unable to carry out their regular activities due to Covid restrictions.

Our total income in 2020 was £3.1m compared with £3.6m in 2019 with the ongoing shortfall a direct result of a reduction in car park income (£170k), town centre rent (£310k) and a small dip in equity income. The movement in our investments is a lowering of £3.2m, made up of a property value decrease of £3.3m and equity increase of £0.1m.

The cost of raising funds at £1.4m (2019 £1.1m) relates to an increase in the bad debt provision and repair costs attributable to retail rental properties within the Guild Estate, which is a direct result of the impact that Covid has had on town centre economy.

In spite of the challenges, we were delighted to be able to continue to support the community with a spend on charitable activities of £1.7m (2019 £2.4m). This is made up of discretionary grants awarded (including the costs of running Foundation House) of £900k, (£1.3m 2019); the grant payable to KES trustees from the Guild Estate of £348k for 2020 (2019, £632k) and support costs related to charitable giving of £300k (2019: £300k).

We were pleased to launch our Community Recharge Fund in 2020, specifically tailored to help organisations meet some of the immediate challenges posed by the pandemic. We awarded £122,258 to eight local good causes through this fund, including £12,000 to Orchestra of the Swan to help them reach new audiences using virtual technology and £15,136 to LifeSpace Trust to enhance training for volunteers to better engage with young people and their families who are facing digital exclusion.

We also found other ways to support our local community by suspending charges at our Rother Street car park and working in partnership with Stratford-upon-Avon Town Council to reach those who are vulnerable through a new project, Stratford Support. We held a tree planting ceremony on World Wildlife Day to celebrate the opening of our new community orchard at Rowley Fields. We hope the orchard will become a focal point for the community to come together in nature as we recover from the pandemic.

Our lively and well used community hub, Foundation House had to close its doors to the public and to its license holders in March 2020 when the country went into its first lockdown. It was able to open in a limited capacity at some points throughout the year with strict safety measures in place. An award of £105k by the Coronavirus Community Support Fund, distributed by the National Lottery Community Fund will help us adapt the building to safely accommodate more groups. There are also plans to create a small sensory garden to increase the health and wellbeing of visitors. We are looking forward to Foundation House playing a key part in our community engagement programme once restrictions are lifted.

During the year we also welcomed a new member of staff, Fiona Tomlinson, joining us in the role of Business and Facilities Manager. In November, Josie Stevens joined us as a new elected trustee following the departure of Ian Andrew in 2019. Her term will run until the next elections which occur in May 2022.

Charles and Tessa Bates both retired as Town Council nominated trustees at the end of May 2020. We would like to pay special tribute to Tessa who sadly died in June 2020, shortly after she stood down as a trustee. Tessa made a huge contribution to the Trust as a board member during her term of office and is greatly missed. Charles was one of the first trustees to be appointed at the creation of the Town Trust in October 2001 and served several terms since then, as both an elected and nominated trustee.

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JOINT MESSAGE FROM OUR CHAIR OF THE BOARD AND CHIEF EXECUTIVE

They were replaced by Gill Cleeve and Liz Coles with effect from 1 June 2020. Tony Jackson was re-appointed as the third Town Council nominated trustee at the same time to serve a second term of four years.

2020 also saw us take some positive steps towards becoming more than just a grant funder, securing a positive role in creating a vibrant and connected community. The launch of our Strategic Plan set our direction to 2025 and we had a great response to our first ever members' webinar, enabling us to connect with our members and bring them together to see a preview of the strategy ahead of its official launch. We aim to increase the opportunities for our 2000 members to get closer to the work that we do and an example of this in action was our first ever Live Grantmaking which took place at our AGM in 2020. As a grant making charity Stratford Town Trust is unique in being a membership organisation. Joining us is free, easy and a great way to get involved in our work. You can join online at www.stratfordtowntrust.co.uk/joinus

Finally, we must thank our dedicated team of staff for whom this has been a particularly challenging year with many placed on furlough or working from home. Together with our trustees, they have shown great resilience and commitment throughout 2020, finding new ways to collaborate, demonstrate creativity, flexibility, and a determination to do the best for our town.

I do hope that you will be able to join us at our AGM which will be held on Wednesday 15th September.

Sara Aspley
Chief Executive

Quentin Willson
Chairman

May 2021

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing documents, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities published in 2015.

Objects

The Town Trust's Objects are to be applied for the benefit of those living in the town of Stratford-upon-Avon; and are as set out in the Memorandum and Articles of Association (also those studying or working in the town may incidentally benefit):

- to relieve need, hardship and distress among beneficiaries
- to relieve sickness, disability, old age and infirmity among beneficiaries
- to provide or support the provision of facilities for education of beneficiaries, including the advancement of learning and knowledge
- to provide or support (with the object of improving the conditions of life for beneficiaries in the interests of social welfare) facilities for recreation and other leisure-time occupation.
- to advance the Christian religion for the benefit of beneficiaries
- to further any other charitable purposes for the general benefit of the beneficiaries

Principal Activities

The principal activity of Stratford-upon-Avon Town Trust (Town Trust) is the giving of grants, discretionary and non-discretionary, to beneficiaries that are based in Stratford-upon-Avon, for the benefit of town residents. This is facilitated by the careful management of the investment portfolios held by the Guild Estate Endowment Charity (Guild Estate) and College Estate Endowment Charity (College Estate). The Town Trust is the corporate trustee of the Guild Estate and the College Estate.

The Town Trust endeavours to maximise the return on all classes of investments, in order that the grant-making programme can continue to provide a reliable source of funds. However, there is also an element of present value versus long term strategic value in terms of asset management and value optimisation. The Town Trust, with a history dating back more than 500 years, takes a very long-term view on income generation.

An Environment of Change

The Trust is aware of the impact of climate change and the need for environmental sustainability. Together with local stakeholders including Stratford District Council, Stratford-upon-Avon Town Council, businesses and environmental groups we will work to achieve carbon neutral targets. The first small steps were taken in autumn 2019 when a planting scheme was drawn up for a community orchard at Rowley Fields. The orchard of 40 heritage variety fruit trees was planted in early 2020 and we look forward to our first harvest in autumn 2021.

Community Strategy: 2017-2020

During the year the Trust began the process of transitioning into our new five-year plan that went live on 1st January 2021. However, in 2020 we continued with the delivery of the strategy, for 2017-20 and as we reach the end of this plan period we can reflect on many successes. The opening of our community hub, Foundation House became the embodiment of our commitment to community support, growing in reputation and reach. Through a renewed commitment to communication and with a refreshed communications strategy we have been able to break down barriers to engage and open a dialogue with the wider community. Our social media channels have seen an increase in followers, we have regular coverage in local print and broadcast media and have started the process that will see our website become a more dynamic and responsive shop window for our work. Our commitment to transparency and accountability combined with an open-door policy saw us fund a smaller number but more diverse range of charities and attract an increased number of first-time applications.

The community hub model is effective in reaching and understanding grass roots organisations. During the next five years we will build on these elements through our Community Engagement Strategy.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Through our financial investment policy, we have seen a solid performance from the endowed Guild and College Estates. This policy led by our Finance, Investment and Property Committee is the engine that drives the work of the Trust and it is through this that we have been able to manage effectively through a year of change and uncertainty.

1. Community Strategy and Grantmaking

Our community strategy focused on investing in the community for the benefit of all. All activities and initiatives of the Town Trust must align to a framework-based approach using the key words: Support, Enable, Sustain, Rebuild and Legacy. All grants are scored according to a multi-component matrix, community need and the impact they will make. In 2020 the Trust supported many groups and charities through subsidised use of Foundation House and awarded grants of £0.9m to beneficiaries in Stratford-upon-Avon (for more detail see pages 44 to 45) enabling these organisations to reach a diverse group of residents through a wealth of programmes and activities.

Early in 2020 the Town Trust was a lead partner in the creation of Stratford Support, a joint initiative with Stratford-upon-Avon Town Council to support the most vulnerable members of our community with shopping, medicine collection and well-being calls coordinated through a team of volunteers. We were delighted that 350 people stepped forward to become a volunteer and with their help carried out almost 548 shopping trips, made almost 200 medicine collections and supported many with a weekly wellbeing call.

2. Community Hub

2020 was the second full year of operation for Foundation House. Sadly, due to restrictions the building has been closed for a large proportion of the year, which was especially frustrating as it has proved itself to be an incredibly important and valued community resource. We are all looking forward to opening the doors to the many user groups as soon as we can. We were delighted that Foundation House successfully applied for the National Lottery Coronavirus Community Support Fund, being awarded a grant of £105k. for the period October 2020 – March 2021. The grant enabled support of operating costs, outreach community engagement work, adaptations to the building to help welcome the community back safely, including an improved signage scheme and the creation of a sensory garden.

3. Proactive Funding Strategy

The Trust's aspirations to move to a participatory grant making model in 2020 were somewhat hampered by the challenges presented by the pandemic. The voluntary sector was particularly impacted with many services cancelled or put on hold, which combined with a reduced discretionary grant budget meant that we didn't see as many groups coming forward for support. However, through our Covid Recovery grant programme we made eight awards of £5k to key voluntary organisations to provide immediate support. Through our Autumn grants round we were able to fund other groups with a focus on resilience and longer term recovery.

Strategic Plan 2021 – 2025

In preparing to write this next strategic plan the Trust undertook its biggest ever community consultation, with residents of Stratford invited to share their views about the town and the Trust. Almost 1,500 people participated in the consultation and 91% of respondents told us that Stratford was a good place to live, whilst 80% said the Town Trust was important to them and the town. Our members told us that they valued our work and wanted more opportunities to connect with one another in support of the community.

To support our findings, we enlisted the help of Warwick Business School through a cohort of MBA students to research socio economic data for the town and district and make recommendations aligned with our own quantitative and qualitative survey data.

The consultation results helped to shape the Trust's strategy for 2021-2025, which was launched in November 2020 to the membership via a webinar presentation. This new strategy focuses on four pillars of activity: grant making, community engagement, place making, finance and investments.

The strategy for 2021-2025 is strengthened by review of, and recommendations for, the Trust's endowed property estate by an independent third party. Having a clear and robust Financial Investment Policy has enabled the committee to make sound, strategically led decisions and we will continue to work in this way through to 2025.

Our Community Investment Policy has evolved with a shift towards a model of participatory grant making, that sees the Trust working with and alongside charities to co-create projects. We have used impact assessment to a greater or lesser extent with all our grantees and refining our commitment to this will be a key focus of our Grant Making Strategy to 2025.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Listening to the community and our members is an active part of the Trust's work. By making ourselves open to new ideas, by asking questions and building networks we have started to understand what really matters to people in relation to the place where they live. This has led to the formation of our Community Engagement and Place Making Strategies.

The key aims of the strategy are:

- To restore gross income to 2019 levels
- To develop a property strategy with a more focused approach
- To engage in conversations in order to act as a connector to share learning and drive change
- An ongoing commitment to the environment and sustainability
- To move to a model of participatory grant making,
- Development of a fundraising strategy for Guild Chapel conservation projects and ongoing costs.
- To develop and deliver a community hub that is responsive to the changing and emerging needs and aspirations of the community
- To develop additional income through external funding streams

Grant awards during 2020 were based on the Town Trust's funding priorities, as detailed in the Community Investment Policy, these were developed after consultation with the community and with the aim of maximising impact in one or more of the following:

- Improve Health and Wellbeing
- Create Positive Activities for Young People
- Reduce Loneliness and Social Isolation
- Protect and Support Vulnerable Communities
- Develop Community Capacity and Resilience
- Support During Times of Crisis

Multi year grants – grants awarded which cover up to a period of three years.

