

THE GUILD ESTATE ENDOWMENT

England & Wales · Charity number 217484

Details

Other names	THE GUILD ESTATE, THE GUILD OF ESTATE ENDOWMENT
Status	Registered
Legal form	Other
Registered	1964-04-29
Register	View on the Charity Commission register

Contact

Address	Stratford Town Trust 14 Rother Street Stratford-Upon-Avon CV37 6LU
Phone	01789207104
Email	admin@stratfordtowntrust.co.uk
Website	www.stratfordtowntrust.co.uk

Activities

Objects: (1) THE RELIEF OF AGED, IMPOTENT AND POOR INHABITANTS OF THE TOWN OF STRATFORD-UPON-AVON (THE INHABITANTS OF THE SAID TOWN BEING HEREINAFTER REFERRED TO AS "THE SAID INHABITANTS"); (2) THE RELIEF OF DISTRESS AND SICKNESS AMONG THE SAID INHABITANTS; (3) THE PROVISION AND SUPPORT (WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE SAID INHABITANTS IN THE INTERESTS OF SOCIAL WELFARE) OF FACILITIES FOR RECREATION OR OTHERWISE LEISURE-TIME OCCUPATION; (4) THE PROVISION AND SUPPORT OF EDUCATIONAL FACILITIES FOR THE SAID INHABITANTS INCLUDING (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) THE PROVISION AND SUPPORT OF EDUCATIONAL FACILITIES AT THE GRAMMAR SCHOOL OF KING EDWARD VI IN STRATFORD-UPON-AVON; (5) THE ADVANCEMENT OF THE CHRISTIAN RELIGION AMONG THE SAID INHABITANTS; (6) ANY OTHER CHARITABLE PURPOSE (WHETHER OR NOT OF A NATURE SIMILAR TO ANY OF THOSE HEREINBEFORE SPECIFIED) FOR THE BENEFIT OF THE SAID INHABITANTS

Activities: As an endowment charity the Guild Estate's main priority is the pro-active management of its investments to maximise capital and income return within an investment policy. 36% of the clear income is paid to one specific beneficiary and the balance transferred to Stratford-upon-Avon Town Trust.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Armed Forces/emergency Service Efficiency, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** STRATFORD-UPON-AVON
- Warwickshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,864,710	£2,864,710	£38,025,791	2
2023-12-31	£2,599,005	£2,599,149	£37,076,256	2
2022-12-31	£2,453,104	£2,453,104	£36,666,562	2
2021-12-31	£2,476,400	£2,476,400	£37,681,500	2
2020-12-31	£2,129,460	£2,129,196	£36,981,992	2

Trustees

Name	Role	Appointed
THE STRATFORD UPON AVON TOWN TRUST		

THE GUILD ESTATE ENDOWMENT

England & Wales - Charity number 217484

Accounts

THE GUILD ESTATE ENDOWMENT
ANNUAL REPORT AND ACCOUNTS

For year ended 31 December 2024

THE GUILD ESTATE ENDOWMENT
for the year ended 31 December 2024

CONTENTS

	Page
Report of the Trustees	1 - 7
Officers & Contacts	8
Independent Auditor's Report	9 - 11
Financial Statements	12 - 14
Notes on Financial Statements	15 - 26

THE GUILD ESTATE ENDOWMENT

REPORT OF THE TRUSTEES

for the year ended 31 December 2024

Overview

The Guild Estate Endowment (registered charity number 217484) (“Guild Estate”) is a charitable trust of which the Corporate Trustee is the Stratford-upon-Avon Town Trust (registered charity number 1088521) (“Town Trust”). The Town Trust 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 Town Trust is the corporate Trustee of the Guild Estate and the College Estate Endowment charities (referred to as “the Group”).

Under a Scheme of the Charity Commissioners (Scheme) dated 1 October 2001 all the income of the Guild Estate is, after defrayment of costs and expenses, transferred to the Town Trust where it becomes the Town Trust’s corporate property and is applied in accordance with the objects of the Town Trust. The only exception to this is the specific provision of entitlement in the Scheme that 36% of the clear yearly income is set aside for the charity of the Grammar School of King Edward VI School at Stratford-upon-Avon (“King Edward VI School”) and a non-discretionary grant to the Church Street Almshouses.

The endowed assets of the Guild Estate are managed by the Town Trust within the obligations of charity law and in line with an investment policy for the Guild Estate determined by the Board of Trustees of the Town Trust (“the Board”).

The Guild Estate generates the majority of its income from its permanent endowed assets which are invested in quoted investments and physical property. If one of these endowed investments is disposed of the Guild Estate has a legal duty to reinvest the net proceeds in another form of investment, which in turn becomes endowed. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. However, some fundraising occurs in relation to the Guild Chapel.

All decisions concerning the management of the Guild Estate are taken by the Board and the officers of the Town Trust. The costs applicable to the management of the Guild Estate are passed on by way of a management charge by the Town Trust.

Public Benefit

The Public Benefit of the Guild Estate is primarily achieved through its Corporate Trustee’s (Town Trust) grant-making to benefit the “inhabitants of Stratford-upon-Avon” (as defined by the administrative boundary of the parish). The Town Trust has had regard to the Charity Commission’s guidance on Public Benefit. However, the Guild Estate also funds a non-discretionary entitlement to the Trustees of King Edward VI School. In 2024 this amounted to £0.8m.

All the Town Trust’s grant applicants are required to provide information on the numbers and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by ongoing public consultation and information.

In the same way the Town Trust and Guild Estate ensure that access to all their directly managed facilities is available to all sectors of the community.

In 2024 the Group applied £2.7m to charitable purposes of which £1.1m discretionary grants have been provided to 147 beneficiaries. In 2024 the Community Hub continued to go from strength to strength and many community groups utilised the various meeting spaces on a regular basis. The cost of the Community Hub for the year was £0.1m. Full details of discretionary grants and the Community Hub can be found in the Annual Report of the Town Trust.

