

STRATFORD-UPON-AVON TOWN TRUST

Annual Report and Accounts 2021



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

After the challenges of the previous 18 months the Report and Accounts for 2021 show a year of financial recovery with income returning to 2019 pre covid levels. This was primarily due to positive engagement from our tenants and some stability within our investment portfolio due to careful management. We are quietly confident that our ability to return our grant making to the pre covid £2 million level remains on track. Nevertheless, we continue to face many challenges, not least from covid, the war in Ukraine and the rising energy price crisis, which present ongoing uncertainty.

Our total income in 2021 was £3.6m compared with £3.1m in 2020 with the improvement as a result of strong rental income due to fewer void properties than the national average, a recovery in car park usage, and a slight increase in dividend income thanks to a better performance by our fund managers. Across the year we were encouraged by a very low rate of voids at 3% within the property portfolio due to active management of, and partnership with, our commercial agent. We recognise, however, that this isn't necessarily mirrored across the town or the rest of the country where voids have hovered around the 10% level.

We must also gratefully acknowledge the grants that we received as part of the Covid Recovery and Culture Recovery Schemes administered by the National Lottery. These provided valuable help at a time when Foundation House and the Guild Chapel were closed to the public and enabled us to make adaptations to welcome back visitors.

From the start, and in anticipation of a difficult year ahead, we made every effort to minimise our overheads by pausing on some projects, taking advantage of the government's coronavirus job retention scheme and through exceptionally careful management of the organisation by our senior management team. As a result, we managed to close the year with a cost base of £1.2m, a reduction of £0.3m on the previous year.

This gave us a surplus at the year-end which will enable us to support Foundation House, fund the work on College Estate land to create the Lench Meadows Local Nature Reserve as part of the Riverside project and provide investment for our programme of participatory grant making. As a result, the Trust is in a solid position to enter the next financial year with confidence in our ability to continue to fund local charities who in turn support the most vulnerable members of our community.

As part of our non-discretionary grants, the amount payable to KES trustees from the Guild Estate was £550k (2020 £348k), the Church Street Almshouses received £46k (2020 £45k) and a stipend to Holy Trinity Church of £7k (2020 £7k).

Surprisingly we saw only a slight increase in our discretionary grant and direct charitable activity spend at £1.4m (2020 £1.3m) for the year, perhaps as groups continued to struggle to revive services and reach people after an extended period of inactivity brought about by covid.

The introduction of a simplified grants application process and a single longer grant application window encouraged approaches from some new groups under our three priority themes of Creating Connections, Young People and Place Making. We hope to see applications from new groups grow over the coming year.

Towards the end of the year, we were delighted to be able to welcome people back through the doors of our lively and well used community hub, Foundation House and unveil our community garden in an unloved yard at the rear of the building. This small oasis of calm is already helping to improve the health and wellbeing of our community through weekly volunteer gardening sessions.

During the year we welcomed Mark Tailby as a non-executive member of the Audit & Governance Committee, who, together with Sundash Jassi, heads up our Audit and Governance committee. New member of staff, Paul Fitzpatrick, joined us in the role of Business and Facilities Manager.

We must also take this opportunity to thank Quentin Willson who stepped down as Chair during the year but will remain with us as a trustee to the end of his term in May 2022. Additionally Matt Macdonald who came to the end of his term as a trustee in January 2022. We would like to thank them for all their hard work and commitment.

We must also acknowledge our members who are a valuable touchstone for us in our planning and playing an active part in creating a vibrant and connected community. Our membership continues to grow, and we were delighted to meet so many of you at our spring and autumn series of member events. As ever we would encourage all Stratford residents to join us as a way to get involved in our work. You can join online at www.stratfordtowntrust.co.uk/joinus

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Finally, we must recognise the work of our dedicated staff. As a small team they routinely go over and above to deliver our vision of creating a vibrant and connected community. Together with our trustees, they have shown great resilience and commitment throughout 2021, finding new ways to collaborate, demonstrate creativity, flexibility, and a determination to do the best for our town.

Please do join us at our AGM which will be held in The Play House on Wednesday 14 September 2022.

Sara Aspley
Chief Executive

Tony Jackson
Chairman

18 May 2022

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 2021. 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.

Climate Change and the Environment

The Trust is conscious 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 Riverside Project, a joint initiative with Stratford District Council and part funded by CWLEP, seeks to create a Local Nature Reserve in the area known locally as the Lench Meadows. This will provide long term protection for this area and will offer people special opportunities to study or learn about nature, or simply to enjoy it.

During the year Rowley Fields achieved Town Green designation, following a decision taken by trustees in 2020. Town Green will bring this much-loved space under the protection of The Commons Act 2006 and secure it for future generations to enjoy in perpetuity. We are now pursuing bio-diversity net gain funding which will enable us to deliver further environmental improvements over a thirty year period.

Now the orchard at Rowley Fields is in its second year we look forward to sharing our first fruit harvest in autumn 2022.

In September, as part of Big Green Week, we joined forces with local environmental groups, Friends of the Earth; Stratford Climate Action; Team Springboard and Bridgetown Primary School to highlight the event through a Passport to Activity.

Strategic Plan 2021 – 2025

We launched our current strategic plan to our members via a virtual meeting in November 2020, attended by over 80 members. The plan was written after our biggest ever community consultation, with residents of Stratford invited to share their views about the town and the Trust. Almost 1,500 people took part in the consultation and 91% of respondents told us that Stratford was a good place to live; whilst 80% said the Town

STRATFORD-UPON-AVON TOWN TRUST

REPORT OF THE TRUSTEES

Strategic Plan 2021-25 cont'd

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.

The strategy focuses on four pillars of activity: grant making, community engagement, place making, finance and investments.

The strategy for 2021-2025 was strengthened by a 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 Grant Making Strategy 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 an impact assessment model in a proportionate way with all our grantees and refining our commitment to this will be a key focus of our Grant Making Strategy to 2025.

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 led to the formation of our Community Engagement and Place Making Strategies.

The progress of our key aims in the first year can be summarised below:

Aim	Progress in 2021
To restore gross income to 2019 levels	Income in 2021 was £0.42m better than 2020 at £3.56m only £40k less than that of 2019. Excellent progress but this included circa £200k grant funding for one off covid recovery support
To develop a property strategy with a more focused approach	Developed a focused property strategy, following the impact of covid, to minimise void periods in properties and recommence some planned repair work.
To engage in conversations in order to act as a connector to share learning and drive change	This aim was somewhat curtailed by the restrictions of covid. However, we have made some progress upon which we intend to build in the coming year. We launched our programme of member events holding three during the autumn: <ul style="list-style-type: none"> • A guided walk of The Lench Meadows by Dr Nick Steggall • Death Revealed: Secrets of the Guild Chapel by Dr Kate Giles and Rodger Palmer, • Grant Making: Making an impact in Stratford by James McHugh For the first time our AGM 2021 was delivered through a hybrid approach with members able to join via a live stream of the meeting.
An ongoing commitment to the environment and sustainability	Rowley Fields achieved Town Green designation, investigating benefits of biodiversity net gain for Rowley Fields & the Lench Meadows. Commitment to creating a Local Nature Reserve on the Lench Meadows.
To move to a model of participatory grant making	Pilot of our first participatory grant making award in 2021 for projects that support young people
Development of a fundraising strategy for Guild Chapel conservation projects and ongoing costs	Awarded funding by The Pilgrim Trust to develop next stage of medieval painting conservation in 2022, with additional funding via crowd funding and some generous individual donations. Awarded £139k by The National Lottery Heritage Fund as part of the Culture Recovery Fund for Heritage.
To develop additional income through external funding streams	Some considerable success with funding from Trusts and Foundations (Guild Chapel and Foundation House) with a plan to develop a more comprehensive fundraising strategy in 2022.