Citizens Advice South Warwickshire: £182,755 over 3 years

Year 3: £65,825. Project running 2018 - 2021

Frontline service of advice and support to the people of Stratford town, support around 1,000 town residents per annum with a range of issues most commonly - debt, benefits and housing.

ILEAP: £54,111 over 3 years

Year 3: £23,037. Project co-ordinator 2018 - 2021

This project funding will enable ILEAP to be sustainable and provide long term stability to its members. The project co-ordinator has increased the number of participants and volunteers who assist with other services e.g. peer mentoring, assisted holidays and festival friends.

The Myton Hospices: £60,000 over 3 years

Year 3: £20,000. Specialist care and support to adults who have a terminal condition and emotional support for their families

The purpose of the grant is to contribute towards the cost of care of residents of Stratford town who have a terminal condition such as heart failure, cancer, motor neurone disease, Parkinson's disease or COPD. The care is provided free of charge and the Hospice aims to meet patients' physical, psychological, spiritual and social needs plus support for families at a challenging time.

The Shakespeare Hospice: £150,000 over 3 years

Year 3: £50,000. Hospice at Home

Hospice at Home cares for and supports on average 30 patients and their families per month in their homes. The choice to be cared for at home remains the preference and with the belief that people with a life limiting illness should be able to choose with confidence where they spend their final days. Without this service patients would have less choice in their preferred place of care and may be admitted to residential homes or hospital.

VASA: £105,000 over 3 years

Year 3: £35,000. Community transport and running costs

This project enables VASA to operate a community transport service so that Stratford residents can attend medical and social appointments.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Multi year grants – grants awarded which cover up to a period of three years (continued)

Young People First: £50,000 over 3 years

Year 3: £9,605. Sharp Minds

Sharp Minds gives young people experiencing mild to complex mental health issues a place to go where they can access confidence building social opportunities and support from qualified and knowledgeable youth workers. This includes 1:1 mentoring, advocacy and family mediation with additional support provided by a range of specialist counsellors.

Insight Counselling & Support Services (previously known as DACS): £99,000 over 3 years

Year 3 £33,000. Domestic abuse counselling & intervention for Stratford

To deliver specialist intervention counselling service for victims of domestic violence, which in turn reduces risk of domestic violence and increases the safety of victims and their children.

Entrust Care Partnership: £32,000 over 3 years

Year 2 £10,666. Family support worker

This project enables a key worker to support families with disabled children to increase resilience, improve wellbeing and help to maintain stability through a holistic approach.

Foundation House

Foundation House is a community facility that allows a diverse range of individuals, groups, charities, artists, makers and social enterprises to work together in an inclusive, open and welcoming environment, providing an affordable, accessible space for existing and potential community members - temporary, short and longer-term. The net running costs of Foundation House in 2020 were £133k.

There are 12 groups who have an allocated space and call Foundation House their home. The cost of the space which each group occupies is treated as a benefit in kind and is summarised in the table below:

Name of organisation	Benefit in kind value £
Change Grow Live (formerly operating as Addaction)	6,127
Escape Arts	7,622
Safeline	9,164
Heart of England Woodturners	588
Second Thoughts Drama Group	5,207
Shakespeare Lions	3,295
Stratford Army Cadets*	9,174
Stratford Ambulance Association	6,669
Stratford District Radio Society	2,859
Stratford Men's Shed	11,913
Warwickshire Reminiscence Action Project	10,052
Welcombe Radio	3,038
Total benefit in kind	75,708

*Net of licence fee

The benefit in kind figure is calculated based on the cost of the building per metre square. Foundation House has three meeting rooms that can be hired by other groups, businesses and individuals for a variety of events. During 2020 the social distancing restrictions meant their usage was greatly reduced but hirers included adult community learning courses, classes teaching English as a second language, Girl Guiding activities, first aid courses, chess club, handicraft groups, Warwickshire Pride, yoga sessions and drumming groups.

The monthly community café event hosted by a local group, was curtailed by Covid restrictions. However, we are looking forward to its restart as soon as it is safe to do so.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Summary of Discretionary Grants awarded in 2020

Community benefit	Awarded £	Examples of Beneficiaries
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	479,880	<ul style="list-style-type: none"> • Spring Housing Association: Stratford Housing Plus Centre £85,000 • Domestic Abuse Counselling Service: Covid-19 Emergency Response Fund £5,000 & domestic abuse counselling & intervention for Stratford £33,000 • Citizens Advice South Warwickshire: Covid-19 Emergency Response Fund £5,000 & frontline support year 3 £65,825 • The Myton Hospices: Covid-19 Emergency Response Fund £5,000 & in-patient care year 3 £20,000 • The Shakespeare Hospice: Covid-19 Emergency Response Fund £5,000 & Stratford support year 3 £50,000 • Refuge: Covid-19 Emergency Response Fund £5,000 • Lifespace Covid-19 Emergency Response Fund £5,000 & continuation of services £15,136 • Safeline: Covid-19 Emergency Response Fund £5,000 & development manager £16,560 • Escape – Community Art in Action: Covid-19 Emergency Response Fund £5,000 • VASA: Stratford Support £9,420 & community transport year 3 £35,000 • Young People First: Sharp Minds – Stratford support year 3 £9,605 • ILEAP: Project Coordinator year 3 £23,037 • Entrust Care Partnership: family support service year 3 £10,666 • The Parenting Project: Digital delivery services £19,195 • Act on Energy: Heat for health project £10,000 • Warwickshire Vision Support: Stratford Support £5,000 • Home-Start South Warwickshire: impact & fundraising development £4,700 • Stratford Timebank: Strategic consultant £4,375 • Hardship fund for individuals: administered by CASW £15,000
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	109,070	<ul style="list-style-type: none"> • Grants to all town state schools and the college plus three out of town state schools with a large number of Stratford-upon-Avon resident pupils: £94,984 in total - 15 grants • 1st Shottery Scout Group: outside meeting facilities £5,902 • Kate's Story Tree: Stratford stories £2,250 • STT charitable activities: Wind in the Willows £2,000 • Leamington Brakes Junior Football Club: Brakes Vitality Stratford £1,500
To provide or support facilities for recreation and other leisure-time occupation	111,760	<ul style="list-style-type: none"> • Play House: community event support & running costs £57,500 • Royal Shakespeare Company: Winter Wonderland £20,000 • Escape - Community Art in Action: leadership & training £15,000 • Orchestra of the Swan: digital work £12,000 • Sunny Side Up: virtual afternoon tea £2,250 • Stratford Upon Avon Cricket Club: Alscot Park facilities development £1,500 • Stratford upon Avon Chamber Music Society: running costs £1,000 • The Bear Pit: support to reopen £1,500
To advance Christian religion	1,500	<ul style="list-style-type: none"> • Stratford Churches Together: coordination of administration
To support citizenship and community	1,500	<ul style="list-style-type: none"> • Welcombe Radio: Radio station upgrade £1,500
To support Civic Pride	1,400	<ul style="list-style-type: none"> • Bandstand concerts
Other charitable purposes	2,170	<ul style="list-style-type: none"> • Warwickshire Pride: Proud Youth Stratford £1,500 • Accessible Stratford: 'My' Accessible Stratford upon Avon £670

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Non-Discretionary Grants

The Grammar School of King Edward VI at Stratford-upon-Avon (charity number 528769) received £348k (2019: £632k) from the Guild Estate in accordance with the Charity Commission Scheme dated 1 October 2001. £45k (2019: £44k) was paid towards the maintenance of the Almshouses, by the Guild Estate. A stipend of £7k (2019: £7k) was paid to the Vicar of Holy Trinity Church by the College Estate.

Guild Chapel

During the last year we took advantage of the lockdown to carry out essential repairs to the pinnacles on the roof of the Chapel. With thanks to the Friends of the Guild Chapel the organ has undergone some adaptations meaning audiences will be able to observe the organist during recitals. Due to the pandemic this project has taken much longer than anticipated but was completed in March 2021.

In spite of closure, our loyal and indomitable volunteer guides have continued to support the Chapel, embracing the virtual world and delivering talks to special interest groups. In October there was a brief hiatus where the guides were able to welcome visitors to the Chapel and share their knowledge. We are especially grateful to the volunteers who give their time and share their expertise so generously.

Whilst the doors remained closed to the public for a large part of the year, we were delighted that when schools were permitted to return, the pupils of King Edwards School were able to hold their morning assembly in the Chapel.

Over the year we have enjoyed positive collaboration with The Friends of the Guild Chapel and would like to specifically thank them for their generous support in improving the organ. The formation of a Guild Chapel Steering Group, including a representative of the Friends and the University of York, has enabled a more strategic focus on the needs of this historic building through quarterly meetings.

The Trust has continued to build on its relationship with University of York (Department of Archaeology and the Centre for the Study of Christianity & Culture) with plans for further conservation of the wall paintings.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

FINANCIAL REVIEW *(incorporating strategic review)*

OVERVIEW

In 2020 total income for the Trust was £3.1m (2019: £3.6m) the vast majority of this income (99%) was generated from the charities' investments, the Trust is very fortunate to have such a legacy and to not have to undertake fundraising on a regular basis. Investment (both property and equity) management costs amounted to £1.4m, so 54.5% of the total income was available for charitable purposes to be spent on enhancing the lives of the people of Stratford-upon-Avon (2019: 69.4%). We are very aware that the costs of managing the investments must be monitored closely and spent carefully, but also it is important that the investments are managed well thus ensuring income flows for future generations.

£1.7m was spent on charitable expenditure (2019: £2.4m), of which £1.3m was given as grants (2019: £2.0m), £0.9m were discretionary grants and the costs of Foundation House, for more detail see note 9.

INCOME

Total income of £3.1m was lower than last year (2019: £3.6m). Investment income, £3.1m, remains our main source of income being 99% of the total. The reduction was due to lower car park revenue of £0.2m and £0.3m reduction in rental income due to an increased level of void properties and the impact of CVA arrangements.

Our investments had a yield of 5.5% (2019: 6.0%). The slight decrease in yield was due to a marginal decline in the rental income, whilst the equity income yield was consistent year on year.

EXPENDITURE

The majority, 88% (2019: 86%), of the expenditure of raising funds, relates to the direct costs of managing the investment portfolio and in the main these costs relate to managing and maintaining the property portfolio. The cost of raising funds was £1.4m (2019: £1.1m). For more detail see note 8.