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

Strategic Review

The Guild Estate continued to follow the strategic plan, developed and approved in November 2020 by the Board, and a commentary on that is included in the Annual Report of the Town Trust.

Financial Review

In 2024 total income for the Guild Estate was £2.9m (2023: £2.6m), the majority of which was generated by the Guild Estate’s investments. Investment management costs amounted to £0.6m (2023: £0.5m), so 79.9% (2023: 80.6%) was available for charitable purposes, which funded the non-discretionary entitlement to King Edward VI School, the non-discretionary grant to the Church Street Almshouses and a discretionary grant to the Town Trust. We are very aware that the cost of

THE GUILD ESTATE ENDOWMENT REPORT OF THE TRUSTEES for the year ended 31 December 2024 (continued)

Financial Review (continued)

managing the investments must be monitored closely and spent carefully but also it is important that the investments are well managed, ensuring security of income flow for future generations.

Charitable expenditure was £2.3m (2023: £2.1m), of which £2.2m (2023: £2.0m) was grant funding.

The Guild Estate paid £1.3m (2023: £1.2m) as a discretionary grant to the Town Trust.

King Edward VI School's non-discretionary entitlement of £0.8m (2023: £0.7m) was paid in accordance with the Charity Commission Scheme dated 1 October 2001.

In accordance with the existing agreement £0.06m (2023: £0.05m) was paid towards the maintenance of the Church Street Almshouses, as a non-discretionary grant.

Income

The 2024 total income of £2.9m represented an increase of 10.4% on last year (2023: £2.6m). This increase was due to additional income generated by investment funds and grant funds (£0.14m) received from UK Share Prosperity Fund and Rural England Prosperity Fund to partially fund repairs to a building to the rear of Henley Street.

Balance Sheet

The Guild Estate has investments of £38.8m (2023: £37.9m) – an increase of £0.9m year on year. This increase is due to £0.5m of property gains resulting from the revaluations of certain properties during the year and investment gains of £0.4m on the equity investments. The majority of these investments (£38.0m) are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds from the sale must always be reinvested in other investment assets, which in turn become endowed.

Reserves Policy

The Board reviews the reserves policy annually and considers it very important that the Guild Estate can pay all its committed costs and has free reserves to cover ongoing administration costs for six months.

The permanently endowed reserves in Guild Estate will always be fully investment and cash backed. To recognise the small operational risk in Guild Estate an unrestricted reserve of at least £0.1m is held. The reserves policy was reviewed in June 2024. As at December 2024 the endowed reserves are £37.9m (2023: £37.0m) and the unrestricted reserves are £0.1m (2023: £0.1m).

Financial Effect of Significant Events

In 2024 there were no significant events affecting the Guild Estate apart from the continued impact of the war in Ukraine and the world economy.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2024 Guild Estate held investments (net of short-term deposits) of £38.4m, an increase of £0.9m on 2023. The increase was, in the main, as a result of gains from property revaluations and gains from equity investments.

The objective of the investment policy is to create sufficient income and capital growth to enable the Guild Estate to carry out its purposes consistently year on year. In the medium to long term the Guild Estate 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 (CPI).

The broad thrust of the investment policy in recent years has been to increase diversification and to reduce exposure to property in Stratford-upon-Avon. The targets set for reducing physical property investment in the Guild Estate to between 70% and 80% of the total investment portfolio value, as at the end of December 2024 physical property represented 66.4% of the total investment portfolio.

The Board reviewed and updated the investment policy in September 2024. The policy's main objectives continue to be:

- **Short Term (less than three years) Objective**

The short-term investment objective is to ensure that the Guild Estate has sufficient liquidity to enable it to fund its planned spending on good causes and meet its overhead costs as they fall due.

THE GUILD ESTATE ENDOWMENT
REPORT OF THE TRUSTEES
for the year ended 31 December 2024 (continued)

Investment Policy and Performance (Continued)

- **Medium to Long Term Objective**

The medium to long-term investment objective, as measured over a 10-year rolling period, is to achieve a balanced return from the overall portfolio such that: for the combined portfolio there is an expectation of net income yield being not less than 4.4% pa and that the capital value grows at least in line with inflation. 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**

The endowment investments are expected to exist in perpetuity and should be managed to meet the Guild Estate's investment objectives and ensure their sustainability.

The Guild Estate also has a responsible investment policy, which guides the Board 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. The Guild Estate has considered adopting a total return approach but has decided it would not adopt such an approach at this time since it is more appropriate to continue with separate income and capital returns due to the requirement of the non-discretionary commitments.

The Guild Estate does not have any social investments; all Guild Estate investments are endowed. The policy, at present, is to not have any programme related investments.

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

Investment	2024 £m	2023 £m	2024 Actual %	2023 Actual %	Future Target %
Endowed:					
Physical Property	25.8	24.3	66.4	64.1	70-80
Equity Funds	8.5	8.1	21.9	21.4	30-50
Property Funds	2.4	2.4	6.2	6.3	0-20
Liquidity Fund	1.3	2.3	3.3	6.0	-
Cash equivalent	-	-	-	-	-
Total endowed investments	38.0	37.1	97.8	97.8	100
Non-Endowed:					
Liquidity Fund	0.4	0.4	1.1	1.1	-
Short term deposits	0.4	0.4	1.1	1.1	-
Total non-endowed investments	0.8	0.8	2.2	2.2	-
Total investments	38.8	37.9	100.0	100.0	100

The equity investments are held with either Sarasin & Partners or Cazenove Capital Management Limited. The property funds are held with either Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are reviewed and compared with their benchmarks, the investment policy and the performance of comparable funds.