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Foundation House

Foundation House is our community hub, a place that enables 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 members of the local community. The net cost of operating Foundation House in 2021 was £146k (2019 £133k) the increase was due to facility enhancements to the garden area and the creation of an extra hire space, The Landing Room.

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

Name of organisation	Benefit in kind value £*
Change Grow Live	1,811
Escape Arts	4,642
Safeline	4,887
Heart of England Woodturners	422
Second Thoughts Drama Group	3,689
Shakespeare Lions	2,249
Stratford Army Cadets	363
Stratford District Radio Society	1,913
Stratford Men's Shed	6,849
Stratford Youth Theatre	551
Warwickshire Reminiscence Action Project	6,293
Welcombe Radio	1,813
Total benefit in kind	35,482

*Net of contributions to running costs or licensee fees

The benefit in kind figure is calculated based on the cost of the building per metre square. Foundation House has six meeting rooms that can be hired by other groups, businesses, and individuals for a variety of events. During 2021 the continuing covid restrictions led to a reduction in overall hires and had an impact on the number of people that the building could safely accommodate. However, towards the end the year we were able to welcome back hirers and saw the rooms being used more regularly once again. This included a local drama group rehearsing in the garden for an outdoor performance, adult community learning courses, Girl Guiding activities, first aid courses, chess club, Warwickshire Pride meetings, youth music groups, baby and toddler groups and the diabetic eye screening clinics.

The monthly community café programme where we invite a local group to host, was cancelled for the year due to covid restrictions. Fortunately, the café has restarted in 2022 and is being enjoyed by all attendees.

For the first quarter of the year Foundation House continued to benefit from the National Lottery Covid Recovery grant which was awarded in 2020 for the period October 2020 to March 2021. This funding enabled a number of improvements to the building including the creation of The Haven a much-needed accessible counselling space and transformed an unused yard into a secluded, peaceful, accessible garden space featuring a vibrant mural, seating and bright planting. The Landing Room, an additional meeting/classroom space that was made possible by a generous gift from the Stratford upon Avon Freemasons. All spaces are now available for hire and are proving popular.

In October Foundation House was the venue for Stratford upon Avon's Fun Palace, a national community centred event that celebrates creativity in all. We were joined by a host of local organisations, including Shakespeare Birthplace Trust and the Royal Shakespeare Company to deliver a covid secure, family focussed event.

Grant Making

Grant awards during 2021 were based on the Town Trust's funding priorities, as detailed in the Grants Strategy. These were developed after consultation with the community with the aim of maximising impact in one or more of the following:

- **Creating Connections.** Our Creating Connections theme aimed to support ideas and projects that brought the community together. We were particularly interested in how we could support projects that created connections for those in our community that are most isolated and vulnerable.

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- **Young People** We encouraged applications from organisations and community groups that could clearly evidence how young people are at the heart of their work. We were interested in ideas driven by the aspirations of the young people themselves, and that aspired to create real meaningful outcomes.
- **Placemaking** We aimed to support fantastic community placemaking projects that helped reimagine how people came together and used spaces and places in their own community and in their own neighbourhoods to build connections and shared purpose.

Summary of Discretionary Grants awarded in 2021 (net of grants cancelled*)

Community benefit	Awarded £	Examples of Beneficiaries
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	233,660	<ul style="list-style-type: none"> • Citizens Advice South Warwickshire: frontline support £63,000 • Safeline: Stratford Clinical Assessment & Services Manager £25,400 • Refuge: support for survivors of domestic abuse at Stratford Refuge £23,175 • Lifespace Trust: core work £21,636 • The Parenting Project: Family Wellbeing Pathway £20,445 • The Myton Hospice: core costs for Stratford residents plus Inclusion Manager £20,000 • Escape – Community Art in Action: core costs for Escape on the Move! £17,500 • Time 4 Hope: Time4Us £15,381 • Stratford Foodbank: core costs £15,000 • VASA: core costs for sustainability £15,000 • The Friendship Project: 2021/22 Stratford younger friends £6,000 • Cruse Bereavement Care: core costs £4,800 • Stratford upon Avon Childrens' Clothing Bank: running costs £1,000 • Jubilee Club: hire charges £1,000 • Hardship fund for individuals: administered by CASW £10,000
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	184,435	<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: £124,169 in total - 14 grants • New Meaning Centre Bucks Ltd: Stratford Toolshed £25,000 • Entrust Care Partnership: Stratford support £10,666 • Leaders Unlocked: participatory grant making pilot project £10,000 • TDC Stratford Youth Theatre CIC: 2022 youth theatre programme for Stratford £6,325 • Own Books: free books for Stratford children £1,000 • The Bear Pit: Here Comes the Sun £1,000 • 1st Tiddington Scout Group: adult recruitment programme £900 • 3rd Stratford upon Avon guides: equipment for camping £995 • ECO workshop: Eco Upcycle £980
To provide or support facilities for recreation and other leisure-time occupation	134,908	<ul style="list-style-type: none"> • Play House: community event support & running costs £100,000 • Orchestra of the Swan: Café Muse £17,948 • Royal Shakespeare Company: summer events programme £10,560 & Clore Learning Centre £4,400 • Street Arts Project: music & drama project £10,000 • Shotton United Football Club: running costs £1,000 • Stratford upon Avon Table Tennis Club: TTKidz to Stratford Schools £900
To support citizenship and community*	20,230	<ul style="list-style-type: none"> • Stratford upon Avon District Council: Community Builder £20,000 • Stratford Timebank: core costs £14,230 • National Childbirth Trust: Walk, Stay & Play £1,000
To support Civic Pride*	7,240	<ul style="list-style-type: none"> • Stratford upon Avon Christmas Lights Co Ltd: Christmas lights £5,750 • Stratford in Bloom: displays £5,000
Other charitable purposes	2,370	<ul style="list-style-type: none"> • Forest of Hearts: Grow Your Own Grid Garden £1,000 • Welcombe Radio: running costs £1,000 • Neighbours & Needles: Albany Road & Grove Road garden party £370

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Multiyear grants – grants awarded which cover multiple years.

Entrust Care Partnership: £32,000 over 3 years

Year 3 £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.

Spring Housing: £185,000 over 3 plus years

This project supports the Fred Winter Centre as a housing plus facility

Year 1 was committed in 2020 - £60,000 for contribution to capital works and £25,000 towards Centre Manager's salary. Nothing was committed in 2021 as the construction project was delayed due to the pandemic. Year 2 £25,000 of costs towards Centre Manager's salary have been committed in 2022.

Non-Discretionary Grants

The Grammar School of King Edward VI at Stratford upon Avon (charity number 528769) was awarded £550k (2020: £348k) from the Guild Estate in accordance with the Charity Commission Scheme dated 1st October 2001. £46k (2020: £45k) was paid towards the maintenance of the Almshouses, by the Guild Estate. A stipend of £7k (2020: £7k) was paid to the Vicar of Holy Trinity Church by the College Estate.

Guild Chapel

In 2021 the Guild Estate was awarded a Culture Recovery Fund for Heritage grant by the National Lottery Heritage Fund, administered by National Heritage Memorial Fund. The grant (£139k) was to enable the safe reopening of the Guild Chapel, support the reserves of the Guild Estate Endowment and help to drive footfall to the wider Stratford visitor attractions. With the help of the University of York and the Guild Chapel volunteers, a family friendly walking tour of the town, The Clopton Trail was researched, developed, filmed and launched. The trail uses an app and printed material to take the visitor on a tour of Stratford landmark sites that were key to or funded by Hugh Clopton: namely the Guild Chapel, the Guild Hall, Church Street Almshouses, New Place (which he built), Holy Trinity and Clopton Bridge.

In March 2021 the Friends of the Guild Chapel project, to adapt the organ so that the audiences can observe the organist during recitals, was completed.