Statement of financial activities – summary		
	2020	2019
	£k	£k
Investment income	3,073.7	3,579.0
Donations & Legacies	59.4	7.7
Charitable activities	0.3	7.3
Other income	2.3	9.2
Total income	3,135.7	3,603.2
Expenditure on raising funds	1,427.0	1,104.3
Total net income	1,708.7	2,498.9
% of total income available for charitable purposes	54.5%	69.4%
Discretionary grants*	898.7	1,277.2
Non-discretionary grants	399.3	682.8
Other charitable activities	408.3	427.0
Total charitable activities	1,706.3	2,387.0
Net incoming resources	2.4	111.9

*Includes costs of Foundation House

CHARITABLE EXPENDITURE

During 2020 our charitable expenditure was £1.7m, a decrease from 2019, £2.4m. The change was primarily driven by a reduction of £0.3m in discretionary grants committed and a reduction in the grant to King Edward VI School of £285k.

83.5% (2019: 86.5%) of the charitable expenditure was either grants or direct expenditure on community facilities.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OVERHEADS

Considering the value of the Town Trust's assets and the range of its activities, our staffing levels are relatively small; we occupy premises owned by the College Estate. We have the minimum necessary standards of technological and systems infrastructure.

Nonetheless the trustees remain acutely aware that our primary purpose is to deliver much needed financial and other support to the community and our discretionary grant beneficiaries. To that end we keep our overhead costs under stringent review.

Our present overhead structure is comparable to 2019 and through 2020 we took advantage of the Coronavirus Job Retention Scheme placing ten members of staff on either flexible or full furlough. During the year the allocation of support costs was reapportioned, to reflect the workloads and activities undertaken in the year.

BALANCE SHEET

At the end of 2020 the Town Trust had investments totalling £56.7m. These are the investments from which we generate all of our income. Of this, 94.8% of investments are defined as endowed assets, which means that if any of these assets are ever sold all proceeds must be reinvested and the resulting assets would also be defined as endowed. During the year, the investments decreased in value by 8.1% (2019: increased by 2.4%).

There were no property acquisitions or disposals during the year. In August the Trust disposed of the passive investments held with Legal & General as they were underperforming and reinvested all the proceeds with Sarasin & Partners.

At the end of the year the Town Trust had £0.5m of grants committed to discretionary grant beneficiaries and non-discretionary grant beneficiaries, to be paid within the next 12 months (2019: £0.6m). This amount is included in creditors.

During the year the Charity borrowed £900,000 as a Coronavirus Business Interruption loan. The loan is for six years and repayable in monthly instalment from June 2021. There is a fixed legal charge in place over the Play House in respect of the bank borrowings.

The Town Trust has a liability of £0.7m (2019: £0.3m), which relates to the deficit of the defined benefit pension scheme (see note 24).

The total reserves at the end of the year were £57m, of which £3.3m were unrestricted funds, of these unrestricted funds £2.5m are available to fund future charitable activities.

RESERVES POLICY

The trustees review the reserves policy annually and consider it very important that the three Trusts can pay all their committed grants and have free reserves to cover ongoing administration costs for six months.

Stratford-upon-Avon Town Trust

Unrestricted reserves are held in the Trust to cover six months of administration costs (estimated at £321k), the balance being available to pay future grants. The level of this reserve is reviewed annually.

In 2015 a designated reserve was set up to match the net book value of the Play House building, which is a tangible fixed asset. The annual depreciation associated with this asset is charged to this designated reserve. In 2017 two further designated reserves were set up, one was for the fixed assets relating to Foundation House. The annual depreciation associated with this asset is charged to this designated reserve, the other for future running costs of Foundation House, against which £50k a year of running costs are charged to the reserve. The designated reserves at the end of the 2020 can be summarised as:

	£
Play House (formerly ArtsHouse) building	1,293,309
Foundation House building improvements	743

Guild Estate and College Estate

The permanently endowed reserve in each of Guild Estate and College Estate will always be fully investment and cash backed. To recognise the small operational risk in both charities an unrestricted reserve of at least £30k will be held in College Estate and £100k in Guild Estate. The level of reserves is reviewed annually. For more detail of the individual charities' reserves see note 20.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

INVESTMENT POLICY AND PERFORMANCE

At the end of 2020 Town Trust held investments of £56.7m, a decrease of £3.2m compared with 2019. Stratford Town Trust has two endowed investment portfolios, which are held by Guild Estate and College Estate, and other investments, which are held by Town Trust and College Estate.

The objective of the investment policy is to create sufficient income and capital growth to enable the Trust to carry out its purposes consistently year on year. In the medium to long term the Trust aims to generate an average annual income yield of 4.5% and for the capital value of the portfolio to grow at least in line with inflation.

The broad thrust of our investment policy in recent years has been to increase portfolio diversification and reduce our exposure to property in Stratford-upon-Avon. The target set for reducing physical property investment, in the Guild and College Estates, to between 70% and 80% of the total investment portfolio value, has been met.

The Board reviewed and updated the investment policy in September 2020. The policy's main objectives are:

- Short Term (less than three years) Objective**
 The short-term investment objective is to ensure that the Town Trust has sufficient liquidity to enable it to fund its planned spending on good causes and meet its overhead costs as they fall due.
- Medium to Long Term Objective**
 The medium to long-term investment objectives, as measured over a 10 year rolling period, are to achieve a balanced return from the overall portfolio such that: for the combined portfolio of all the charities there is an expectation of net income yield being not less than 4.5% p.a. and that the capital value grows at least in line with inflation (RPI). Net income is defined as gross income less all direct costs (i.e., fees, repair costs, legal/advisor fees). **(4.4% is the weighted average of the yield of property (4.98%) plus the yield of the quoted investments 3.2%).**
- Long Term Objective**
 Endowment investments are expected to exist in perpetuity and should be managed to meet the charities' investment objectives and ensure their sustainability.

The Trusts Capital and Income Act 2013 proposed that endowed charities may adopt a total return approach, without having to seek Charity Commission approval. As such the Trust has considered this point in relation to its endowed investments but decided it was an approach it would not adopt at this time.

The Town Trust does not have any social investments; all Guild Estate and the majority of College Estate investments are endowed.

The endowed investments are split between physical property, equity investments, property fund investments and cash equivalents. The non-endowed investments are held in equity or property funds. All investments held in equity or cash are readily realisable if required.

Investment	2020 £m	2019 £m	2020 %	2019 %
Endowed:				
Physical Property	35.6	38.9	62.8	64.9
Equity Funds	15.5	15.3	27.3	25.5
Property Funds	2.7	2.8	4.8	4.7
Cash equivalent	0.1	0.1	0.2	0.2
Total endowed investments	53.9	57.1	95.1	95.3
Non Endowed:				
Equity Funds	2.1	2.1	3.7	3.5
Property funds	0.7	0.7	1.2	1.2
Total non endowed investments	2.8	2.8	4.9	4.7
Total investments	56.7	59.9	100.0	100.0

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Independently Managed Funds Performance

As at December 2020 the equity investments are held with the following fund managers: Sarasin & Partners, Cazenove Capital Management. The property funds are held with either the Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are shown in the table below:

	Income	Capital	Total Return	Target	Benchmark
Trust	3.2%	2.5%	5.7%	7.0%	6.0%
Guild	3.2%	0.6%	3.8%	7.0%	5.4%
College	3.3%	(0.3)%	3.0%	7.0%	5.0%

The benchmark for the Guild Estate and College Estate is the weighted average of the benchmark for the property funds (-1.0%), which is based on AREF / MSCI All Balanced Funds Property Index, the benchmark for passive funds 5% and the benchmark for the Common Investments Funds (6.8%) (which is calculated based on: ICE BofAML Sterling Corporate(7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI AC World ex UK (Local Currency) (gbp) (10%), MSCI AC World ex UK (Net Total Return) (40%), MSCI All Balanced Property Funds – One Quarter Lagged (5%), MSCI UK IMI (Net Return) GBP (20%), UK cash LIBOR 1 Month (Total Return) (10%).

The benchmark for the Town Trust is based on ICE BofAML Sterling Corporate (20.68%), ICE BofAML UK Gilts All Stocks (20.97%), MSCI AC World ex UK (local currency – GBP) (8.7%), MSCI AC World ex UK (Net Total Return) (18.7%), MSCI All Balanced Property Funds – ONE Quarter Lagged (2.32%), MSCI UK IMI (Net Return) GBP (21.6%), S&P Developed Property Net TR (2.03%), UK cash LIBOR 1 month (Total Return) (5%).

The under performance of the actual total return performances against the targets and benchmarks were due to the impact of Covid-19 pandemic.

In August 2020 the investments in Legal & General passive funds were sold due to their underperformance and the proceeds were reinvested with Sarasin & Partners.

Property Investment Performance

The combined property portfolio is valued at £35.6m (2019: £38.9m). The property agents, Colliers International, performed a full valuation of properties as at 31 December 2020, which resulted in the property value decreasing by £3.3m as a result of the impact of void properties, new tenancies and rent reviews.

The income yield during the year continued to be acceptable, however the capital return was impacted by the Covid-19 pandemic, the economic challenges being faced by High Street retailers and landlords and to a lesser degree the impact of BREXIT.

	Income	Capital	Total Return	Target	Benchmark
Guild	6.3%	(10.9)%	(4.6)%	7.2%	(1.0)%
College	7.2%	(0.1)%	7.1%	7.2%	(1.0)%

The benchmark for the Guild Estate and College Estate is the AREF/MSCI All Balanced Funds Property Index.

The Group property portfolio had an average capital return of -9.3% (2019: -1.3%). The rental yield for the combined portfolio was 6.5% (2019: 7.2%), giving a total return of -2.8% (2019: 5.9%).

In 2020 the health of our commercial property portfolio in Stratford-upon-Avon suffered due to the economic impact of Covid-19 and due to the age and listed status of some properties. During the year we have had few void properties and a level of rent arrears that was no worse than those experienced by other property portfolios, of our magnitude and mix, during the Covid pandemic.

At the year-end there were three void offices and three void retail units.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Investment criteria

The trustees have considered carefully the requirements of the SORP and the Charity Commission's revised guidance note CC14 (issued in October 2011) and continue to conclude that they do not believe there is any listed investment adverse to the purpose of the charity.

Public Benefit

The Public Benefit of the Town Trust is primarily achieved through its grant-making that aims to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish).

Early on in the Covid pandemic the Trust were a key delivery partner with Stratford-upon-Avon Town Council in the formation of Stratford Support, delivering essential food and medicines, and making well-being calls to the most vulnerable members of our community. This was facilitated by a team of committed community volunteers.

In order to measure where our grants are having most impact all grant applicants are required to provide information on their specific user group by reporting on the number of people they reach, together with their ability to evidence a Stratford-upon-Avon postcode. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community it serves. Through close links and a deep engagement with local voluntary sector groups and charities the Town Trust ensures that the net of benefit is cast as widely as possible.

In 2020 our community hub, Foundation House has gone from strength to strength, providing an enormous benefit to the community. There are 12 groups who have been granted benefit in kind space, alongside many others who continue to utilise and enjoy the various meeting spaces on a regular basis.

Our 107 allotment plots in Church Lane, Shottery have been a place of creativity and comfort during the uncertainty of the last 12 months. Recently, we were delighted to see the allotment community coming together to support the Foodbank in sharing surplus produce and have recently installed a "swap box" for sharing with fellow growers.

The trustees in exercising their powers and duties, have complied with their duty in Section 17 of the Charity Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Governance

The Stratford-upon-Avon Town Trust (Town Trust) is the corporate Trustee of the Guild Estate Endowment Charity (Guild Estate) and the College Estate Endowment Charity (College Estate) (referred to as "the Group").