THE GUILD ESTATE ENDOWMENT
REPORT OF THE TRUSTEES
for the year ended 31 December 2024 (continued)

Investment Policy and Performance (Continued)

Independently Managed Funds Performance

The following table shows the income and capital returns achieved during the period to arrive at the total return for the period:

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	4.4%	3.3%	7.7%	7.1%	12.4%

The benchmark for the Guild Estate is the weighted average of the benchmark for the property funds (5.4%), which is based on AREF / MSCI All Balanced Funds Property Index and the benchmark for the Common Investments Funds (14.3%) (which is calculated based on: ICE BofA Sterling Corporate & Collateralized Index (7.5%), ICE BofA UK Gilts All Stocks (7.5%), MSCI AC World (Local Currency) (GBP) (10%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI All Countries World Daily (Net Total Return) (60%), 2% per annum above SONIA (alternative assets) (10%).

The peer group performance data used is the ARC Steady Growth Charity Index for 2024 and this had a return of 8.2%.

The actual performance was above the target but below the benchmark, in the main due to the impact of the high interest rates and the benchmark including a lower proportion of dividend paying equities than that which is held within the Guild Estate portfolio, as dividend income is important for the Guild Estate.

Physical Property

The property portfolio, valued at £25.8m (2023: £24.3m), within the Guild Estate has increased in value by £1.5m during the year. This increase is due to the purchase of one property 17/18 Bridge Street and revaluation gains of £0.5m on certain properties following either rent reviews or lease renewals. 17/18 Bridge Street was purchased in September 2024 for £1.0m including fees.

The valuation change represents an average capital return of 2.0% (2023: 0%). The rental yield for the property portfolio was 8.4% (2023: 8.1%), giving a total return of 10.4% (2023: 8.1%).

A full property valuation was carried out by Colliers International in December 2020. A five-year interval is deemed appropriate by the Board to capture any material movement however the valuation is considered and monitored annually taking into account market conditions that may impact the valuation. The Guild Estate believes this valuation to still be appropriate for the majority of the portfolio, as there has been no significant change in the status of these properties or tenants nor the wider commercial property market of Stratford-upon-Avon. However, five properties have been revalued, as at 31 December 2024, as there was a significant change in lease arrangement for these properties during 2024. Both valuations were carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in both property in Stratford-upon-Avon and these classes of property.

Risk Management

The risk policy was reviewed in autumn 2024, when the Guild Estate assessed its risk appetite to be low to moderate. The Guild Estate 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 risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact and likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks and their mitigations are monitored and assessed on a regular basis, the Town Trust's policy states this is recorded within the risk register. The whole process is monitored by the Audit & Governance Committee.

THE GUILD ESTATE ENDOWMENT
REPORT OF THE TRUSTEES
for the year ended 31 December 2024 (continued)

Risk Management (continued)

The Board reviews the Guild Estate’s risks on a regular basis throughout the year and consider that the principal risks facing the Guild Estate at the year end are:

Principal Risk	Mitigation
Risk of major national/international incidents	<ul style="list-style-type: none"> • Monitor and remain aware of developments. • Major Incident Plan. • Ensure reputable fund managers are used. • Closely monitor investments.
Equity investments fail to deliver expected return	<ul style="list-style-type: none"> • Investment Strategy and Policy. • Appointed fund managers working to KPIs and benchmarking data. • Quarterly review of investment performance both yield & capital return. • Regular update meetings held with fund managers. • Diverse portfolio of funds held.
Commercial tenants fail to maintain their property under the terms of their lease	<ul style="list-style-type: none"> • Regular inspections by managing agents and co-ordination with the Town Trust. • Dilapidations clause included in lease. • Independent advice sought where applicable.
Challenge from other Stratford schools to KES school’s non-discretionary entitlement	<ul style="list-style-type: none"> • The legal agreement between the Guild Estate and KES school clearly sets out calculation. • Legal advice has been sought on challenge, so the Board is well advised and has a detailed understanding of the situation.

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 Town 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 a 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 Town Trust or for publication; and
- Good governance policies.

Control Environment

The Town Trust, which manages the activities of the Guild Estate, has an organisational structure with defined lines of responsibility, job descriptions and delegated levels of authority as approved by the Board.

Information Systems

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

Fundraising

The Guild Estate does not use professional fundraisers or commercial participators to fund raise from the public. There is a donation facility in the Guild Chapel, where visitors can donate towards the upkeep of the Chapel if they so wish, entry to the Guild Chapel is free to all. The income of the Guild Estate is not bound by any regulatory scheme, and the Guild Estate does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As individuals are not approached for the purpose of raising funds, the Guild Estate does not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

THE GUILD ESTATE ENDOWMENT
REPORT OF THE TRUSTEES
for the year ended 31 December 2024 (continued)

Plans for the future

The Trustees believe that the Guild Estate's grants have translated into significant public benefit. They propose to continue with their present strategy and aim to maintain the awarding of grants to the Town Trust so it in turn may continue to award grants to a variety of charities and beneficiaries for the benefit of the residents of Stratford-upon-Avon.

Volunteers

There are 21 volunteers who support the volunteering activities at the Guild Chapel. We are very grateful for the volunteers' loyalty and commitment to the Guild Chapel. We would like to thank them for the time they give to offer a warm and knowledgeable welcome to all our visitors.

Volunteers covered 394 guiding slots between them in 2024. In addition to guiding, volunteers started their own group talks to share research and findings with each other throughout the year.

Guild Chapel

During the year it is estimated that over 72,000 visitors enjoyed the Guild Chapel, which is about 9,000 more than the number who visited pre the pandemic.

The Guild Chapel underwent some external stone work repairs to the nave, tower and chancel during the year, following the quinquennial survey which was undertaken in 2023.