In August 2021 the volunteers welcomed visitors back into the Chapel, a positive step after 18 months of closure. We are very grateful for the volunteers' loyalty and commitment during this extended period of uncertainty and would like to thank them for the time they give to offer a warm and knowledgeable welcome to all our visitors.

During 2021 King Edwards VI School utilised the chapel for extra social distancing space especially for musical activities, as well as its usual school assemblies and services.

In June 2021 The Pilgrim Trust awarded a grant of £20k to partly fund the Death Revealed Project, which took place in Spring 2022. In autumn 2021 the Chapel also took its first steps into crowdfunding, £1.5k of funds were raised also the Chapel received two significant donations from individual donors. These funds will be used in 2022 to part fund the temporary removal of the wood panelling in the Chapel so that the conditions of the medieval paintings concealed behind can be assessed. This feasibility study will then allow the experts to plan how the medieval paintings can become more assessable to visitors ongoing.

In October 2021 we held a Member's event titled Death Revealed: Secrets of the Guild Chapel with Dr Kate Giles of University of York in conversation with volunteer guide Rodger Palmer about the medieval paintings within the Chapel and the significance of the Death Revealed Project.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

FINANCIAL REVIEW *(incorporating strategic review)*

OVERVIEW

In 2021 total income for the Trust was £3.6m (2020: £3.1m) the majority of which (93%) was generated from the charities' investments. The Trust is very fortunate to have such a legacy and to not have to undertake significant fundraising on a regular basis. Investment (both property and equity) management costs amounted to £1.1m meaning that 67.9% of the total income was available for charitable purposes to be spent on enhancing the lives of the people of Stratford-upon-Avon (2020: 54.5%). We are very aware that the cost of managing the investments must be monitored closely and spent carefully but also it is important that the investments are well managed ensuring income flows for future generations.

£1.8m was spent on charitable expenditure (2020: £1.7m), of which £1.4m was given as grants (2020: £1.3m), £0.8m were discretionary grants and the costs of operating Foundation House. For more detail see note 9.

INCOME

Total income of £3.6m was higher than last year (2020: £3.1m). Investment income, £3.3m, remains our main source being 93% of the total. This has improved year on year, driven by improved car parking takings as the restrictions around covid lifted, and rental income due to a reduction in voids. Across the year we saw a marginal increase in dividend income. In addition the Trust benefited from grant income of £0.2m, being covid recovery grants for both Foundation House and the Guild Estate Endowment Charity, for which the Trust is most grateful to both The National Lottery Fund and The National Lottery Heritage Fund which was administered by National Heritage Memorial Fund.

Our investments had a yield of 5.7% (2020: 5.5%). The slight increase was due to an improvement in the performance of the property investments compared to last year.

EXPENDITURE

The majority, 84% (2020: 88%), of the expenditure of raising funds, relates to the direct cost of managing the investment portfolio and in the main relate to managing and maintaining the property portfolio. The cost of raising funds was £1.1m (2020: £1.4m). For more detail see note 8.

Statement of financial activities – summary		
	2021	2020
	£k	£k
Investment income	3,317.6	3,073.7
Donations & Legacies	236.4	59.4
Charitable activities	1.1	0.3
Other income	3.4	2.3
Total income	3,558.5	3,135.7
Expenditure on raising funds	1,091.3	1,427.0
Total net income	2,467.2	1,708.7
% of total income available for charitable purposes	69.3%	54.5%
Discretionary grants*	761.1	898.7
Non-discretionary grants	603.7	399.3
Other charitable activities**	427.1	408.3
Total charitable activities	1,791.9	1,706.3
Net incoming resources	675.3	2.4

*Includes costs of Foundation House

**Includes support costs

CHARITABLE EXPENDITURE

During 2021 our charitable expenditure was £1.8m, a marginal increase from 2020, £1.7m. The change was primarily driven by an increase in the grant to King Edward VI School of £0.2m netted against a reduction of £0.1m in discretionary grants committed. Of the charitable expenditure 83.5% (2020: 83.5%) was either grants or expenditure directly towards the funding of 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.

The trustees continue to be 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 close review.

Our present overhead structure is comparable to 2020 and in 2021 we again took advantage of the Coronavirus Job Retention Scheme placing a number of staff members 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 2021 the Town Trust had investments totalling £58.4m. These are the investments from which we generate the majority of our income. Of these investments, 94.3% 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 increased in value by 3.0% (2020: increased by 8.1%).

There were no property acquisitions or disposals during the year. During the year the College Estate Endowment Charity applied to the Charity Commission to remove the classification of permanent endowed from Rowley Fields, which then enabled the Trust to apply for the land to become Town Green. The College Estate Endowment Charity also successfully applied to the Charity Commission for the classification of permanently endowed to be removed from Warwick Road lands (also known as the Lench Meadows), this request was approved in October 2021. As such, both investments were reclassified from permanent endowed to unrestricted in this financial year.

At the end of the year the Town Trust had £0.6m of grants committed to discretionary grant beneficiaries and non-discretionary grant beneficiaries, to be paid within the next 12 months (2020: £0.5m). This amount is included in creditors.

In December 2021 the Charity repaid the outstanding balance on its Coronavirus Business Interruption loan in full.

The Town Trust has a liability of £0.3m (2020: £0.7m), which relates to the deficit of the defined benefit pension scheme (see note 24).

The total funds at the end of the year were £59.8m, of which £55.0m were endowed funds and £4.8m were unrestricted funds, of these unrestricted funds £2.7m 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 at least six months.

Stratford-upon-Avon Town Trust

Unrestricted reserves are held in the Trust to cover six months of administration costs (estimated at £316k), 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 a 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.

In 2021 designated reserves were set up to fund Foundation House's running costs, Foundation House future proofing project, the Riverside Project and participatory grant making. The designated reserves at the end of the 2021 are summarised over the page.

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RESERVES POLICY (continued)

Designated funds	2021
	£
Play House building	1,256,021
Foundation House leasehold improvements	153
Foundation House ongoing costs	200,000
Foundation House future proofing	100,000
Participatory grant making	100,000
Riverside project	200,000
Total designated funds	1,856,174

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.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2021 Town Trust held investments of £58.4m, an increase of £1.7m compared with 2020. 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 4.4% 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 2021. 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 4.4% 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 investments (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 Trust also has a responsible investment policy, which guides the Trustees in environmental, social and governance issues when making investment decisions.

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.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

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	2021 £m	2020 £m	2021 %	2020 %
Endowed:				
Physical Property	35.2	35.6	60.3	62.8
Equity Funds	16.9	15.5	28.9	27.3
Property Funds	3.0	2.7	5.1	4.8
Cash equivalent	0.0	0.1	0.0	0.2
Total endowed investments	55.1	53.9	94.3	95.1
Non-Endowed:				
Physical Property	0.3	0.0	0.5	0.0
Equity Funds	2.2	2.1	3.8	3.7
Property funds	0.8	0.7	1.4	1.2
Total non-endowed investments	3.3	2.8	5.7	4.9
Total investments	58.4	56.7	100.0	100.0

Independently Managed Funds Performance

As at December 2021 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	3.4%	6.0%	9.4%	9.3%	9.5%
Guild	3.3%	8.2%	11.5%	9.3%	14.6%
College	3.3%	8.7%	12.0%	9.3%	13.2%

The benchmark for the Guild Estate and College Estate is the weighted average of the benchmark for the property funds (19.1%), which is based on AREF / MSCI All Balanced Funds Property Index, the benchmark for the Common Investments Funds (13.7%) (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%), 2% per annum above SONIA (alternative assets) (10%)).

The benchmark for the Town Trust is based on ICE BofAML Sterling Corporate (13.13%), ICE BofAML UK Gilts All Stocks (14.38%), MSCI AC World ex UK (local currency – GBP) (7.5%), MSCI AC World ex UK (Net Total Return) (32.5%), MSCI All Balanced Property Funds – ONE Quarter Lagged (3.75%), MSCI UK IMI (Net Return) GBP (17.5%), SONIA (1.25%), 2% per annum above SONIA (alternative assets) (10%).