CHARITY REGISTRATION NUMBER 1088521
COMPANY REGISTRATION NUMBER 04222949, registered in England & Wales

The Town Trust is a charitable company limited by guarantee, incorporated on the 24 May 2001, and registered as a charity on the 1 October 2001. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and it is governed under its Articles of Association. The Trust is the corporate Trustee of the Guild Estate Endowment and the College Estate Endowment Charities (referred to as "the Group"). Although the Guild and College Estates are not companies under company law, the Charity Commission recognises that the three entities operate as a group and as such allow the statutory accounts to be prepared on a consolidation basis.

The Trust can have a maximum of eleven trustees. Five are elected by the Trust's members, three are nominated by the Stratford-upon-Avon Town Council (but do not need to be Town Councillors) and three are co-opted, chosen by the other trustees via an open recruitment process. The trustees serve an initial term of four years, after which they may put themselves forward for re-selection or re-election for another four-year term.

Within the Town Trust, all trustees (elected, nominated and co-opted) form the Board, as equal members. There are three committees, the terms of reference of all committees are reviewed and updated as required, on an annual basis.

The Audit & Governance Committee also has two non-executive members, who enable the Committee to operate in an independent and impartial manner.

The committees are: Audit & Governance Committee; Grants & Communications Committee; and Finance, Investment and Property Committee. The Remuneration sub-committee, which is a sub-committee of the Finance, Investment and Property Committee is responsible for recommending any staff remuneration and benefit changes to the Board, which in turn is responsible for the approval of such amendments.

The key responsibilities of the committees are shown in the table below.

Committee	Responsibilities
Audit & Governance	<ul style="list-style-type: none">• Ensuring risk management, governance and internal control systems are functioning effectively and report when attention is required to improve• Interface with external auditors• Review and oversight of constitution, regulations and non-operational decision making• Review, adoption and implementation of policies relating to corporate and Charity Commission regulations and laws
Grants & Communications Committee	<ul style="list-style-type: none">• Review and recommend a Communication Strategy and Community Investment Policy in relation to grant funding• Recommend and oversee delivery of Communication and Grants Plan• Approve and review grant awards
Finance, Investment and Property	<ul style="list-style-type: none">• Review of quarterly management accounts, annual budgets, 3 year rolling plans and the annual report and financial statements• Review and updating of investment and reserve policies• Review and oversight of all property & investment related matters

During the year there were nine Board Meetings, at which meetings the trustees agreed the broad strategy of the Trust and discussed the key areas of activity of the Trust, including grant giving, investment, reserves and risk management. The various committee minutes are reported at the subsequent Board meetings.

In November 2020 Josie Stevens was recruited to fill the elected trustee vacancy, her term will run until May 2022. The Town Trust is most appreciative of the time and effort which all its trustees give so freely to the Trust (for full details of trustees see page 18).

STRATFORD-UPON-AVON TOWN TRUST

REPORT OF THE TRUSTEES

Governance (continued)

A comprehensive induction process is provided to each trustee on joining the Town Trust. All conflicts of interests are registered when a trustee joins the Town Trust and updates are requested at every committee and Board meeting. In meetings where a conflict of interest arises the trustee withdraws from that section of the meeting.

All trustees are volunteers and no trustee received any remuneration during the year. Details of trustee expenses are disclosed in note 21 and trustee related party transactions are disclosed in note 28.

The Town Trust employs a number of staff, details of staff costs and numbers are disclosed in note 11. All new staff are inducted and trained when they join the Town Trust, so that they can perform their responsibilities efficiently and effectively within the guidelines set out by the Town Trust's policies, processes and procedures. There is a staff appraisal process and staff training requirements are reviewed annually. The staff who have delegated powers set by the Board, undertake the administration for all three entities and as such a management charge is passed on to Guild Estate and College Estate to reflect this.

Risk Management

The Town Trust's risk policy was reviewed in autumn 2020, when the Town Trust assessed its risk appetite to be low to moderate. The Town Trust continually reviews its risks, which are maintained on a risk register. Risk is a standing agenda item for all Board and Committee Meetings.

The risk policy explains the process for identifying, assessing, mitigating and managing the risks. Once the risk has been identified and categorised, it is then assessed based on the impact and the likelihood of the risk occurring. Then, if possible measures are taken to mitigate the risk. The policy requires that the risks be monitored and assessed on a regular basis, the Town Trust's policy states that this is done by reviewing and discussing the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees consider that the major risks facing the Group at the end of the year were:

Description of Risk	Mitigation of Risk
Risk relating to coronavirus pandemic	Following the Public Health England guidance, closely managing impact on our investment portfolio and the Trust's ability to maximise grant giving
Change in town centres and the retail market across the UK, resulting in a higher level of voids, arrears	Property managers have increased liaison with tenants, monitoring of arrears by property, proactively marketing void properties.
Commercial tenants fail to maintain their property under the terms of their lease	All properties are inspected on a regular basis by the property manager and a report on repairs required by tenant is prepared and a dialogue occurs with the tenant, any actions are followed up on an ongoing basis. At the end of leases a proactive approach is adopted in terms of dilapidation negotiations and settlements.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Health and Safety

In 2020 the Town Trust continued its programme of Health and Safety site audits which is driven by keeping our people, the community, properties and environment safe. During the first half of the year audits were carried out and recorded by external Health and Safety experts who acted as the organisation's Competent Person. In July 2020 we were able to bring this in house with the arrival of our IOSHH qualified Buildings and Facilities Manager. This will strengthen the Trust's approach to keeping all our staff and visitors safe. The Health and Safety Group meets quarterly with representatives from across the organisation. A regular inspection programme is carried out by Town Trust staff alongside a suite of Risk Assessments. Health and Safety is a standing Board agenda item.

Inclusion and Diversity

The Town Trust will show respect for all our employees and volunteers, valuing everyone's contribution, regardless of their age, gender, gender identity, sexual orientation, marital status, civil partnership status, disability, nationality, race, religion or belief. We are committed to providing equal opportunities for all employees and volunteers.

Safeguarding

Whilst the Trust does not work directly with children, young people or vulnerable adults we recognise many of the groups that we support do, particularly in Foundation House. Therefore, we place considerable focus on safeguarding governance with mechanisms in place for regular review of policy and procedures.

Contacting our Members and the Community

The Town Trust prides itself on a high standard of professional conduct to ensure GDPR compliance. This will be supported by an audit early in 2021 with the aim to embed and document compliant practice across the organisation. Whilst we do work with specialist people and organisations to advise and support our activities, we do not fundraise or canvas our members for fundraising on behalf of any other organisation.

Openness, Transparency and Accountability

The Town Trust works hard to minimise overheads and maximise the funds flowing into the grant-making programme. The CEO is available every Friday to meet Trust members or community members with a shift to virtual meetings in 2020. In November 2020 the Trust held a member's webinar to launch our 2021-25 strategy at which 82 members were in attendance.

Grant Making Policy

Details of how to apply for grants are available on the Town Trust's website: www.stratfordtowntrust.co.uk. Applications are made to the Town Trust, using the appropriate form. The Town Trust operated only one main grants rounds in 2020 due to the reduction in grant funding available as a result of the Covid-19 pandemic. The Town Trust also continued to offer its Fast-Track grant scheme whereby organisations could apply for grants up to £1,500 and receive a decision in ten working days. We continue to offer small value grants to individuals experiencing financial hardship; this scheme is administered on our behalf by Citizens Advice South Warwickshire.

The organisations in receipt of multi-year grants continue to report during the year. Once the first year's grant is awarded, subsequent years of the project are awarded in principle only. These grants are dependent upon the organisation meeting agreed targets and the trustees approving the report and a budget for the coming year.

Each grant is allocated to one of our charitable objects, but many awards meet two or more of the Town Trust's objects.

Monitoring of all grants takes place through visits, grant utilisation reports and grant audits.

Control Environment

Internal Controls

The Board is responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the strategic and operational risks which the Trust has and could be exposed to. Processes in place regarding risk management and internal controls include:

- Risk Policy and process
- Review of internal controls and processes by Audit & Governance Committee and Compliance Advisor where appropriate
- All major programmes and projects are scrutinised by Senior Management and monitored through an appropriate Committee
- The safeguarding of assets against unauthorised use or disposition
- The maintenance of proper accounting records
- The reliability of the financial information used within the Trust or for publication
- The safeguarding of personnel

The Trust has an organisational structure with defined lines of responsibility, job descriptions and delegated authority levels.

Information Systems

The Trust prepares quarterly management accounts which compare actual results with the budget and these are reviewed by both the Finance, Investment and Property Committee and the main Board. Variances are followed up by management. Annually a three-year plan is produced and this is dovetailed into the strategic plan with scenario overlays, where necessary. An annual budget is produced, which is compared with the three-year plan and the expected out-turn by the Finance, Investment and Property Committee and then approved by the Board. Cash forecasts are prepared monthly to aid investment decisions and cash management.

The Board has examined the effectiveness of these key procedures during the year. This is achieved primarily through the review of the reports from management and external audit, reviews of the quarterly and annual financial statements and reviews of the major risks facing the Trust.

The Board has reviewed the effectiveness of the Trust's system of internal financial controls that require disclosure in the financial statements and believes them to be adequate.

The Trust has outsourced its IT contract, thus ensuring that it has the best cyber security and backup processes to protect the Trust's network and data.

Our Staff and Volunteers

None of the Trust's work would be possible without the commitment and hard work of our volunteers, supporters and staff.

In December 2020 the Trust had 15 paid members of staff, the majority being part-time. Their wealth of experience, skills and commitment has enabled the Trust to deliver another year of grants and investment management despite the challenges created by the Covid-19 pandemic. It is important that the Trust continues to attract, recruit and retain talented and committed individuals. The Board of trustees are responsible for the approval of the annual remuneration review, which is recommended by the Remuneration Sub-committee.

The Town Trust's volunteers are also key to the success of the Town Trust and those related with the Guild Chapel are assisting with the unlocking of this hidden gem. The Town Trust is most grateful to all of them.