In 2024 events at the Guild Chapel included Shakespeare School's Week where volunteers showed the school pupils what the great medieval feasts in the Chapel might have looked like. For Heritage Week the volunteers partnered with Shakespeare Birthplace Trust to gain access to the historic Letter of Indulgence which was turned into an informative piece and shared in the Chapel during the week. Finally in November, there was the sell-out event – the Dance of Death, directed by volunteers where actors came together to play characters featured in the historic Dance Macabre painting.

The Friends of the Guild Chapel held a number of concerts and organ recitals, and we are grateful for their continued support. King Edward VI School continued to utilise the chapel for musical activities, as well as its usual school assemblies and services. There continues to be a regular congregation who worships at the Chapel's weekly Wednesday services.

THE GUILD ESTATE ENDOWMENT
REPORT OF THE TRUSTEES
as at 31 December 2024

Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the Board of Trustees
Tim Bailey
Chair of Board

.....
21 May 2025

THE GUILD ESTATE ENDOWMENT

OFFICERS AND CONTACTS

for the year ended 31 December 2024

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve (to 3 May 2025) Liz Coles (to 31 May 2024) Marion Homer Tony Jackson (to 31 May 2024) Simon Littlejohns Lewis McNaught (from 1 June 2024)	Henry Lu Michael Rolfe Jonathan Smith Josie Stevens Sarah Summers (from 1 June 2024) Mark Tailby
CHIEF EXECUTIVE (of Corporate Trustee) SENIOR MANAGEMENT TEAM (of Corporate Trustee)	Sara Aspley Sara Aspley (Chief Executive), Rebecca Hampson (Head of Finance & Deputy Chief Executive), James McHugh (Grants Manager), Paul Fitzpatrick (Buildings & Facilities Manager) (to 29.2.24), Richard Popple (Buildings & Facilities Manager) (from 12.2.24), Frances Nibbs (Community Hub Manager), Lynn Perkins (Executive Assistant).	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ
AUDITOR	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG	
COMMERCIAL PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE GUILD ESTATE ENDOWMENT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Guild Estate Endowment (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, 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 FRS 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 charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

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 charity 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 Guild Estate Endowment'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; 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 in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THE GUILD ESTATE ENDOWMENT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity 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 auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

THE GUILD ESTATE ENDOWMENT
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

4 June 2025
Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

THE GUILD ESTATE ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
for year ended 31 December 2024

	Note	Unrestricted funds	Restricted funds	Permanent endowment funds	Total funds	Unrestricted funds	Restricted funds	Permanent endowment funds	Total funds
		2024	2024	2024	2024	2023	2023	2023	2023
		£	£	£	£	£	£	£	£
Income from:									
Investment	3	2,701,969	-	-	2,701,969	2,577,651	-	-	2,577,651
Donations and legacies	4	7,336	-	-	7,336	7,784	273	-	8,057
Charitable activities	5	4,440	140,000	-	144,440	2,659	-	-	2,659
Other activities	6	10,965	-	-	10,965	10,638	-	-	10,638
		_____	_____	_____	_____	_____	_____	_____	_____
Total Income		2,724,710	140,000	-	2,864,710	2,598,732	273	-	2,599,005
		_____	_____	_____	_____	_____	_____	_____	_____
Expenditure on:									
Raising funds	7	413,613	140,000	-	553,613	504,155	-	-	504,155
Charitable activities	7	2,311,097	-	-	2,311,097	2,094,721	273	-	2,094,994
		_____	_____	_____	_____	_____	_____	_____	_____
Total expenditure		2,724,710	140,000	-	2,864,710	2,598,876	273	-	2,599,149
		_____	_____	_____	_____	_____	_____	_____	_____
Net gains on investments	18	-	-	949,535	949,535	-	-	409,838	409,838
		_____	_____	_____	_____	_____	_____	_____	_____
Net movement in funds	9	-	-	949,535	949,535	(144)	-	409,838	409,694
		_____	_____	_____	_____	_____	_____	_____	_____
Reconciliation of funds									
Total funds brought forward		102,709	-	36,973,547	37,076,256	102,853	-	36,563,709	36,666,562
		_____	_____	_____	_____	_____	_____	_____	_____
Total funds carried forward	18	102,709	-	37,923,082	38,025,791	102,709	-	36,973,547	37,076,256
		=====	=====	=====	=====	=====	=====	=====	=====

The notes on pages 15 to 26 form part of these financial statements.
All of the Guild Estate's activities are continuing.

THE GUILD ESTATE ENDOWMENT

BALANCE SHEET

as at 31 December 2024

	Note	2024		2023	
		£	£	£	£
Fixed assets					
Heritage assets	11		-		-
Investments	12		38,818,992		37,852,926
			<u> </u>		<u> </u>
Total Fixed Assets			38,818,992		37,852,926
Current assets					
Debtors	13	223,156		310,716	
Cash at bank and in hand		361,120		711,998	
		<u> </u>		<u> </u>	
Total current assets		584,276		1,022,714	
Creditors:					
Amounts falling due within one year	14	(1,077,152)		(1,179,322)	
		<u> </u>		<u> </u>	
Net current liabilities			(492,876)		(156,608)
Creditors: amounts falling due after one year	15		(19,867)		(20,125)
Provisions for liabilities	17		(280,458)		(599,937)
			<u> </u>		<u> </u>
Total net assets			38,025,791		37,076,256
			<u> </u>		<u> </u>
Funds					
Endowment funds	19		37,923,082		36,973,547
Unrestricted funds	19		102,709		102,709
			<u> </u>		<u> </u>
Total funds	19		38,025,791		37,076,256
			<u> </u>		<u> </u>

The financial statements on pages 12 to 26 were approved by the Board and authorised for issue on 21 May 2025.
The notes on pages 15 to 26 form part of these financial statements.