The under performance of the actual total return for Guild and College's independent managed funds was due to the Sarasin funds under performing due to the portfolio being underweight in the technology and energy sectors during the year.

Property Investment Performance

The combined property portfolio is valued at £35.5m (2020: £35.6m). The property agents, Colliers International, performed a full valuation of properties as at 31 December 2020. It is a regulatory requirement that a full valuation is performed every five years.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

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	7.4%	(0.6)%	6.8%	9.8%	19.1%
College	7.2%	0.6%	7.8%	9.8%	19.1%

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 -0.3% (2020: -9.3%). The rental yield for the combined portfolio was 7.3% (2020: 6.5%), giving a total return of 7.0% (2020: -2.8%).

In 2021 the health of our commercial property portfolio in Stratford-upon-Avon continued to suffer due to the economic impact of Covid-19, the age and listed status of some properties and the change to retail shopping habits. During the year we have had a small number of void properties and a level of rent arrears that was no worse than those experienced by other property portfolios of our magnitude and mix in the current economic climate.

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

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).

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 2021 our community hub, Foundation House has continued to be enjoyed and recognised as a community destination, providing an enormous benefit to so many. 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 become an active community of growers, sharing seeds, knowledge and produce during the last 12 months.

During the summer we worked in partnership with The Play House to deliver a programme of music by local performers and family activities at the bandstand; as well as welcoming back our local brass and silver bands for afternoon concerts.

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 24 May 2001, and registered as a charity on 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 ensure the Committee operates in an independent and impartial manner.

The committees are: Audit & Governance Committee; Grants & Community Engagement 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 improveInterface with external auditorsReview and oversight of constitution, regulations and non-operational decision makingReview, adoption and implementation of policies relating to corporate and Charity Commission regulations and laws
Grants & Community Engagement Committee	<ul style="list-style-type: none">Review and recommend a Communication Strategy and Grants Policy in relation to grant fundingRecommend and oversee delivery of Communication and Grants PlanApprove 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 statementsReview and updating of investment and reserve policiesReview and oversight of all property & investment related matters

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

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 17).

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 2021, 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.

The coronavirus pandemic continued to have a significant impact on both global markets and the local economy throughout 2021 and still has some impact in 2022, especially to the Stratford-upon-Avon international tourist economy. We recognise that the vaccination programme has enabled the economy to partially recover, however the Trust continues to closely monitor the pandemic and its impact on the charity and the local economy.

Health and Safety

In 2021 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. This strengthens 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 shows 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 ensuring that we are an inclusive and equal organisation.

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.

GDPR Policy

The Town Trust prides itself on a high standard of professional conduct to ensure GDPR compliance, we have embedded compliant documents across the organisation. In March 2021 a GDPR audit was undertaken by a third party which has enabled us to provide ourselves with a roadmap to enhance our GDPR policies and procedures. 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 manage overheads and maximise the funds flowing into the grant-making programme. The CEO is available every Friday to meet Trust members or community members. In 2021 three member events were held, the first was a guided walk of the Lench Meadows in September, followed, in October, by an in-conversation event with Dr Kate Giles of University of York and Rodger Palmer (volunteer guide) who discussed the second phase of the conservation project of the Guild Chapel's wall paintings and lastly in November, James McHugh the Trust's Grants Manager explained the Trust's grant making approach and looked at innovative ways in which we inspire community action and making our grant funding go further.

Grant Making Policy

Details of how to apply for grants are available on the Town Trust's website: www.stratfordtowntrust.co.uk. Applications can be made to the Town Trust, using the appropriate form. The Town Trust operated only one main grant round in 2021 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 £1,000 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, 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 which 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 efficient 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 staff, volunteers, and supporters. The Town Trust is most grateful to all of them for their continued support and hard work.

In December 2021 the Trust had 14 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 continued 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 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.

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.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OFFICERS, CONTACTS AND ADVISORS

TRUSTEE BOARD

Tim Bailey (Deputy Chair of Board from November 2021)
 Gill Cleeve (Chair of Grants & Community Engagement Committee from November 2021)
 Liz Coles
 Tony Jackson (Chair of Board from November 2021, Deputy Chair of Board to November 2021)
 Lindsay MacDonald
 Matthew Macdonald (resigned 31 January 2022)
 Stephen Parker
 Jonathan Smith (appointed 1 April 2022)
 Clive Snowden (Chair of Finance Investment & Property Committee)
 Josie Stevens
 David Taylor (Chair of Grants & Community Engagement Committee to November 2021)
 Quentin Willson (Chair of Board to November 2021)

NON-EXECUTIVE AUDIT & GOVERNANCE COMMITTEE MEMBERS

Andreas Flor Chair from 1 January 2021 to 18 February 2021 (resigned 18 February 2021)
 Sundash Jassi Deputy Chair 1 January 2021 to 18 February 2021 and Chair from 19 February 2021 to 31 December 2021
 Mark Tailby Deputy Chair 1 June 2021 to 31 December 2021 (appointed 1 June 2021)

CHIEF EXECUTIVE	Sara Aspley	SENIOR MANAGEMENT TEAM	Rebecca Hampson, James McHugh, Fiona Tomlinson (to 7.8.21), Paul Fitzpatrick (from 26.7.21), Lynn Perkins
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 Sarasini & 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	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 18 May 2022 and signed on their behalf by Tony Jackson.



Tony Jackson
Chair of Board
18 May 2022

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 2021 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 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group or 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 19, 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 group and 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 group or 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.


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

Chartered Accountants St Johns Court
Easton Street
High Wycombe
HP11 1JX

Statutory Auditors

Date: 09/06/2022

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 2021

	Note	Unrestricted funds 2021 £	Permanent endowment funds 2021 £	Total funds 2021 £	Unrestricted funds 2020 £	Permanent endowment funds 2020 £	Total funds 2020 £
Income from:							
Donations and legacies*	4	236,374	-	236,374	59,415	-	59,415
Investment income	5	3,317,632	-	3,317,632	3,073,701	-	3,073,701
Charitable Activities	6	1,080	-	1,080	250	-	250
Other income	7	3,394	-	3,394	2,340	-	2,340
Total Income		3,558,480	-	3,558,480	3,135,706	-	3,135,706
Expenditure on:							
Raising funds	8	1,091,320	-	1,091,320	1,427,006	-	1,427,006
Charitable activities**	9	1,791,902	-	1,791,902	1,706,344	-	1,706,344
Total expenditure		2,883,222	-	2,883,222	3,133,350	-	3,133,350
Net gains / (losses) on investments	15/18	184,408	1,500,644	1,685,052	36,545	(3,251,920)	(3,215,375)
Net income and expenditure		859,666	1,500,644	2,360,310	38,901	(3,251,920)	(3,213,019)
Other recognised gains and losses							
Actuarial gains / (losses) on defined benefit pension schemes	24	358,000	-	358,000	(362,000)	-	(362,000)
Reclassification of reserves		300,000	(300,000)	-	-	-	-
Net movement in funds		1,517,666	1,200,644	2,718,310	(323,099)	(3,251,920)	(3,575,019)
Reconciliation of funds							
Total funds brought forward		3,282,406	53,755,991	57,038,397	3,605,505	57,007,911	60,613,416
Total funds carried forward	18	4,800,072	54,956,635	59,756,707	3,282,406	53,755,991	57,038,397

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 28 to 46 form part of these financial statements.