The Town Trust's employment policies follow best practice, it confirms its commitment to equality of opportunity in all areas of employment. All employees are treated in a fair and equal manner and in accordance with the law regardless of gender, marital status, race, religion or belief, age, disability or sexual orientation.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OFFICERS, CONTACTS AND ADVISORS

TRUSTEE BOARD

Tim Bailey
 Charles Bates (retired 31.5.20)
 Tessa Bates (retired 31.5.20)
 Gill Cleeve (appointed 1.6.20)
 Liz Coles (appointed 1.6.20)
 Tony Jackson (Deputy Chair of Board & Chair of Grants & Community Engagement Committee to July 2020)
 Lindsay MacDonald
 Matthew Macdonald
 Stephen Parker
 Clive Snowden (Chair of Finance Investment & Property Committee)
 Josie Stevens (appointed 2.11.20)
 David Taylor (Chair of Grants & Community Engagement Committee from July 2020)
 Quentin Willson (Chair of Board)

NON EXECUTIVE AUDIT & GOVERNANCE COMMITTEE MEMBERS

Andreas Flor Deputy Chair from 1 January 2020 to 18 February 2021 (resigned 18.2.2021)
 Sundash Jassi Chair from 1 January 2020

CHIEF EXECUTIVE	Sara Aspley	SENIOR MANAGEMENT TEAM	Rebecca Hampson, James McHugh, Fiona Tomlinson (appointed 6.7.20), Lynn Wilson
AUDITORS	Saffery Champness LLP St John's Court Easton Street High Wycombe HP11 1JX	PROPERTY MANAGER	Colliers International 12 th Floor Eleven Brindley Place 2 Brunswick Square Brindley Place Birmingham B1 2LP
INVESTMENT MANAGERS	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU		Schroder Unit Trusts Limited Sunderland SR43 4AQ Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD
SOLICITORS	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB Wiggin Osborne Fullerlove 95 The Promenade Cheltenham GL50 1HH	BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP

Stratford-Upon-Avon Town Trust is a private company limited by guarantee (company number 04222949) incorporated in England and Wales. It is also a registered charity (charity number 1088521). The registered office is at 14 Rother Street, Stratford-upon-Avon, CV37 6LU.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Statement as to disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor. The Trustee Report (including the Strategic Report) was approved by the Board of trustees on 19 May 2021 and signed on their behalf by Quentin Willson.

A handwritten signature in black ink, appearing to read 'Quentin Willson', with a stylized flourish at the end.

Quentin Willson
Chair of Board
19 May 2021

STRATFORD-UPON-AVON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Stratford-upon-Avon Town Trust for the purposes of company law) 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).

Company law 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

STRATFORD-UPON-AVON TOWN TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Stratford-upon-Avon Town Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise a statement of financial activities, Group and Charity balance sheet and statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

STRATFORD-UPON-AVON TOWN TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 20, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

**STRATFORD-UPON-AVON TOWN TRUST
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

 LLP

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Karen Bartlett (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants

St Johns Place
Easton Street
High Wycombe
HP11 1JX

Statutory Auditors

Date: 1 June 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STRATFORD-UPON-AVON TOWN TRUST
CONSOLIDATED GROUP STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account for the year ended 31 December 2020

	Note	Unrestricted funds 2020 £	Permanent endowment funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Permanent endowment funds 2019 £	Total funds 2019 £
Income from:							
Donations and legacies*	4	59,415	-	59,415	7,714	-	7,714
Investment income	5	3,073,701	-	3,073,701	3,578,983	-	3,578,983
Charitable Activities	6	250	-	250	7,322	-	7,322
Other income	7	2,340	-	2,340	9,149	-	9,149
Total Income		3,135,706	-	3,135,706	3,603,168	-	3,603,168
Expenditure on:							
Raising funds	8	1,427,006	-	1,427,006	1,104,276	-	1,104,276
Charitable activities**	9	1,706,344	-	1,706,344	2,386,950	-	2,386,950
Total expenditure		3,133,350	-	3,133,350	3,491,226	-	3,491,226
Net (losses) / gains on investments	15/18	36,545	(3,251,920)	(3,215,375)	222,638	1,211,659	1,434,297
Net income and expenditure		38,901	(3,251,920)	(3,213,019)	334,580	1,211,659	1,546,239
Other recognised gains and losses							
Actuarial (losses) on defined benefit pension schemes	24	(362,000)	-	(362,000)	(193,000)	-	(193,000)
Net movement in funds		(323,099)	(3,251,920)	(3,575,019)	141,580	1,211,659	1,353,239
Reconciliation of funds							
Total funds brought forward		3,605,505	57,007,911	60,613,416	3,463,925	55,796,252	59,260,177
Total funds carried forward	18	3,282,406	53,755,991	57,038,397	3,605,505	57,007,911	60,613,416

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 29 to 48 form part of these financial statements.

* Includes restricted funds income of £37,029 (2019: £nil) received from Lottery Community Fund emergency Covid-19 Funding

** Includes restricted funds cost of £37,029 (2019: £nil) funded by the above grant

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account
for the year ended 31 December 2020

	Notes	Total Funds 2020 £	Total Funds 2019 £
Income from:			
Donations and legacies*	4	1,177,293	1,673,476
Investment income	5	88,243	109,965
Charitable activities	6	-	1,048
Other	7	176,654	183,112
		<hr/>	<hr/>
Total income		1,442,190	1,967,601
		<hr/>	<hr/>
Expenditure on:			
Raising funds	8	227,465	235,570
Charitable activities:	9	1,220,061	1,619,393
		<hr/>	<hr/>
Total expenditure		1,447,526	1,854,963
		<hr/>	<hr/>
Gains on investment assets	15	55,339	238,034
		<hr/>	<hr/>
Net income and expenditure		50,003	350,672
Other recognised gains and losses			
Actuarial losses on defined benefit pension schemes	24	(362,000)	(193,000)
		<hr/>	<hr/>
Net movement in funds		(311,997)	157,672
Reconciliation of funds			
Total funds brought forward		3,460,681	3,303,009
		<hr/>	<hr/>
Total funds carried forward	20	3,148,684	3,460,681
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. All funds are unrestricted. The notes on pages 29 to 48 form part of these financial statements.

* Includes restricted funds income of £37,029 (2019: £nil)

** Includes restricted funds cost of £37,029 (2019: £nil)

STRATFORD-UPON-AVON TOWN TRUST
BALANCE SHEETS
As at 31 December 2020

	Notes	Group		Trust	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible fixed assets	14	1,676,781	1,756,802	1,676,781	1,756,802
Investments	15	56,680,971	59,896,415	2,134,998	2,079,660
		<u>58,357,752</u>	<u>61,653,217</u>	<u>3,811,779</u>	<u>3,836,462</u>
Current assets					
Debtors	16	484,761	368,645	151,242	361,702
Cash at bank and in hand		2,702,938	1,595,849	1,705,626	349,418
		<u>3,187,699</u>	<u>1,964,494</u>	<u>1,856,868</u>	<u>711,120</u>
Current liabilities					
Creditors: amounts falling due within one year	17	(3,017,872)	(2,671,295)	(1,030,789)	(753,901)
		<u>169,827</u>	<u>(706,801)</u>	<u>826,079</u>	<u>(42,781)</u>
Net current assets/ (liabilities)					
		<u>58,527,579</u>	<u>60,946,416</u>	<u>4,637,866</u>	<u>3,793,681</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	17a	(818,182)	-	(818,182)	-
Defined benefit pension scheme liability	24	(671,000)	(333,000)	(671,000)	(333,000)
		<u>57,038,397</u>	<u>60,613,416</u>	<u>3,148,684</u>	<u>3,460,681</u>
Net assets including pension liability					
Funds					
Capital funds					
Endowment Funds*	18	53,755,991	57,007,911	-	-
Income funds					
Unrestricted funds	20				
General fund		2,525,631	2,385,763	2,525,631	2,385,763
Designated fund		1,294,053	1,407,918	1,294,053	1,407,918
Other charitable funds (College & Guild)		133,722	144,824	-	-
Pension reserve	24	(671,000)	(333,000)	(671,000)	(333,000)
		<u>57,038,397</u>	<u>60,613,416</u>	<u>3,148,684</u>	<u>3,460,681</u>
Total funds	20				

*Includes revaluation reserves £34,339,643 (2019: £37,406,131)

The financial statements on pages 24 to 48 were approved by the trustees and authorised for issue on 19 May 2021.

The notes on pages 29 to 48 form part of these financial statements.

Quentin Willson, Chair

Clive Snowden, Chair of Finance, Investment & Property Committee

Registered company number 04222949

STRATFORD-UPON-AVON TOWN TRUST
CONSOLIDATED GROUP STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020 Total funds £	2019 Total funds £
Cash flows from operating activities:		
Net cash used in operating activities	<u>(2,897,548)</u>	<u>(3,537,521)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,111,334	3,588,131
Purchase of property, plant and equipment	(6,766)	(5,735)
Proceeds from sale of investments	1,190,055	969,850
Purchase of investments	<u>(1,284,844)</u>	<u>(963,931)</u>
Net cash provided by investing activities	3,009,779	3,588,315
Cash flows from financing activities:		
Cash inflows from new borrowings	<u>900,000</u>	-
Net cash provided by financing activities	<u>900,000</u>	-
Change in cash and cash equivalents in the reporting period	1,012,231	50,794
Cash and cash equivalents at 31 December 2019	<u>1,750,566</u>	<u>1,699,772</u>
Cash and cash equivalents at 31 December 2020	<u>2,762,797</u>	<u>1,750,566</u>

	2020 Total funds £	2019 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(3,575,019)	1,353,239
Adjustments for:		
Depreciation	86,787	111,522
Losses on investments	3,215,375	(1,434,297)
Dividends, interest, and rent from investments	(3,111,334)	(3,588,132)
Increase in debtors	(116,116)	(24,269)
Increase in creditors	<u>602,759</u>	<u>44,416</u>
Net cash used in operating activities	<u>(2,897,548)</u>	<u>(3,537,521)</u>

	2020 Total funds £	2019 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	2,702,938	1,595,850
Cash awaiting investment *	<u>59,926</u>	<u>154,716</u>
Total cash and cash equivalents	<u>2,762,864</u>	<u>1,750,566</u>

* £41,930 (2019: £140,377) of cash awaiting investment is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2020 £	Cashflow £	At 31 December 2020 £
Cash and equivalents			
Cash	1,595,850	1,107,088	2,702,938
Cash awaiting deposit	154,716	(94,790)	59,926
Total	<u>1,750,566</u>	<u>1,012,298</u>	<u>2,762,864</u>

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	2020	2019
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
<i>Net cash provided by / (used in) operating activities</i>	<u>198,076</u>	<u>(293,134)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	264,897	293,070
Purchase of property, plant and equipment	(6,766)	(5,735)
Proceeds from sale of investments	263,369	3,387
Purchase of investments	<u>(259,712)</u>	<u>-</u>
<i>Net cash provided by investing activities</i>	<u>261,788</u>	<u>290,721</u>
Cash flows from financing activities:		
Cash inflows from new borrowings	<u>900,000</u>	<u>-</u>
<i>Net cash provided by financing activities</i>	<u>900,000</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	1,359,864	(2,412)
Cash and cash equivalents at 31 December 2019	<u>363,758</u>	<u>366,170</u>
Cash and cash equivalents at 31 December 2020	<u>1,723,622</u>	<u>363,758</u>
	2020	2019
	Total funds	Total funds
	£	£
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(311,997)	157,672
Adjustments for:		
Depreciation	86,787	111,522
Gains on investments	(55,339)	(238,034)
Dividends, interest, and rent from investments	(264,897)	(293,077)
Decrease / (increase) in debtors	210,460	(219,911)
Increase in creditors	<u>533,062</u>	<u>188,694</u>
<i>Net cash used in operating activities</i>	<u>198,076</u>	<u>(293,134)</u>
	2020	2019
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	1,705,626	349,418
Cash awaiting investment	<u>17,996</u>	<u>14,340</u>
Total cash and cash equivalents	<u>1,723,622</u>	<u>363,758</u>

Analysis of change in net debt

	At	Cashflow	At
	1 January	£	31 December
	2020		2020
	£		£
Cash and equivalents			
Cash	349,418	1,356,209	1,705,627
Cash awaiting deposit	14,340	3,656	17,996
Total	<u>363,758</u>	<u>1,359,865</u>	<u>1,723,623</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020

1 Statement of accounting policies

Stratford-Upon-Avon Town Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is at 14 Rother Street, Stratford-upon-Avon, CV37 6LU.

a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS102) – (Charities SORP (FRS 102)) and the Companies Act 2006. Stratford-upon-Avon Town Trust 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 note.