Tim Bailey (Chair of Board of Stratford-upon-Avon Town Trust)

Simon Littlejohns (Chair of Finance, Investment & Property Committee of Stratford-upon-Avon Town Trust)

THE GUILD ESTATE ENDOWMENT
STATEMENT OF CASH FLOWS
for the year ended 31 December 2024

	2024	2024	2023	2023
	Total funds	Total	Total	Total
	£	Funds	funds	Funds
	£	£	£	£
Cash flows from operating activities:				
Net income for the reporting period (as per the statement of financial activities)	949,535		409,694	
Adjustments for:				
Gains on investments	(949,535)		(409,838)	
Dividends, interest, and rent from investments	(2,701,969)		(2,577,651)	
Decrease / (increase) in debtors	87,560		(15,496)	
Decrease in creditors	<u>(421,906)</u>		<u>322,315</u>	
Net cash used in operating activities		(3,036,315)		(2,270,976)
Cash flows from investing activities:				
Dividends, interest and rents from investments	2,701,969		2,577,651	
Proceeds from sale of investments	3,737,538		2,960,445	
Purchase of investments	<u>(3,755,997)</u>		<u>(3,599,097)</u>	
Net cash provided by investing activities		<u>2,683,510</u>		<u>1,938,999</u>
Change in cash and cash equivalents in the reporting period		(352,805)		(331,977)
Cash and cash equivalents at 31 December 2023		<u>759,373</u>		<u>1,091,350</u>
Cash and cash equivalents at 31 December 2024		<u>406,568</u>		<u>759,373</u>

	2024	2023
	Total funds	Total
	£	funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	361,120	711,998
Cash awaiting investment*	<u>45,448</u>	<u>47,375</u>
Total cash and cash equivalents	<u>406,568</u>	<u>759,373</u>

*Is unavailable for general expenditure as it is an endowed asset.

Analysis of change in cash and cash equivalents

	At	Cashflow	At
	1 January		31 December
	2024		2024
	£	£	£
Cash and equivalents			
Cash	711,998	(350,878)	361,120
Cash awaiting deposit	47,375	(1,927)	45,448
	-----	-----	-----
Total	<u>759,373</u>	<u>(352,805)</u>	<u>406,568</u>
	=====	=====	=====

THE GUILD ESTATE ENDOWMENT

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2024

1. Statement of Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Guild Estate 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 of the Guild Estate. Monetary amounts in these financial statements are rounded to the nearest £.

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

b) Charitable Activities

The Board considers that the Guild Estate is a public benefit entity as it makes grants to the Town Trust. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 7.

c) Income

All incoming resources are recognised once the Guild Estate 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 or as soon as there is a legal or constructive obligation committing the Guild Estate to the expenditure. All expenditure is accounted for on an accruals basis (inclusive of any VAT which cannot be recovered) and has been classified under headings that aggregate all costs related to the category.

Wherever possible costs have been charged directly to the service or activity to which they relate. A management charge from the Town Trust is levied each quarter to cover property administration, governance, and grant support costs. Expenditure shared between two or more activities has been apportioned between them on a reasonable, justifiable, and consistent basis (see note 7).

e) Grants Payable

Grants payable are amounts payable to third parties in furtherance of the charitable objectives of the Guild Estate. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant.

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.

On 1 October 2001 the responsibility for paying out grants was transferred to the controlling charity, Stratford-upon-Avon Town Trust, except for the payment to the trustees of the School of King Edward VI at Stratford-upon-Avon and the maintenance of the Almshouses in Church Street.

f) Costs of Raising Funds

These costs consist of investment and property management costs.

THE GUILD ESTATE ENDOWMENT

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2024 (continued)

1. Statement of Accounting Policies (continued)

g) Governance Costs

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

h) Investments

- (i) Investments are included in the financial statements 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.

i) Fund Accounting

- (i) Permanent endowment funds relate to those assets which represent the permanent capital base of the Guild Estate and which may not be spent.
- (ii) Restricted funds are funds which are to be used in accordance with specific restrictions imposed.
- (iii) Unrestricted funds include the income from permanent endowment and any other investments or income therefrom which the Board may apply at its discretion in pursuit of the objects of the Guild Estate.

j) Tangible Fixed Assets

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 their 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 Board, 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 Guild Estate was assigned the Guild Chapel in 1553; it is not expected that any other heritage assets will be acquired. Also, the Guild Estate intends to remain the custodian of the Guild Chapel in perpetuity.

k) Operating Leases

Operating lease income is credited to the statement of financial activities as demanded. Rental charges are charged on a straight line basis over the term of the lease.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial Instruments

The Guild Estate 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 Guild Estate after deducting all of its liabilities.

n) Judgements in applying accounting policies and key sources of estimation uncertainty

The trustees of the charity make estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the charity's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

THE GUILD ESTATE ENDOWMENT

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2024 (continued)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the Trustees have delegated authority to management to make the following judgements:

Investment property valuations

As disclosed in note 12, the investment properties are valued at market value based on the rental yields achieved for each property. Where there has been a change in the rental arrangement during the year, the property will undergo a formal valuation at the balance sheet date. For those properties where a formal valuation is not carried out, the trustees will assess the fair value of the assets at each balance sheet date with changes in fair value being reflected in the Statement of Financial Activities.

Leases

Management determines whether leases entered into by the charity either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheets.

Impairment of assets

Management reviews the carrying value of all other assets for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

Provisions

A provision is recognised when the charity has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

2 Connected Charities

The Guild Estate Endowment is connected with the College Estate Endowment (Registered Charity Number 217485) due to there being common, parallel objects and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949, Registered Charity Number 1088521) and the financial statements for the period ended 31 December 2024 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

	2024	2023
	£	£
3 Investment income		
Property	1,649,175	1,644,823
Car park	456,756	414,052
Redlands Allotments	3,810	4,058
	<u>2,109,741</u>	<u>2,062,933</u>
Interest receivable on short term deposits	27,528	3,693
Dividends receivable	564,700	511,025
	<u>2,701,969</u>	<u>2,577,651</u>

Car park income earned is in relation to Rother Street car park, Grove Road car park and from February 2023 Guild Street car park. Income and expenditure relating to the Rother Street car park is split 86.09% to Guild Estate and 13.91% to College Estate in accordance with land ownership arrangements.