* Includes restricted funds income of £207,410 (2020: £37,029) received The National Lottery Fund and the National Lottery Heritage Fund

** Includes restricted funds cost of £111,210 (2020: £37,029) funded by the above grants

STRATFORD-UPON-AVON TOWN TRUST**TRUST STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account
for the year ended 31 December 2021**

	Notes	Total Funds 2021 £	Total Funds 2020 £
Income from:			
Donations and legacies*	4	1,510,112	1,177,293
Investment income	5	109,473	88,243
Charitable activities	6	-	-
Other	7	162,308	176,654
Total income		1,781,893	1,442,190
Expenditure on:			
Raising funds	8	221,226	227,465
Charitable activities:	9	1,085,411	1,220,061
Total expenditure		1,306,637	1,447,526
Gains on investment assets	15	108,975	55,339
Net income and expenditure		584,231	50,003
Other recognised gains and losses			
Actuarial gains / (losses) on defined benefit pension schemes	24	358,000	(362,000)
Net movement in funds		942,231	(311,997)
Reconciliation of funds			
Total funds brought forward		3,148,684	3,460,681
Total funds carried forward	20	4,090,915	3,148,684

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 28 to 46 form part of these financial statements.

* Includes restricted funds income of £68,410 (2020: £37,029)

** Includes restricted funds cost of £68,410 (2020: £37,029)

STRATFORD-UPON-AVON TOWN TRUST
BALANCE SHEETS
As at 31 December 2021

	Notes	Group		Trust	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible fixed assets	14	1,629,711	1,676,781	1,629,711	1,676,781
Investments	15	58,366,023	56,680,971	2,243,973	2,134,998
		<u>59,995,734</u>	<u>58,357,752</u>	<u>3,873,684</u>	<u>3,811,779</u>
Current assets					
Debtors	16	490,180	484,761	213,634	151,242
Cash at bank and in hand		2,719,338	2,702,938	1,031,059	1,705,626
		<u>3,209,518</u>	<u>3,187,699</u>	<u>1,244,693</u>	<u>1,856,868</u>
Current liabilities					
Creditors: amounts falling due within one year	17	(3,146,545)	(3,017,872)	(725,462)	(1,030,781)
		<u>62,973</u>	<u>169,827</u>	<u>519,231</u>	<u>826,087</u>
Net current assets					
		<u>60,058,707</u>	<u>58,527,579</u>	<u>4,392,915</u>	<u>4,637,866</u>
Total assets less current liabilities					
		<u>60,058,707</u>	<u>58,527,579</u>	<u>4,392,915</u>	<u>4,637,866</u>
Creditors: amounts falling due after one year	17a	-	(818,182)	-	(818,182)
Defined benefit pension scheme liability	24	(302,000)	(671,000)	(302,000)	(671,000)
		<u>59,756,707</u>	<u>57,038,397</u>	<u>4,090,915</u>	<u>3,148,684</u>
Net assets including pension liability					
		<u>59,756,707</u>	<u>57,038,397</u>	<u>4,090,915</u>	<u>3,148,684</u>
Funds					
Capital funds					
Endowment Funds*	18	54,956,635	53,755,991	-	-
Income funds					
Unrestricted funds	20				
General fund		2,736,741	2,525,631	2,736,741	2,525,631
Designated fund		1,856,174	1,294,053	1,656,174	1,294,053
Other charitable funds (College & Guild)		509,157	133,722	-	-
Pension reserve	24	(302,000)	(671,000)	(302,000)	(671,000)
		<u>59,756,707</u>	<u>57,038,397</u>	<u>4,090,915</u>	<u>3,148,684</u>
Total funds	20				
		<u>59,756,707</u>	<u>57,038,397</u>	<u>4,090,915</u>	<u>3,148,684</u>

*Includes revaluation reserves £ 35,840,289 (2020: £34,339,643)

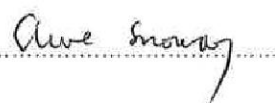
The financial statements on pages 23 to 46 were approved by the trustees and authorised for issue on 18 May 2022.

The notes on pages 28 to 46 form part of these financial statements.

Tony Jackson, Chair



Clive Snowdon, 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 2021

	2021 Total funds £	2020 Total funds £
Cash flows from operating activities:		
Net cash used in operating activities	<u>(2,427,306)</u>	<u>(2,897,481)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,352,004	3,111,334
Purchase of property, plant and equipment	(8,367)	(6,766)
Proceeds from sale of investments	-	1,190,055
Purchase of investments	<u>(53,789)</u>	<u>(1,284,844)</u>
Net cash provided by investing activities	3,289,848	3,009,779
Cash flows from financing activities:		
Cash inflows from new borrowings	-	900,000
Repayment of borrowings	<u>(900,000)</u>	-
Net cash (used) / provided by financing activities	<u>(900,000)</u>	<u>900,000</u>
Change in cash and cash equivalents in the reporting period	(37,458)	1,012,298
Cash and cash equivalents at 31 December 2020	<u>2,762,864</u>	<u>1,750,566</u>
Cash and cash equivalents at 31 December 2021	<u>2,725,406</u>	<u>2,762,864</u>
	2021 Total funds £	2020 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	2,718,310	(3,575,019)
Adjustments for:		
Depreciation	55,437	86,787
(Gains) / losses on investments	(1,685,053)	3,215,375
Dividends, interest, and rent from investments	(3,352,004)	(3,111,334)
Increase in debtors	(5,418)	(116,116)
(Decrease) / increase in creditors	<u>(158,578)</u>	<u>602,826</u>
Net cash used in operating activities	<u>(2,427,306)</u>	<u>(2,897,481)</u>
	2021 Total funds £	2020 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	2,719,338	2,702,938
Cash awaiting investment *	<u>6,068</u>	<u>59,926</u>
Total cash and cash equivalents	<u>2,725,406</u>	<u>2,762,864</u>

* £6,044 (2020: £41,930) of cash awaiting investment is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2021 £	Cashflow £	At 31 December 2021 £
Cash and equivalents			
Cash	2,702,938	16,400	2,719,338
Cash awaiting deposit	59,926	(53,858)	6,068
Total	<u>2,762,864</u>	<u>(37,458)</u>	<u>2,725,406</u>

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	2021 Total funds £	2020 Total funds £
Cash flows from operating activities:		
Net cash (used in) / provided by operating activities	<u>(26,373)</u>	<u>198,076</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	260,173	264,897
Purchase of property, plant and equipment	(8,367)	(6,766)
Proceeds from sale of investments	-	263,369
Purchase of investments	<u>(17,972)</u>	<u>(259,712)</u>
Net cash provided by investing activities	<u>233,834</u>	<u>261,788</u>
Cash flows from financing activities:		
Cash inflows from new borrowings	-	900,000
Repayment of borrowings	<u>(900,000)</u>	<u>-</u>
Net cash (used in) / provided by financing activities	<u>(900,000)</u>	<u>900,000</u>
Change in cash and cash equivalents in the reporting period	(692,539)	1,359,864
Cash and cash equivalents at 31 December 2020	<u>1,723,622</u>	<u>363,758</u>
Cash and cash equivalents at 31 December 2021	<u>1,031,083</u>	<u>1,723,622</u>
	2021 Total funds £	2020 Total funds £
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	942,232	(311,997)
Adjustments for:		
Depreciation	55,437	86,787
Gains on investments	(108,975)	(55,339)
Dividends, interest, and rent from investments	(260,173)	(264,897)
(Increase) / decrease in debtors	(62,392)	210,460
(Decrease) / increase in creditors	<u>(592,502)</u>	<u>533,062</u>
Net cash (used in) / provided by operating activities	<u>(26,373)</u>	<u>198,076</u>
	2021 Total funds £	2020 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	1,031,059	1,705,626
Cash awaiting investment	24	17,996
Total cash and cash equivalents	<u>1,031,083</u>	<u>1,723,622</u>

Analysis of change in net debt

	At 1 January 2021 £	Cashflow £	At 31 December 2021 £
Cash and equivalents			
Cash	1,705,626	(674,567)	1,031,059
Cash awaiting deposit	17,996	(17,972)	24
Total	<u>1,723,622</u>	<u>(692,539)</u>	<u>1,031,083</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021