The financial statements are prepared in Sterling which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

There are no material uncertainties about the charity's ability to continue as a going concern.

On 4 July 2003 the Charity Commissioners issued a direction under Section 96(5) of the Charities Act 1993 that the following charities shall be treated as forming part of the charity called the Stratford-Upon-Avon Town Trust for the purposes of Part VII of the Charities Act 1993:

The Guild Estate Endowment - registered number 217484.

The College Estate Endowment - registered number 217485.

As a consequence of the direction, group financial statements have been prepared. The group financial statements consolidate those of Stratford-upon-Avon Town Trust and its related charities, The College Estate Endowment and The Guild Estate Endowment under the merger accounting rules. Intra-group transactions are eliminated on consolidation.

b) Charitable Activities

The trustees consider that the charity is a public benefit entity as it makes grants to beneficiaries within the town of Stratford-upon-Avon. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 10.

c) Income

All incoming resources are recognised once the charitable company has entitlement to the resources, it is probable that the resources will be received and their amount can be measured with sufficient reliability. Property and investment income is recognised as it falls due.

d) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis e.g. estimated usage.

e) Grants payable

Grants payable are grants payable to third parties in furtherance of the charitable objectives of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant or the trustees have agreed to pay the grant without condition.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Costs of generating funds

These costs consist of investment and property management costs.

h) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

1 Statement of accounting policies (continued)

i) Investments

- (i) Investments are included in the accounts at the market value at the balance sheet date.
- (ii) Gains and losses arising on disposal are charged to the relevant fund immediately on disposal. Gains and losses arising on revaluation are disclosed as unrealised.

j) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	- over 3 years
Office equipment	- over 2 to 4 years
Play House plant and equipment	- over 5 years
Play House refurbishment	- over 3 to 50 years
Play House building	- over 50 years
Bandstand	- over 50 years
800 th Anniversary Commemorative Fountain	- over 50 years
Long leasehold property	- over life of lease or break option

Heritage Asset

Heritage assets are defined as tangible or intangible assets with historic, artistic, scientific, technological, geophysical or environmental qualities, which are held principally for its contribution to knowledge and culture. The Guild Chapel is recognised as a heritage asset by the Guild Estate as it is a very unique historic asset and is maintained by the Guild Estate for its cultural benefit. In the opinion of the trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements, as such no value is assigned to the Chapel in the balance sheet. The charity was assigned the Guild Chapel in 1553, it is not expected that any other heritage assets will be acquired. Also the charity intends to remain the custodian of the Guild Chapel in perpetuity.

m) Fund accounting

- (i) Permanent Endowment Funds relate to those assets which represent the permanent capital base of the charity and which may not be spent.
- (ii) Restricted funds are funds which are to be used in accordance with specific restrictions imposed by law.
- (iii) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- (iv) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

n) Operating leases

Operating leases are charged to the Statement of Financial Activities as incurred.

o) Retirement benefits

Contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the company. The regular cost is attributed to the individual years using the projected unit method. Variations in cost which are identified as a result of actuarial valuations are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs.

Defined benefit schemes are funded with the assets held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by the reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the group has a legal or constructive obligation to settle the liability.

The defined benefit scheme was closed to new members as from May 2010. The Trust operates a defined contribution personal pension scheme for employees, who joined after May 2010.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

1 Statement of accounting policies (continued)

p) Financial instruments

The Charity has only financial assets and liabilities that would qualify as basic financial instruments.

Basic financial assets, which include cash and debtors, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities such as trade creditors, loans and finance leases are initially measured at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at the market rate of interest. Financial liabilities classified as payable within one year are not amortised.

An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 Connected charities

Stratford-upon-Avon Town Trust controls The Guild Estate Endowment (charity number: 217484) and The College Estate Endowment (charity number: 217485) Charities. All three charities have common, parallel objects and activities and unity of administration. Set out below are the results of the Guild Estate and College Estate:

	Guild Estate 2020 £	Guild Estate 2019 £	College Estate 2020 £	College Estate 2019 £
Total Assets	38,098,708	41,288,051	18,028,564	18,099,283
Total Liabilities	<u>(1,116,716)</u>	<u>(1,072,035)</u>	<u>(1,120,844)</u>	<u>(1,162,563)</u>
Total Funds	<u>36,981,992</u>	<u>40,216,016</u>	<u>16,907,720</u>	<u>16,936,720</u>
			2020 £	2019 £
Guild Estate Endowment				
Total incoming resources			2,129,460	2,614,928
			<hr/>	<hr/>
Net (outgoing) / incoming resources			(3,234,024)	184,985
			<hr/>	<hr/>
College Estate Endowment				
Total incoming resources			910,492	927,906
			<hr/>	<hr/>
Net (outgoing) / incoming resources			(29,000)	1,011,275
			<hr/>	<hr/>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

4	Donations and legacies	Group		Trust	
		Total funds 2020 £	Total funds 2019 £	Total funds 2020 £	Total funds 2019 £
	Annual gift from Guild Estate	-	-	556,883	1,079,440
	Annual gift from College Estate	-	-	567,962	594,036
	Donations to Guild Chapel	1,210	7,714	-	-
	Furlough - grant	21,176	-	15,419	-
	Grant – National Lottery	37,029	-	37,029	-
		<u>59,415</u>	<u>7,714</u>	<u>1,177,293</u>	<u>1,673,476</u>
5	Investment income	Group		Trust	
		Total funds 2020 £	Total funds 2019 £	Total funds 2020 £	Total funds 2019 £
	Property income	2,397,887	2,839,059	21,928	32,850
	Dividends receivable	675,814	739,924	66,315	77,115
		<u>3,073,701</u>	<u>3,578,983</u>	<u>88,243</u>	<u>109,965</u>
6	Income from Charitable Activities	Group		Trust	
		Total funds 2020 £	Total funds 2019 £	Total funds 2019 £	Total funds 2019 £
	Guild Chapel	250	6,274	-	-
	Bandstand	-	1,048	-	1,048
		<u>250</u>	<u>7,322</u>	<u>-</u>	<u>1,048</u>
7	Other Income	Group		Trust	
		Total funds 2020 £	Total funds 2019 £	Total funds 2020 £	Total funds 2019 £
	Interest receivable on cash & bank	2,340	9,149	603	2,919
	Services to Guild Estate	-	-	113,893	110,585
	Services to College Estate	-	-	62,158	69,608
		<u>2,340</u>	<u>9,149</u>	<u>176,654</u>	<u>183,112</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

8 Expenditure on raising funds	Group		Trust	
	Total funds 2020 £	Total funds 2019 £	Total funds 2020 £	Total funds 2019 £
Investment Fund Managers' Fees	83,807	77,229	9,120	8,806
Property expenses	1,173,262	869,913	-	4,034
Support costs (note 10)	169,937	157,134	-	-
Services to Guild Estate (note 10)	-	-	141,269	136,684
Services to College Estate (note 10)	-	-	77,076	86,046
	<u>1,427,006</u>	<u>1,104,276</u>	<u>227,465</u>	<u>235,570</u>
9 Expenditure on charitable activities	Group		Trust	
	Total funds 2020 £	Total funds 2019 £	Total funds 2020 £	Total funds 2019 £
Grant Making				
Discretionary Grants	707,281	1,055,170	707,281	1,055,170
Foundation House	191,414	222,005	191,414	222,005
Non-Discretionary Grants				
King Edward VI School	347,515	632,228	-	-
Almshouses Maintenance	44,763	43,617	-	-
Holy Trinity Church	7,000	7,000	-	-
Grant Making Support Costs (note 10)	256,013	274,534	250,146	266,546
	<u>1,553,986</u>	<u>2,234,554</u>	<u>1,148,841</u>	<u>1,543,721</u>
Play House				
Direct venue costs	47,288	47,288	47,288	47,288
Support costs (note 10)	2,936	3,009	3,109	3,375
	<u>50,224</u>	<u>50,297</u>	<u>50,397</u>	<u>50,663</u>
Other activities				
Bandstand	2,444	2,999	2,444	2,999
800 th Anniversary Fountain	2,714	14,628	2,714	14,628
Guild Chapel	57,611	39,945	-	-
Support Costs (note 10)	39,365	44,527	15,665	7,382
	<u>102,134</u>	<u>102,099</u>	<u>20,823</u>	<u>25,009</u>
Total	<u>1,706,344</u>	<u>2,386,950</u>	<u>1,220,061</u>	<u>1,619,393</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

9 Expenditure on charitable activities (Cont'd)

Analysis of expenditure on charitable activities

	Activities undertaken directly 2020 £	Activities undertaken directly 2019	Grant funding of activities 2020 £	Grant funding of activities 2019	Support Costs 2020 £	Support Costs 2019	Total 2020 £	Total 2019
Discretionary grants	-	-	707,281	1,055,170	153,265	165,192	860,546	1,220,362
Foundation House	-	-	191,414	222,005	70,191	79,005	261,605	301,010
Grant to King Edward VI School	-	-	347,515	632,228	29,081	29,647	376,596	661,875
Grant to Almshouses Maintenance	-	-	44,763	43,617	3,176	400	47,939	44,017
Grant to Vicar of Holy Trinity Church	-	-	7,000	7,000	300	290	7,300	7,290
Play House – venue	47,288	47,288	-	-	2,936	3,009	50,224	50,297
Guild Chapel	57,611	39,945	-	-	26,563	37,947	84,174	77,892
Bandstand & 800 th Anniversary Fountain	5,158	17,627	-	-	12,802	6,580	17,960	24,207
	110,057	104,860	1,297,973	1,960,020	298,317	322,070	1,706,344	2,386,950

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

10	Allocation of support costs	Basis of allocation	Play House facility	*Grant Making	Governance	Charitable Activities	Property Support	Total 2020
			£	£	£	£	£	£
	Group 2020							
	Staff costs	Time	1,005	164,157	87,625	35,137	78,673	366,597
	Office costs	Time	73	10,589	21,365	(4,355)	17,769	45,441
	Membership administration	Cost	-	-	1,126	-	-	1,126
	AGM and annual report	Cost	-	-	1,393	-	-	1,393
	Trustee meetings and training	Direct	-	-	5,632	-	-	5,632
	Auditor's remuneration	Direct	-	-	19,375	-	-	19,375
	Professional fees	Direct	1,475	21,161	6,050	-	-	28,686
	Governance costs	Cost	383	60,106	(142,566)	8,582	73,495	-
			<u>2,936</u>	<u>256,013</u>	<u>-</u>	<u>39,364</u>	<u>169,937</u>	<u>468,250</u>
			(note 9)	(note 9)		(note 9)	(note 8)	
	Group 2019							
	Staff costs	Time	1,941	160,686	84,818	29,685	75,889	353,019
	Office costs	Time	317	27,786	16,369	8,062	8,441	60,975
	Membership administration	Cost	-	-	9,527	-	-	9,527
	AGM and annual report	Cost	-	-	1,480	-	-	1,480
	Trustee meetings and training	Direct	-	-	4,621	-	-	4,621
	Auditor's remuneration	Direct	-	-	18,994	-	-	18,994
	Professional fees	Direct	-	25,599	4,989	-	-	30,588
	Governance costs	Cost	751	60,463	(140,798)	6,780	72,804	-
			<u>3,009</u>	<u>274,534</u>	<u>-</u>	<u>44,527</u>	<u>157,134</u>	<u>479,204</u>
			(note 9)	(note 9)		(note 9)	(note 8)	