	2024	2023
	£	£
4 Donations		
Donations *	<u>7,336</u>	<u>8,057</u>
* Includes £nil of restricted income (2023: £273)		

	2024	2023
	£	£
5 Income from Charitable activities		
Grants received*	140,000	-
Hire of Guild Chapel	2,140	1,735
Events	1,900	-
Book sales	<u>400</u>	<u>924</u>
*Includes £140,000 of restricted income	<u>144,440</u>	<u>2,659</u>

	2024	2023
	£	£
6 Income from Other activities		
Services to College Estate	898	-
Interest receivable from bank	<u>10,067</u>	<u>10,638</u>
	<u>10,965</u>	<u>10,638</u>

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

	Raising funds	Charitable Activities		Governance	Support Costs	Total	Total
		Grant making	Guild Chapel				
7	2024	2024	2024	2024	2024	2024	2023
Analysis of Expenditure (current year)	£	£	£	£	£	£	£
Grants awarded (note 8)	-	2,157,903	-	-	-	2,157,903	2,017,323
Investment fund managers' fees	46,302	-	-	-	-	46,302	41,730
Investment property management costs	252,655	-	-	-	-	252,655	197,795
Car park costs	164,789	-	-	-	-	164,789	145,916
Allotment costs	4,049	-	-	-	-	4,049	26,666
Guild Chapel costs	-	-	61,769	-	-	61,769	19,796
Staff costs	-	-	22,500	-	-	22,500	21,339
Staff costs (recharged)	-	-	-	11,177	100,589	111,766	98,369
Office costs (recharged)	-	-	-	2,375	21,371	23,746	27,532
Legal fees	-	-	-	-	14,058	14,058	-
External audit	-	-	-	5,173	-	5,173	2,683
	<u>467,795</u>	<u>2,157,903</u>	<u>84,269</u>	<u>18,725</u>	<u>136,018</u>	<u>2,864,710</u>	<u>2,599,149</u>
Support costs	74,396	25,644	35,978	-	(136,018)	-	-
Governance costs	11,422	1,779	5,524	(18,725)	-	-	-
Total expenditure	<u>553,613</u>	<u>2,185,326</u>	<u>125,771</u>	<u>-</u>	<u>-</u>	<u>2,864,710</u>	<u>2,599,149</u>

The Guild Estate pays a management charge to the Town Trust to cover staff costs and office costs. For 2024 this was £130k (2023: £121k). This forms the main part of the support costs.

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

	Raising funds	Charitable Activities		Governance	Support Costs	Total
		Grant making	Guild Chapel			
7	2023 £	2023 £	2023 £	2023 £	2023 £	2023 £
Analysis of Expenditure (prior year)						
Grants awarded (note 8)	-	2,017,323	-	-	-	2,017,323
Investment fund managers' fees	41,730	-	-	-	-	41,730
Investment property management costs	197,795	-	-	-	-	197,795
Car park costs	145,916	-	-	-	-	145,916
Allotment costs	26,666	-	-	-	-	26,666
Guild Chapel costs	-	-	19,796	-	-	19,796
Staff costs	-	-	21,339	-	-	21,339
Staff costs (recharged)	-	-	-	9,049	89,320	98,369
Office costs (recharged)	-	-	-	2,533	24,999	27,532
External audit	-	-	-	2,683	-	2,683
	<u>412,107</u>	<u>2,017,323</u>	<u>41,135</u>	<u>14,265</u>	<u>114,319</u>	<u>2,599,149</u>
Support costs	81,836	6,295	26,188	-	(114,319)	-
Governance costs	10,212	785	3,268	(14,265)	-	-
Total expenditure	<u>504,155</u>	<u>2,024,403</u>	<u>70,591</u>	<u>-</u>	<u>-</u>	<u>2,599,149</u>

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

8 Grant Making	Grants to Institutions	Support Costs	Total	Total
	2024 £	2024 £	2024 £	2023 £
Discretionary Grants				
Stratford-upon-Avon Town Trust	1,322,314	3,000	1,325,314	1,237,966
Non-Discretionary Entitlements & Grants				
Entitlement to King Edward VI School	776,555	22,923	799,478	730,937
Grant to Church Street Almshouses	59,034	1,500	60,534	55,500
	<u>2,157,903</u>	<u>27,423</u>	<u>2,185,326</u>	<u>2,024,403</u>

	Grants to Institutions	Support Costs	Total
	2023 £	2023 £	2023 £
Discretionary Grants			
Stratford-upon-Avon Town Trust	1,235,966	2,000	1,237,966
Non-Discretionary Entitlements & Grants			
Entitlement to King Edward VI School	726,857	4,080	730,937
Grant to Church Street Almshouses	54,500	1,000	55,500
	<u>2,017,323</u>	<u>7,080</u>	<u>2,024,403</u>

9 Net Income / Expenditure for the year	2024 £	2023 £
This is stated after charging / (crediting):		
Operating lease rentals payable:		
Property	20,000	20,000
Operating lease rentals receivable:		
Property	(1,615,092)	(1,581,482)
Auditor's remuneration	<u>5,000</u>	<u>2,683</u>

10 Employee and staff costs

The average number of employees throughout the year was 1.75 (2023: 2). On a full-time equivalent basis the average number of employees was 0.7 (2023: 0.5).

The cost of directly employed staff was:

	2024 £	2023 £
Salaries & Wages	20,073	19,189
National Insurance	1,311	1,118
Defined Contribution Pension	<u>1,116</u>	<u>1,032</u>
	<u>22,500</u>	<u>21,339</u>

In 2024 and 2023 no member of staff was remunerated more than £60,000.