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 2021 (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 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 2021 (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 2021 £	Guild Estate 2020 £	College Estate 2021 £	College Estate 2020 £
Total Assets	39,360,064	38,098,708	19,001,759	18,028,564
Total Liabilities	<u>(1,678,564)</u>	<u>(1,116,716)</u>	<u>(1,017,469)</u>	<u>(1,120,844)</u>
Total Funds	<u>37,681,500</u>	<u>36,981,992</u>	<u>17,984,290</u>	<u>16,907,720</u>
			2021 £	2020 £
Guild Estate Endowment				
Total incoming resources			2,476,400	2,129,460
			<hr/>	<hr/>
Net incoming / (outgoing) resources			699,508	(3,234,024)
			<hr/>	<hr/>
College Estate Endowment				
Total incoming resources			928,488	910,492
			<hr/>	<hr/>
Net incoming / (outgoing) resources			1,076,570	(29,000)
			<hr/>	<hr/>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021 (continued)

4	Donations and legacies	Group		Trust	
		Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
	Annual gift from Guild Estate	-	-	983,226	556,883
	Annual gift from College Estate	-	-	443,303	567,962
	Donations to Guild Chapel	11,734	1,210	-	-
	Furlough - grant	17,230	21,176	15,173	15,419
	Grants	207,410	37,029	68,410	37,029
		<u>236,374</u>	<u>59,415</u>	<u>1,510,112</u>	<u>1,177,293</u>
5	Investment income	Group		Trust	
		Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
	Property income	2,596,188	2,397,887	34,495	21,928
	Dividends receivable	721,444	675,814	74,978	66,315
		<u>3,317,632</u>	<u>3,073,701</u>	<u>109,473</u>	<u>88,243</u>
6	Income from Charitable Activities	Group		Trust	
		Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
	Guild Chapel	1,080	250	-	-
		<u>1,080</u>	<u>250</u>	<u>-</u>	<u>-</u>
7	Other Income	Group		Trust	
		Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
	Interest receivable on cash & bank	286	2,340	150	603
	Miscellaneous income	3,108	-	3,108	-
	Services to Guild Estate	-	-	95,335	113,893
	Services to College Estate	-	-	63,715	62,158
		<u>3,394</u>	<u>2,340</u>	<u>162,308</u>	<u>176,654</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021 (continued)

8 Expenditure on raising funds	Group		Trust	
	Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
Investment Fund Managers' Fees	91,018	83,807	11,351	9,120
Property expenses	825,741	1,173,262	-	-
Support costs (note 10)	174,561	169,937	-	-
Services to Guild Estate (note 10)	-	-	130,621	141,269
Services to College Estate (note 10)	-	-	79,254	77,076
	<u>1,091,320</u>	<u>1,427,006</u>	<u>221,226</u>	<u>227,465</u>
9 Expenditure on charitable activities	Group		Trust	
	Total funds 2021 £	Total funds 2020 £	Total funds 2021 £	Total funds 2020 £
Grant Making				
Discretionary Grants	580,749	707,281	580,749	707,281
Foundation House	180,371	191,414	180,371	191,414
Non-Discretionary Grants				
King Edward VI School	550,454	347,515	-	-
Almshouses Maintenance	46,239	44,763	-	-
Holy Trinity Church	7,000	7,000	-	-
Grant Making Support Costs (note 10)	239,915	256,013	249,198	250,146
	<u>1,604,728</u>	<u>1,553,986</u>	<u>1,010,318</u>	<u>1,148,841</u>
Play House				
Direct venue costs	42,288	47,288	42,288	47,288
Support costs (note 10)	13,530	2,936	13,548	3,109
	<u>55,818</u>	<u>50,224</u>	<u>55,836</u>	<u>50,397</u>
Other activities				
Bandstand	(1,528)	2,444	(1,528)	2,444
800 th Anniversary Fountain	9,528	2,714	9,528	2,714
Guild Chapel	81,482	57,611	-	-
Support Costs (note 10)	41,874	39,365	11,257	15,665
	<u>131,356</u>	<u>102,134</u>	<u>19,256</u>	<u>20,823</u>
Total	<u>1,791,902</u>	<u>1,706,344</u>	<u>1,085,411</u>	<u>1,220,061</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021 (continued)

9 Expenditure on charitable activities (Cont'd)

Analysis of expenditure on charitable activities

	Activities undertaken directly 2021 £	Activities undertaken directly 2020	Grant funding of activities 2021 £	Grant funding of activities 2020	Support Costs 2021 £	Support Costs 2020	Total 2021 £	Total 2020
Discretionary grants	-	-	580,749	707,281	168,899	153,265	749,648	860,546
Foundation House	-	-	180,371	191,414	57,924	70,191	238,295	261,605
Grant to King Edward VI School	-	-	550,454	347,515	12,217	29,081	562,671	376,596
Grant to Almshouses Maintenance	-	-	46,239	44,763	625	3,176	46,864	47,939
Grant to Vicar of Holy Trinity Church	-	-	7,000	7,000	250	300	7,250	7,300
Play House – venue	42,288	47,288	-	-	13,530	2,936	55,818	50,224
Guild Chapel	81,482	57,611	-	-	32,078	26,563	113,560	84,174
Bandstand & 800 th Anniversary Fountain	8,000	5,158	-	-	9,796	12,802	17,796	17,960
	<u>131,770</u>	<u>110,057</u>	<u>1,364,813</u>	<u>1,297,973</u>	<u>295,319</u>	<u>298,314</u>	<u>1,791,902</u>	<u>1,706,344</u>

STRATFORD-UPON-AVON TOWN TRUST

NOTES ON FINANCIAL STATEMENTS

For the year ended 31 December 2021 (continued)

	Basis of allocation	Play House facility	*Grant Making	Governance	Charitable Activities	Property Support	Total 2021
		£	£	£	£	£	£
10	Allocation of support costs						
	Group 2021						
	Staff costs	5,338	164,954	95,033	29,962	91,063	386,350
	Office costs	969	2,460	19,090	4,267	9,525	36,311
	Membership administration	-	2,421	2,548	-	-	4,969
	AGM and annual report	-	-	4,011	-	-	4,011
	Trustee meetings and training	-	-	5,703	-	-	5,703
	Auditor's remuneration	-	-	20,441	-	-	20,441
	Professional fees	5,000	3,083	3,353	659	-	12,095
	Governance costs	2,233	66,997	(150,179)	6,986	73,973	-
		<u>13,530</u>	<u>239,915</u>	<u>-</u>	<u>41,874</u>	<u>174,561</u>	<u>469,880</u>
		(note 9)	(note 9)		(note 9)	(note 8)	

	Play House facility	*Grant Making	Governance	Charitable Activities	Property Support	Total 2020
	£	£	£	£	£	£
Allocation of support costs Group 2020						
Staff costs	1,005	164,157	87,625	35,137	78,673	366,597
Office costs	73	10,589	21,365	(4,355)	17,769	45,441
Membership administration	-	-	1,126	-	-	1,126
AGM and annual report	-	-	1,393	-	-	1,393
Trustee meetings and training	-	-	5,632	-	-	5,632
Auditor's remuneration	-	-	19,375	-	-	19,375
Professional fees	1,475	21,161	6,050	-	-	28,686
Governance costs	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)	