* Includes Foundation House

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

10 Allocation of support costs continued – Trust 2020	Basis of allocation	Play House facility	Support for Related Charities	*Grant Making	Governance	Charitable Activities	Total 2020
		£	£	£	£	£	£
Staff costs	Time	1,005	134,332	149,555	70,643	9,638	365,173
Office costs	Time	246	32,857	36,580	17,279	2,357	89,319
Auditor's Remuneration	Direct	-	-	-	10,040	-	10,040
Professional Fees	Direct	1,475	-	7,057	6,050	-	14,582
Membership Administration	Cost	-	-	-	1,126	-	1,126
AGM and Annual Report	Cost	-	-	-	1,393	-	1,393
Trustee Meetings and Training	Direct	-	-	-	5,632	-	5,632
Governance costs	Cost	383	51,156	56,954	(112,162)	3,670	-
		<u>3,109</u>	<u>218,345</u>	<u>250,146</u>	<u>-</u>	<u>15,665</u>	<u>487,265</u>
		(note 9)	(note 8)	(note 9)		(note 9)	
		Play House facility	Support for Related Charities	*Grant Making	Governance	Charitable Activities	Total 2019
		£	£	£	£	£	£
Staff costs	Time	1,940	128,030	149,349	67,761	4,245	351,325
Office costs	Time	613	40,450	47,190	21,410	1,338	111,001
Auditor's Remuneration	Direct	-	-	-	10,366	-	10,366
Professional Fees	Direct	-	-	6,724	4,989	-	11,713
Membership Administration	Cost	-	-	-	9,527	-	9,527
AGM and Annual Report	Cost	-	-	-	1,480	-	1,480
Trustee Meetings and Training	Direct	-	-	-	4,621	-	4,621
Governance costs	Cost	822	54,250	63,283	(120,154)	1,799	-
		<u>3,375</u>	<u>222,730</u>	<u>266,546</u>	<u>-</u>	<u>7,382</u>	<u>500,033</u>
		(note 9)	(note 8)	(note 9)		(note 9)	
*Includes Foundation House							

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

10 Allocation of support costs Group (continued)

Costs are allocated directly where possible or on a staff time basis where applicable.

Included within professional fees are:

	Group		Trust	
	2020	2019	2020	2019
Saffery Champness LLP non-audit fee	500	460	500	460

11 Employees and staff costs

**Group
2020
Number**

**Group
2019
Number**

The average number of employees throughout the year, calculated on a role basis was:

Stratford Town Trust	12.5	12.0
Guild Estate Endowment	2.0	2.0

14.5

14.0

On a full-time equivalent basis the total head count was:

8.1

7.6

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
The cost of employing all staff was:				
Salaries and Wages	333,854	308,274	322,752	297,444
National Insurance	22,671	24,748	22,550	24,635
Pensions – Current service cost	79,280	77,634	78,702	77,070
	435,805	410,656	424,004	399,149

In 2020 one member of staff was remunerated between £70,001 and £80,000 and another was remunerated between £60,001 and £70,000 (2019 one member of staff was remunerated between £70,001 and £80,000). Total remuneration for the senior management team was £225,187 (2019: £202,009).

12 Rother Street Car Park

Income and expenditure relating to the Rother Street Car Park is split 86.09% to Guild and 13.91% to College in accordance with land ownership arrangements.

13 Heritage Asset

The Guild Chapel in Stratford-upon-Avon is not included in the balance sheet as it is regarded as a heritage asset. The Guild Chapel dates from around 1269 and was the main building of the Guild of the Holy Cross. In 1553 it was gifted to the Guild Estate Endowment, whereby the charity took over the responsibility of maintaining the Chapel for its purposes. In 1954 the Friends of the Guild Chapel, an organisation independent of the Trust, were set up, they fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the charity.

The Chapel is usually used on a regular basis by King Edward VI School for morning assembly, also the Friends of the Guild Chapel attend services on Holy Cross Day (14th September), a Christmas carol service and a Summer service. Weekly Holy Communion services are held at which anyone is welcome to worship. The Chapel is usually opened daily for the general public to visit, but during 2020 these activities have been curtailed by the Covid-19 pandemic.

In the opinion of the trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements. The building and contents are insured for £6.5m.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

14	Tangible fixed assets	Play House Building	Play House Equipment	Waterside Theatre	Foundation House Leasehold Improvements	Bandstand and Fountain	Computer Equipment	Office Equipment	Total	
		£		£	£	£	£	£	£	
Group and Trust										
Cost										
	1 January 2020	1,864,372	30,000	356,444	150,044	121,077	60,215	45,191	2,627,343	
	Additions	-	-	-	2,168	-	3,669	929	6,766	
	Disposals	-	-	-	-	-	-	-	-	
	31 December 2020	1,864,372	30,000	356,444	152,212	121,077	63,884	46,120	2,634,109	
Depreciation										
	1 January 2020	533,775	15,000	47,321	122,723	52,670	58,621	40,431	870,541	
	Charge for the period	37,288	10,000	4,400	26,579	2,426	2,422	3,672	86,787	
	Disposals	-	-	-	-	-	-	-	-	
	31 December 2020	571,063	25,000	51,721	149,302	55,096	61,043	44,103	957,328	
Net book values										
	31 December 2020	1,293,309	5,000	304,723	2,910	65,981	2,841	2,017	1,676,781	
	31 December 2019	1,330,597	15,000	309,123	27,321	68,407	1,594	4,760	1,756,802	

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

	Group		Trust	
	2020	2019	2020	2019
	£	£	£	£
15 Fixed asset investments				
Investment properties	35,556,100	38,859,600	-	-
Quoted investments	21,064,945	20,882,099	2,117,002	2,065,320
Cash awaiting investment	59,926	154,716	17,996	14,340
	<u>56,680,971</u>	<u>59,896,415</u>	<u>2,134,998</u>	<u>2,079,660</u>
Investment properties:				
Market value at 1 January 2020	38,859,600	40,020,600	-	-
Net sale proceeds	-	(928,219)	-	-
Gain on disposal	-	277,219	-	-
Revaluation losses	(3,303,500)	(510,000)	-	-
	<u>35,556,100</u>	<u>38,859,600</u>	<u>-</u>	<u>-</u>
Market value at 31 December 2020	35,556,100	38,859,600	-	-
Cost or donated value at 31 December 2020	<u>6,588,209</u>	<u>6,588,209</u>	<u>-</u>	<u>-</u>
Quoted investments:				
Market value at 1 January 2020	20,882,099	18,292,723	2,065,320	1,830,673
Additions at cost	1,284,844	963,931	259,712	-
Sale proceeds	(1,190,055)	(27,230)	(263,369)	(3,387)
Investment gains	88,124	1,652,675	55,339	238,034
	<u>21,065,012</u>	<u>20,882,099</u>	<u>2,117,002</u>	<u>2,065,320</u>
Market value at 31 December 2020	21,065,012	20,882,099	2,117,002	2,065,320
Historical cost at 31 December 2020	<u>15,165,229</u>	<u>15,296,226</u>	<u>1,612,379</u>	<u>1,656,323</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2020 and shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors, who are qualified independent valuers, holding a recognised and relevant professional qualification, with recent experience in Stratford-upon-Avon.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

15	Fixed asset investments (continued)	Group		Trust	
		2020	2019	2020	2019
		£	£	£	£
	Gains on unrestricted funds				
	Quoted investments	36,545	222,638	55,339	238,034
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
16	Debtors: amounts falling due within one year	Group		Trust	
		2020	2019	2020	2019
		£	£	£	£
	Amounts falling due within one year:				
	Rents	321,671	252,920	2,678	4,671
	Prepayments and accrued income	102,711	102,412	37,317	43,492
	Grants repayable	49,340	-	-	-
	Other debtors	11,039	13,313	-	-
	Amount due from Guild Estate	-	-	-	61,588
	Amount due from College Estate	-	-	111,247	251,951
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		484,761	368,645	151,242	361,702
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		2020	2019	2020	2019
		£	£	£	£
17	Creditors: amounts falling due within one year	Group		Trust	
		2020	2019	2020	2019
		£	£	£	£
	Deferred income	1,298,235	1,341,064	69,410	2,023
	Trade creditors	95,311	139,974	47,753	51,369
	Grants payable (note 23)	539,190	578,310	539,190	571,619
	Accruals	746,043	372,957	73,126	65,947
	Other creditors	48,779	76,769	48,779	39,272
	Other taxation and social security	199,746	159,234	24,419	20,684
	Pension	8,750	2,987	8,750	2,987
	Loan	81,818	-	81,818	-
	Amount owed to Guild Estate	-	-	137,544	-
	Amount owed to College Estate	-	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		3,017,872	2,671,295	1,030,789	753,901

The loan is a Coronavirus Business Interruption loan (CIBL) for six years and repayable in monthly instalment from June 2021. There is a fixed legal charge in place over the Play House in respect of these borrowings.

	Group	
	2020 £	2019 £
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>18,100</u>	<u>17,700</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

17 Creditors: amounts falling due within one year (continued)

Deferred income (£1,298,235) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £610,936, deferred income relating to one to five years £24,463 and the value relating to over five years £662,836.

Deferred income reconciliation	Group		Trust	
	2020 £	2019 £	2020 £	2019 £
At 1 January 2020	1,341,064	1,366,600	2,023	2,958
Released during the year	(646,650)	(667,070)	(1,023)	(2,958)
Deferred in the current year	603,821	641,534	68,410	2,023
	<u>1,298,235</u>	<u>1,341,064</u>	<u>69,410</u>	<u>2,023</u>
At 31 December 2020	1,298,235	1,341,064	69,410	2,023

17a Creditors: amounts falling due after one year

	Group		Trust	
	2020 £	2019 £	2020 £	2019 £
Loan	818,182	-	818,182	-
	<u>818,182</u>	<u>-</u>	<u>818,182</u>	<u>-</u>

The total amount recognised relates to the CIBL loan repayable in full after one year.