THE GUILD ESTATE ENDOWMENT

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2024 (continued)

11 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 Guild Estate took over the responsibility of maintaining the Chapel for its purposes. In 1954 the Friends of the Guild Chapel were set up. They fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the Guild Estate.

The Chapel is used on a regular basis by King Edward VI School for morning assembly, and the Friends of the Guild Chapel attend services on Holy Cross Day (14 September), hold a Christmas carol service, and a summer service. Weekly Holy Communion services are held at which anyone is welcome to worship. The Chapel is opened daily for the public to visit.

In the opinion of the Corporate Trustee, 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 £8.3m.

	2024	2023
	£	£
12 Fixed asset investments		
Investment properties	25,768,924	24,270,100
Quoted investments	12,592,859	13,133,171
Short term deposits	411,761	402,280
Cash awaiting investment	45,448	47,375
	<hr/>	<hr/>
	38,818,992	37,852,926
	<hr/>	<hr/>
Investment Properties		
Fair value at 31 December 2023	24,270,100	26,770,100
Additions at cost	973,824	-
Net sale proceeds	-	(2,947,385)
Gains on disposal	-	447,385
Revaluation gains	525,000	-
	<hr/>	<hr/>
Fair value at 31 December 2024	25,768,924	24,270,100
	<hr/>	<hr/>
Quoted investments:		
Market value at 31 December 2023	13,133,171	9,790,652
Additions at cost	2,772,692	3,393,125
Disposal at cost	(3,737,539)	(13,060)
Net investment gains / (losses)	424,535	(37,547)
	<hr/>	<hr/>
Market value at 31 December 2024	12,592,859	13,133,170
	<hr/>	<hr/>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties are shown at fair value. For the majority of properties this valuation was as at 31 December 2020, the Guild Estate believes this valuation to still be appropriate for the majority of the portfolio, as there has been no significant change in the status of these properties or tenants nor the wider commercial property market of Stratford-upon-Avon. However five properties have been revalued, as at 31 December 2024, as there was a significant change in lease arrangement for these properties during 2024. Both valuations were carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in both property in Stratford-upon-Avon and these classes of property.

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

	2024	2023
13 Debtors: amounts falling due within one year	£	£
Trade debtors	121,893	185,577
Other debtors	36,125	33,828
Prepayments and accrued income	<u>65,138</u>	<u>91,311</u>
	<u>223,156</u>	<u>310,716</u>
14 Creditors: amounts falling due within one year	£	£
Entitlement due to King Edward VI School	122,428	199,819
Trade creditors	91,057	57,303
Taxation and social security	16,824	102,931
Amount due to Stratford-upon-Avon Town Trust	380,634	405,066
Amount due to College Estate	5,150	5,166
Accruals and deferred income	<u>461,059</u>	<u>409,03</u>
	<u>1,077,152</u>	<u>1,179,322</u>
15 Creditors: amounts falling due after one year	£	£
Accruals and deferred income	<u>19,867</u>	<u>20,125</u>
16 Deferred income represents lease premiums and rentals received in advance that relate to after the period end.		
Reconciliation of deferred income falling due within one year:	£	£
At 1 January 2024	377,260	358,292
Released during the year	(376,998)	(358,034)
Deferred in current year	<u>329,610</u>	<u>377,002</u>
At 31 December 2024	<u>329,872</u>	<u>377,260</u>
Reconciliation of deferred income falling due after one year:	£	£
At 1 January 2024	20,125	20,383
Released during the year	(258)	(258)
Deferred in current year	-	-
At 31 December 2024	<u>19,867</u>	<u>20,125</u>
17 Provisions for liabilities	£	£
Balance as at 1 January 2024	599,937	734,641
Amount released in the year	(333,279)	(162,204)
Increase in provision in year	13,800	27,500
Balance as at 31 December 2024	<u>280,458</u>	<u>599,937</u>

The provisions for liabilities comprise a provision to cover repair costs on certain void properties.

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

18 Summary of Fund Movements

Fund Name	Fund Balances 31 December 2023 £	Income 2024 £	Expenditure 2024 £	Gains and losses 2024 £	Fund Balances 31 December 2024 £
Unrestricted Funds	102,709	2,724,710	(2,724,710)	-	102,709
Restricted Funds	-	140,000	(140,000)	-	-
Endowment Funds	36,973,547	-	-	949,535	37,923,082
	<u>37,076,256</u>	<u>2,864,710</u>	<u>(2,864,710)</u>	<u>949,535</u>	<u>38,025,791</u>
Total Funds					

Fund Name	Fund Balances 31 December 2022 £	Income 2023 £	Expenditure 2023 £	Gains and losses 2023 £	Fund Balances 31 December 2023 £
Unrestricted Funds	102,853	2,598,732	(2,598,876)	-	102,709
Restricted Funds	-	273	(273)	-	-
Endowment Funds	36,563,709	-	-	409,838	36,973,547
	<u>36,666,562</u>	<u>2,599,005</u>	<u>(2,599,149)</u>	<u>409,838</u>	<u>37,076,256</u>
Total Funds					

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

Restricted funds relate to a grant received from the Shared Prosperity Funds, which assisted with repairs to a property to the rear of Henley Street.