* Includes Foundation House

STRATFORD-UPON-AVON TOWN TRUST NOTES ON FINANCIAL STATEMENTS

	Basis of allocation	Play House facility	Support for Related Charities	*Grant Making	Governance	Charitable Activities	Total 2021
		£	£	£	£	£	£
10	Allocation of support costs continued – Trust 2021						
	Staff costs	5,338	130,621	153,480	82,668	7,030	379,136
	Office costs	978	24,648	29,136	15,152	1,288	71,202
	Auditor's Remuneration	-	-	-	10,502	-	10,502
	Professional Fees	5,000	-	-	3,353	-	8,353
	Membership Administration	-	-	2,421	2,548	-	4,969
	AGM and Annual Report	-	-	-	4,011	-	4,011
	Trustee Meetings and Training	-	-	-	5,704	-	5,704
	Governance costs	2,232	54,606	64,161	(123,938)	2,939	-
		<u>13,548</u>	<u>209,875</u>	<u>249,198</u>	<u>-</u>	<u>11,257</u>	<u>483,878</u>
		(note 9)	(note 8)	(note 9)		(note 9)	
	Allocation of support costs – Trust 2020						
	Staff costs	1,005	134,332	149,555	70,643	9,638	365,173
	Office costs	246	32,857	36,580	17,279	2,357	89,319
	Auditor's Remuneration	-	-	-	10,040	-	10,040
	Professional Fees	1,475	-	7,057	6,050	-	14,582
	Membership Administration	-	-	-	1,126	-	1,126
	AGM and Annual Report	-	-	-	1,393	-	1,393
	Trustee Meetings and Training	-	-	-	5,632	-	5,632
	Governance costs	383	51,156	56,954	(112,163)	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)	
	*Includes Foundation House						

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021 (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	
	2021	2020	2021	2020
Saffery Champness LLP non-audit fee	525	500	525	500

11 Employees and staff costs

	Group 2021 Number	Group 2020 Number
The average number of employees throughout the year, calculated on a role basis was:		
Stratford Town Trust	12.3	12.5
Guild Estate Endowment	2.0	2.0
	<u>14.3</u>	<u>14.5</u>
On a full-time equivalent basis the total head count was:	9.0	8.1

	Group 2021 £	Group 2020 £	Trust 2021 £	Trust 2020 £
The cost of employing all staff was:				
Salaries and Wages	338,093	333,854	326,870	322,752
National Insurance	27,278	22,671	27,169	22,550
Pensions – Current service cost	91,667	79,280	91,089	78,702
	<u>457,038</u>	<u>435,805</u>	<u>445,128</u>	<u>424,004</u>

In 2021 one member of staff was remunerated between £70,001 and £80,000 (2020: one member of staff was remunerated between £70,001 and £80,000 and another was remunerated between £60,001 and £70,000). Total remuneration for the senior management team was £241,662 (2020: £225,187).

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 2021 these activities were curtailed at times 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 £7.2m.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (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 2021	1,864,372	30,000	356,444	152,212	121,077	63,884	46,120	2,634,109	
	Additions	-	-	-	-	-	6,008	2,359	8,367	
	Disposals	-	-	-	-	-	(6,868)	(390)	(7,258)	
	31 December 2021	1,864,372	30,000	356,444	152,212	121,077	63,024	48,089	2,635,218	
Depreciation										
	1 January 2021	571,063	25,000	51,721	149,302	55,096	61,043	44,103	957,328	
	Charge for the period	37,288	5,000	4,400	1,313	2,424	3,112	1,900	55,437	
	Disposals	-	-	-	-	-	(6,868)	(390)	(7,258)	
	31 December 2021	608,351	30,000	56,121	150,615	57,520	57,287	45,613	1,005,507	
Net book values										
	31 December 2021	1,256,021	-	300,323	1,597	63,557	5,737	2,476	1,629,711	
	31 December 2020	1,293,309	5,000	304,723	2,910	65,981	2,841	2,017	1,676,781	
*Clare Learning Centre										

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

	Group		Trust	
	2021	2020	2021	2020
	£	£	£	£
15 Fixed asset investments				
Investment properties	35,456,100	35,556,100	-	-
Quoted investments	22,903,855	21,064,945	2,243,949	2,117,002
Cash awaiting investment	6,068	59,926	24	17,996
	<u>58,366,023</u>	<u>56,680,971</u>	<u>2,243,973</u>	<u>2,134,998</u>
Investment properties:				
Market value at 1 January 2021	35,556,100	38,859,600	-	-
Revaluation losses	(100,000)	(3,303,500)	-	-
	<u>35,456,100</u>	<u>35,556,100</u>	<u>-</u>	<u>-</u>
Market value at 31 December 2021	35,456,100	35,556,100	-	-
Cost or donated value at 31 December 2021	6,588,209	6,588,209	-	-
	<u>6,588,209</u>	<u>6,588,209</u>	<u>-</u>	<u>-</u>
Quoted investments:				
Market value at 1 January 2021	21,065,012	20,882,099	2,117,002	2,065,320
Additions at cost	53,789	1,284,844	17,972	259,712
Sale proceeds	-	(1,190,055)	-	(263,369)
Investment gains	1,785,054	88,124	108,975	55,339
	<u>22,903,855</u>	<u>21,065,012</u>	<u>2,243,949</u>	<u>2,117,002</u>
Market value at 31 December 2021	22,903,855	21,065,012	2,243,949	2,117,002
	<u>22,903,855</u>	<u>21,065,012</u>	<u>2,243,949</u>	<u>2,117,002</u>
Historical cost at 31 December 2021	15,219,018	15,165,229	1,630,351	1,612,379
	<u>15,219,018</u>	<u>15,165,229</u>	<u>1,630,351</u>	<u>1,612,379</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2021 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 2021 (continued)

15	Fixed asset investments (continued)	Group		Trust	
		2021 £	2020 £	2021 £	2020 £
	Gains on unrestricted funds				
	Quoted investments	184,408	36,545	108,975	55,339
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
16	Debtors: amounts falling due within one year	Group		Trust	
		2021 £	2020 £	2021 £	2020 £
	Amounts falling due within one year:				
	Rents	322,546	321,671	5,864	2,678
	Prepayments and accrued income	140,797	102,711	37,006	37,317
	Grants repayable	-	49,340	-	-
	Other debtors	26,837	11,039	-	-
	Amount due from Guild Estate	-	-	170,764	-
	Amount due from College Estate	-	-	-	111,247
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		490,180	484,761	213,634	151,242
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
17	Creditors: amounts falling due within one year	Group		Trust	
		2021 £	2020 £	2021 £	2020 £
	Deferred income	1,181,888	1,298,235	3,254	69,410
	Trade creditors	121,742	95,311	23,839	47,745
	Grants payable (note 23)	617,484	539,190	455,985	539,190
	Accruals	1,010,447	746,043	79,204	73,126
	Other creditors	42,616	48,779	42,616	48,779
	Other taxation and social security	168,902	199,746	22,008	24,419
	Pension	3,466	8,750	3,466	8,750
	Loan	-	81,818	-	81,818
	Amount owed to Guild Estate	-	-	-	137,544
	Amount owed to College Estate	-	-	95,090	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		3,146,545	3,017,872	725,462	1,030,781
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

	Group	
	2021 £	2020 £
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>19,600</u>	<u>18,100</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

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

Deferred income of £1,181,888 represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £499,048, deferred income relating to one to five years £23,432 and the value relating to over five years £659,409.

Deferred income reconciliation	Group		Trust	
	2021 £	2020 £	2021 £	2020 £
At 1 January 2021	1,298,235	1,341,064	69,410	2,023
Released during the year	(609,536)	(646,650)	(69,410)	(1,023)
Deferred in the current year	493,189	603,821	3,254	68,410
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	1,181,888	1,298,235	3,254	69,410
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17a Creditors: amounts falling due after one year

	Group		Trust	
	2021 £	2020 £	2021 £	2020 £
Loan	-	818,182	-	818,182
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The total amount recognised related to the CIBL loan repayable in full after one year, however this was repaid early, in full, in 2021.