18 Summary of Fund Movements

Fund Name 2020	Fund Balances 31 December 2019 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2020 £
Unrestricted Funds	3,605,505	3,135,706	(3,133,350)	(325,455)	3,282,406
Permanent Endowment Funds	57,007,911	-	-	(3,251,920)	53,755,991
	<u>60,613,416</u>	<u>3,135,706</u>	<u>(3,133,350)</u>	<u>(3,577,375)</u>	<u>57,038,397</u>

Fund Name 2019	Fund Balances 31 December 2018 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2019 £
Unrestricted Funds	3,463,925	3,603,168	(3,491,226)	29,638	3,605,505
Restricted Funds	-	-	-	1,211,659	57,007,911
Permanent Endowment Funds	55,796,252	-	-	-	55,796,252
	<u>59,260,177</u>	<u>3,603,168</u>	<u>(3,491,226)</u>	<u>1,241,297</u>	<u>60,613,416</u>

Permanent endowment funds relate to those assets which represent the permanent capital base of the group and which may not be spent.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

19	Analysis of group net assets between funds	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £	Endowment funds 2020 £	Endowment funds 2019 £	Total 2020 £	Total 2019 £
	Fixed assets	1,676,781	1,756,802	-	-	1,676,781	1,756,802
	Fixed asset investments	2,480,091	2,837,195	54,200,880	57,059,220	56,680,971	59,896,415
	Current assets	3,187,699	1,964,494	-	-	3,187,699	1,964,494
	Current liabilities	(2,572,983)	(2,619,986)	(444,889)	(51,309)	(3,017,872)	(2,671,295)
	Long term liabilities	(818,182)	-	-	-	(818,182)	-
	Defined benefit pension scheme liability	(671,000)	(333,000)	-	-	(671,000)	(333,000)
		<u>3,282,406</u>	<u>3,605,505</u>	<u>53,755,991</u>	<u>57,007,911</u>	<u>57,038,397</u>	<u>60,613,416</u>

20	Analysis of group funds between charities 2020	Guild Endowment £	College Endowment £	Trust £	Total £
	Capital funds				
	Endowment funds	36,879,139	16,876,852	-	53,755,991
	Unrestricted funds				
	General funds	-	-	2,525,631	2,525,631
	Designated Funds*	-	-	1,294,053	1,294,053
	Other charitable funds	102,854	30,868	-	133,722
	Pension reserve	-	-	(671,000)	(671,000)
		<u>36,981,992</u>	<u>16,907,720</u>	<u>3,148,684</u>	<u>57,038,397</u>

	Analysis of group funds between charities 2019	Guild Endowment £	College Endowment £	Trust £	Total £
	Capital funds				
	Endowment funds	40,113,426	16,894,485	-	57,007,911
	Unrestricted funds				
	General funds	-	-	2,385,763	2,385,763
	Designated Funds*	-	-	1,407,918	1,407,918
	Other charitable funds	102,589	42,235	-	144,824
	Pension reserve	-	-	(333,000)	(333,000)
		<u>40,216,015</u>	<u>16,936,720</u>	<u>3,460,681</u>	<u>60,613,416</u>

*Designated funds relate to the Play House building (fixed asset), Foundation House leasehold improvements (fixed asset) and a reserve for running costs of Foundation House.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

21 Trustee expenses (Group and Trust)

Expenditure reimbursed to trustees during the period amounted to £nil (2019: £nil).

22 Commitments

In accordance with the College Estate's constitution each year the charity is committed to pay an annual sum, which is currently £7k per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon.

In accordance with the Guild Estate's constitution and High Court Order each year the Guild Estate is committed to paying 36% of its clear annual income to King Edward VI School at Stratford-upon-Avon. The Guild Estate must also seek to apply 10% of its clear annual income in furtherance of other educational purposes within the town of Stratford-upon-Avon. As a result of the scheme dated 1 October 2001 its residual income is now transferred to the Stratford Town Trust for distribution in line with the objectives of that Trust.

In accordance with the Guild Estate's constitution each year the charity has an on-going commitment to contribute to the Church Street Almshouses' (Municipal Charities) running costs in relation to general rates, water rates and sewerage charges, also funds for the respective yearly amounts (recommended by the National Association of Almshouses, with the approval of the Charities Commissioners for Almshouses of similar age and situation) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund.

Stratford Town Trust has committed to provide funding, in principle, to the Stratford Play House to 30 June 2021, to a value of £75,000, contingent on a set of key performance indicators, which include community activity deliverables and financial reporting requirements. Stratford Town Trust has committed in principle to sign a new lease and grant funding agreement with Stratford Play House for the five years 1 July 2021 to 30 June 2026, but the agreements have not been signed as at 19 May 2021.

23 Grant making

A total of 103 (2019: 122) discretionary grants were awarded to beneficiaries during the year, of which 35 (2019: 37) were hardship grants, to individuals, which amounted to £9,079 (2019: £10,067).

Total Discretionary Grants

	Group & Trust	
	2020	2019
	£	£
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	479,880	565,025
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	109,070	209,066
To provide or support facilities for recreation and other leisure-time occupation	111,760	211,910
To advance the Christian religion	1,500	520
To support civic pride	1,400	18,600
To support citizenship and community	1,500	17,008
Other charitable purposes	2,170	33,041
	707,280	1,055,170

Although, for accounting purposes, grants have each been allocated to one object, many awards do meet two or even three objects.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

23 Grant making (continued)

Discretionary Grants £20,000 or greater	Group & Trust	2020
Beneficiary	Purpose of grant	£
Spring Housing Association	Stratford Housing Plus Centre	85,000
Citizens Advice South Warwickshire*	Year 3 Frontline services for Stratford town	65,825
Play House*	Running costs & support of community events	57,500
The Shakespeare Hospice*	Year 3 Hospice at Home	50,000
VASA*	Year 3 Volunteer transport	35,000
Domestic Abuse Counselling Service*	Year 3 Stratford support	33,000
Ileap	Year 3 Stratford support	23,037
Stratford upon Avon School	Schools grant	20,518
Royal Shakespeare Company	Winter Wonderland	20,000
The Myton Hospices*	Year 3 town resident inpatient service	20,000

* These beneficiaries were in receipt of grants awarded to support multi-year programme grants.

Reconciliation of grants payable

	Group 2020 £	Group 2019 £
Commitments 31 December 2019	578,310	670,613
Commitments made in the period and payable	1,297,973	1,960,020
Grants paid during the period	(1,337,093)	(2,052,323)
	<hr/>	<hr/>
Commitments 31 December 2020	539,190	578,310
	<hr/>	<hr/>

It is anticipated that all the committed grants will be payable during 2021.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

24 Pensions and similar obligations

As at 31 December 2020, 2 (2019: 2) of the Trust's employees were members of the Warwickshire County Council Pension Fund.

The pensions cost is assessed every three years in accordance with the advice of the government actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2019
Actuarial method	Projected Unit credit method
Investment returns per annum	3.7%
Pension increases per annum	2.3%
Salary increases per annum	2.3%
Market value of assets at date of last valuation	£1,574,000

The following information is based upon a full actuarial valuation of the Warwickshire County Council Pension Fund at 31 March 2019 updated to 31 December 2020 by a qualified actuary.

On 1st April 2014 Stratford-upon-Avon Town Trust transferred four employees, who were members of the Warwickshire County Council Pension Scheme (Pension Scheme), to the employment of the ArtsHouse. The Pension Scheme recognised the ArtsHouse as the new employer and admitted it as a fully funded member of the Scheme as from 1st April 2014. Any deficit that existed as at 1st April 2014, which was attributable to the four employees, was assumed to remain with the Town Trust. As at 31st March 2016 all four employees who transferred to the employment of the ArtsHouse, were no longer in the employment of the ArtsHouse. From a pension scheme perspective, they are defined as deferred pensioners. Stratford-upon-Avon Town Trust, with the agreement of the Warwickshire County Council Pension Scheme, has taken over the full ongoing deficit relating to these ArtsHouse previous employees. From an FRS17 perspective this deficit was £67,000 as at March 2016.

Financial assumptions

	2020	2019	2018
Rate of CPI	2.5%	1.7%	2.4%
Rate of increase in salaries	3.3%	3.0%	3.0%
Rate of increase in pensions	2.5%	2.2%	2.4%
Discount rate for liabilities	1.3%	2.0%	2.9%

The Trust's share of assets in the scheme and the expected rates of return were:

	Rate of Return	2020 £'000	Rate of Return	2019 £'000
Equities	5.9%	1,131	5.9%	1,049
Bonds	2.7%	492	2.7%	406
Property	7.0%	164	7.0%	220
Cash/liquidity	-	36	-	17
Total		<u>1,823</u>		<u>1,692</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

24 Pensions and similar obligations (continued)

	2020 £'000	2019 £'000
Market value of assets	1,823	1,692
Liabilities	(2,494)	(2,025)
	<u> </u>	<u> </u>
Deficit	(671)	(333)
	<u> </u>	<u> </u>
Analysis of amounts charged to the statement of financial activities	2020 £'000	2019 £'000
Current service cost	39	36
	<u> </u>	<u> </u>
Operating charge	(39)	(36)
	<u> </u>	<u> </u>
Analysis of net return on pension assets		
Expected return on pension scheme assets	34	43
Interest on pension liabilities	(41)	(47)
	<u> </u>	<u> </u>
Net return	(7)	(4)
	<u> </u>	<u> </u>
Actuarial gains and losses		
Asset gain	131	156
Liability loss	(469)	(349)
	<u> </u>	<u> </u>
Net loss	(338)	(193)
	<u> </u>	<u> </u>
Movement in deficit during the year	2020 £'000	2019 £'000
Deficit at beginning of year	(333)	(172)
Current service cost	(39)	(36)
Employer contributions	70	72
Net returns on assets	(7)	(4)
Actuarial loss	(362)	(193)
	<u> </u>	<u> </u>
Deficit at end of year	(671)	(333)
	<u> </u>	<u> </u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2020 (continued)

25 Going Concern

The Trust has prepared its accounts on the basis of it being a going concern. There are no significant doubts about the charity's ability to continue as a going concern.

26 Lease Commitments

The future minimum lease receipts under non-cancellable operating leases are:

	Group		Trust	
	2020	2019	2020	2019
	£	£	£	£
Not later than 1 year	1,901,066	2,033,934	5,250	5,250
Later than 1 year but not later than 5 years	6,828,893	6,076,308	21,000	21,000
Later than 5 years	52,359,761	51,597,883	6,563	11,813

No contingent rent was recognised as income 2020 £nil (2019: £nil). The Trust leases its property portfolio under lease agreements to tenants (lessees). No contingent rent is recognised as an asset.

The future minimum lease payments under non-cancellable operating leases are:

	Group & Trust	
	2020	2019
	£	£
No later than 1 year	72,004	74,792
Later than 1 year but not later than 5 years	286,076	269,848
Later than 5 years	107,279	178,798

27 Contingent liabilities

Stratford on Avon District Council (SDC) has entered into an agreement with Coventry & Warwickshire Local Enterprise Partnership (CWLEP), in connection with the Getting Building Fund, which was signed in March 2021. This agreement will result in £1.5m of funding for the enhancement of the Riverside area in Stratford-upon-Avon. SDC owns the majority of the land in the Riverside area with a small area, known as Warwick Road lands, owned by the College Estate. This funding was predicated on the basis that SDC would commit funding of £300k and College Estate would commit a maximum of £200k. College Estate's financial commitment had not been approved as at 19 May 2021.

28 Related Party Transactions

The trustees were not involved in any related party transactions in 2020 none (2019: none).



Stratford
Town Trust

at the heart of our community

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A company limited by guarantee, registered in England and Wales (number 04222949)
and Registered Charity (number 1088521)

Stratford-upon-Avon Town Trust is Trustee of The Guild Estate Charity (Registered Charity Number 217484)
and The College Estate Charity (Registered Charity Number 217485)