18 Summary of Fund Movements

Fund Name 2020	Fund Balances 31 December 2020 £	Income £	Expenditure £	Reclass- ification of Reserves £	Gains and Losses £	Fund Balances 31 December 2021 £
Unrestricted Funds	3,282,406	3,558,480	(2,883,222)	300,000	542,408	4,800,072
Permanent Endowment Funds	53,755,991	-	-	(300,000)	1,500,644	54,956,635
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	57,038,397	3,558,480	(2,883,222)	-	2,043,052	59,756,707
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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
Restricted Funds Permanent Endowment Funds	57,007,911	-	-	(3,251,920)	53,755,991
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	60,613,416	3,135,706	(3,133,350)	(3,577,375)	57,038,397
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </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 2021 (continued)

19 Analysis of group net assets between funds	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £	Endowment funds 2021 £	Endowment funds 2020 £	Total 2021 £	Total 2020 £
Fixed assets	1,629,711	1,676,781	-	-	1,629,711	1,676,781
Fixed asset investments	3,342,747	2,480,091	55,023,276	54,200,880	58,366,023	56,680,971
Current assets	3,209,518	3,187,699	-	-	3,209,518	3,187,699
Current liabilities	(3,079,904)	(2,572,983)	(66,641)	(444,889)	(3,146,545)	(3,017,872)
Long term liabilities	-	(818,182)	-	-	-	(818,182)
Defined benefit pension scheme liability	(302,000)	(671,000)	-	-	(302,000)	(671,000)
	<u>4,800,072</u>	<u>3,282,406</u>	<u>54,956,635</u>	<u>53,755,991</u>	<u>59,756,707</u>	<u>57,038,397</u>
20 Analysis of group funds between charities 2021			Guild Endowment £	College Endowment £	Trust £	Total £
Capital funds						
Endowment funds			37,578,647	17,377,988	-	54,956,635
Unrestricted funds						
General funds			-	-	2,736,741	2,736,741
Designated Funds*			-	200,000	1,656,174	1,856,174
Other charitable funds			102,853	406,304	-	509,154
Pension reserve			-	-	(302,000)	(302,000)
			<u>37,681,500</u>	<u>17,984,292</u>	<u>4,090,915</u>	<u>59,756,707</u>
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>36,981,993</u>	<u>16,907,720</u>	<u>3,148,684</u>	<u>57,038,397</u>

*Designated funds are classified as overpage

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

20 Analysis of group funds (cont'd)

Designated funds	2021 £	2020 £
Play House building	1,256,021	1,293,309
Foundation House leasehold improvements	153	744
Foundation House ongoing costs	200,000	-
Foundation House future proofing	100,000	-
Participatory grant making	100,000	-
Riverside project	200,000	-
	1,856,174	1,294,053

21 Trustee expenses (Group and Trust)

Expenditure reimbursed to trustees during the period amounted to £nil (2020: £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 entered into a new grants arrangement with the operators of Stratford Play House (Stratford Play House Limited) for a five-year period (1 July 2021 to 30 June 2026). Stratford Town Trust has committed to pay £150,000 in year 1 and year 2 of the agreement, subject to the delivery of certain KPI's. The level of grants for the years 3-5 will be confirmed 6 months prior to the start of the new grant's year.

23 Grant making

A total of 117 (2020: 103) discretionary grants were awarded to beneficiaries during the year, of which 56 (2020: 35) were hardship grants, to individuals, which amounted to £11,960 (2020: £9,079).

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

23 Grant making (continued)

Total Discretionary Grants	Group & Trust	
	2021	2020
	£	£
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	233,660	479,880
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	184,435	109,070
To provide or support facilities for recreation and other leisure-time occupation	134,908	111,760
To advance the Christian religion	-	1,500
To support civic pride	7,240	1,400
 To support citizenship and community	 20,230	 1,500
Other charitable purposes	276	2,170
	<u>580,749</u>	<u>707,280</u>

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

Discretionary Grants £20,000 or greater	Group & Trust	2021
Beneficiary	Purpose of grant	£
Play House*	Running costs & support of community events	100,000
Citizens Advice South Warwickshire	Frontline services for Stratford town	63,000
Stratford upon Avon School	Schools grant	27,097
Safeline	Stratford clinical assessment & services manager	25,400
New Meaning Centre Bucks Ltd	Toolshed Stratford	25,000
Refuge (Stratford)	Support for survivors of domestic abuse	23,175
Lifespace Ltd	Core work	21,636
The Parenting Project	Family wellbeing Pathway	20,445
Stratford-on-Avon District Council	Community Builder	20,000
The Myton Hospices	Core costs for Stratford residents & Inclusion Officer	20,000

* This beneficiary was in receipt of a grant awarded to support a multi-year programme.

Reconciliation of grants payable

	Group	Group
	2021	2020
	£	£
Commitments 31 December 2020	539,190	578,310
Commitments made in the period and payable	1,184,442	1,297,973
Grants paid during the period	(1,106,148)	(1,337,093)
	<u>617,484</u>	<u>539,190</u>
Commitments 31 December 2021	617,484	539,190

It is anticipated that all the committed grants will be payable during 2022.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

24 Pensions and similar obligations

As at 31 December 2021, 2 (2020: 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 2021 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

	2021	2020	2019
Rate of CPI	2.9%	2.5%	1.7%
Rate of increase in salaries	3.7%	3.3%	3.0%
Rate of increase in pensions	2.9%	2.5%	2.2%
Discount rate for liabilities	1.9%	1.3%	2.0%

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

	Rate of Return	2021 £'000	Rate of Return	2020 £'000
Equities	5.9%	1,246	5.9%	1,131
Bonds	2.7%	559	2.7%	492
Property	7.0%	301	7.0%	164
Cash/liquidity	-	43	-	36
Total		<u>2,149</u>		<u>1,823</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (continued)

24 Pensions and similar obligations (continued)

	2021 £'000	2020 £'000
Market value of assets	2,149	1,823
Liabilities	(2,451)	(2,494)
	<u> </u>	<u> </u>
Deficit	(302)	(671)
	<u> </u>	<u> </u>
Analysis of amounts charged to the statement of financial activities	2021 £'000	2020 £'000
Current service cost	49	39
	<u> </u>	<u> </u>
Operating charge	(49)	(39)
	<u> </u>	<u> </u>
Analysis of net return on pension assets		
Expected return on pension scheme assets	24	34
Interest on pension liabilities	(33)	(41)
	<u> </u>	<u> </u>
Net return	(9)	(7)
	<u> </u>	<u> </u>
Actuarial gains and losses		
Asset gain	326	131
Liability gain / (loss)	43	(469)
	<u> </u>	<u> </u>
Net gain / (loss)	369	(338)
	<u> </u>	<u> </u>
Movement in deficit during the year	2021 £'000	2020 £'000
Deficit at beginning of year	(671)	(333)
Current service cost	(49)	(39)
Employer contributions	69	70
Net returns on assets	(9)	(7)
Actuarial gain / (loss)	358	(362)
	<u> </u>	<u> </u>
Deficit at end of year	(302)	(671)
	<u> </u>	<u> </u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2021 (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	
	2021	2020	2021	2020
	£	£	£	£
Not later than 1 year	1,878,250	1,901,066	5,250	5,250
Later than 1 year but not later than 5 years	6,729,754	6,828,893	21,000	21,000
Later than 5 years	51,414,405	52,359,761	1,313	6,563

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	
	2021	2020
	£	£
No later than 1 year	71,519	72,004
Later than 1 year but not later than 5 years	286,076	286,076
Later than 5 years	35,760	107,279

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 £0.3m and College Estate would commit a maximum of £0.2m. College Estate's financial commitment was conditionally approved on 15 December 2021, subject to the management agreement with SDC being drawn up, agreed and signed. As at 18 May 2022 the management agreement had not been signed.

28 Related Party Transactions

The trustees were not involved in any related party transactions in 2021 none (2020: none).



Stratford Town Trust

**creating a vibrant and
connected 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)