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Endowed funds 2024 £	Total 2024 £
Investments	857,502	37,961,490	38,818,992
Current assets	584,276	-	584,276
Current liabilities	(1,319,202)	(38,408)	(1,357,610)
Liabilities greater than one year	<u>(19,867)</u>	<u>-</u>	<u>(19,867)</u>
	<u>102,709</u>	<u>37,923,082</u>	<u>38,025,791</u>
	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Investments	802,280	37,050,646	37,852,926
Current assets	1,022,714	-	1,022,714
Current liabilities	(1,702,160)	(77,099)	(1,779,259)
Liabilities greater than one year	<u>(20,125)</u>	<u>-</u>	<u>(20,125)</u>
	<u>102,709</u>	<u>36,973,547</u>	<u>37,076,256</u>

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

20 Commitments

In accordance with the governing document and High Court Order, each year the Guild Estate is committed to paying 36% of the clear annual income to King Edward VI School. The Guild Estate must also seek to apply 10% of its income in furtherance of other educational purposes within the town of Stratford-upon-Avon. As a result of the scheme dated 1 October 2001 the residual income is now transferred to the Town Trust for distribution in line with the objects of the Town Trust. The annual entitlement for the year is charged to the financial statements but there is no provision for future year entitlements.

In accordance with the Guild Estate’s constitution each year the Guild Estate has an ongoing 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) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund. The annual maintenance cost for the year is charged to the financial statements but there is no provision for future year maintenance costs.

21 Related party transactions

Control: During the current period the Guild Estate Endowment and the College Estate Endowment were under the control of Stratford-upon-Avon Town Trust.

Transactions: During the period the following transactions were entered into on normal terms and conditions.

	Stratford-upon- Avon Town Trust 31 December 2024 £	Stratford-upon- Avon Town Trust 31 December 2023 £	College Estate 31 December 2024 £	College Estate 31 December 2023 £
Income	2,909	2,582	-	-
Expenditure				
Grant	1,322,314	1,235,966	-	-
Management charge	129,927	121,344	-	-
Balances outstanding at 31 December 2024				
Creditors	380,634	405,066	5,150	5,166

THE GUILD ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2024 (continued)

22 Lease Commitments

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

	2024	2023
	£	£
Not later than 1 year	1,481,549	1,393,814
Later than 1 year but not later than 5 years	3,029,398	3,950,830
Later than 5 years	21,419,551	22,340,702
	<u>25,930,498</u>	<u>27,685,346</u>

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

	2024	2023
	£	£
No later than 1 year	20,000	20,000
Later than 1 year but not later than 5 years	96,667	100,000
Later than 5 years	-	16,667
	<u>116,667</u>	<u>136,667</u>

23 Trustee remuneration and benefits

The Guild Estate only has a Corporate Trustee (Town Trust). As such it cannot receive remuneration or other benefits from employment. The Town Trust has a Board of Trustees. However, none of these Trustees has been paid any remuneration or received any other benefits from employment with the Guild Estate or the Town Trust.

24 Trustee expenses

Trustee expenses during the year amounted to £nil (2023: £nil).

THE GUILD ESTATE ENDOWMENT

England & Wales - Charity number 217484

Accounts

THE GUILD ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS
For year ended 31 December 2023

Charity Registered No 217484

THE GUILD ESTATE ENDOWMENT CHARITY
FINANCIAL STATEMENTS
for year ended 31 December 2023

CONTENTS

	Page
Trustees' Report	1 - 5
Officers & Contacts	6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 - 10
Financial Statements	11 - 13
Notes on Financial Statements	14 - 23

THE GUILD ESTATE ENDOWMENT CHARITY

REPORT OF THE TRUSTEES OF THE GUILD ESTATE

for year ended 31 December 2023

Overview

The Guild Estate Endowment Charity (“Guild Estate”) is a charitable trust of which the Corporate Trustee is the Stratford-upon-Avon Town Trust (“Town Trust”). The Town Trust 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 Town Trust is the corporate Trustee of the Guild Estate Endowment and the College Estate Endowment Charities (referred to as “the Group”).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the Guild Estate is, after defrayment of costs and expenses, transferred to the Town Trust where it becomes the Town Trust’s corporate property and is applied in accordance with the objects of the Town Trust. The only exception to this is the specific provision in the Scheme that 36% of the clear yearly income is set aside for the charity of the Grammar School of King Edward VI School at Stratford-upon-Avon (“King Edward VI School”).

The endowed assets of the Guild Estate are managed by the Town Trust within the obligations of charity law and in line with an investment policy for the Guild Estate determined by the Board of Trustees of the Town Trust (“the Board”).

The Guild Estate generates the majority of its income from its permanent endowed funds which are invested in quoted investments and physical property. If one of these endowed investments is disposed of the Guild Estate has a legal duty to reinvest the net proceeds in another form of investment, which in turn becomes endowed. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. However, some fundraising occurs in relation to the Guild Chapel.

All decisions concerning the management of the Guild Estate are taken by the Board and its officers. The costs applicable to the management of the Guild Estate are passed on by way of a management charge.

Strategic Review

The Guild Estate continued to follow the strategic plan, developed and approved in November 2020 by the Board, and a commentary on that is included in the Annual Report of the Town Trust.

Grants - discretionary and non-discretionary

The Guild Estate paid £1.2m (2022: £1.0m) as a discretionary grant to the Town Trust.

King Edward VI School’s non-discretionary entitlement of £0.7m (2022: £0.6m) was paid in accordance with the Charity Commission Scheme dated 1 October 2001.

In accordance with the existing agreement £0.05m (2022: £0.04m) was paid towards the maintenance of the Church Street Almshouses, as a non-discretionary grant.

Financial Review

In 2023 total income for the Guild Estate was £2.6m (2022: £2.5m), the majority of which was generated by the Guild Estate’s investments. Investment management costs amounted to £0.5m (2022: £0.7m), so 80.6% (2022: 70.9%) was available for charitable purposes, which funded the non-discretionary entitlement to King Edward VI School and a discretionary grant to the Town Trust. 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 security of income flow for future generations.

Charitable expenditure was £2.1m (2022: £1.7m), of which £2.0m (2022: £1.6m) was grant funding.

Income

The 2023 total income of £2.6m represented an increase of 5.9% on last year (2022: £2.5m). This increase is due to additional income generated by investment funds.

Balance Sheet

The Guild Estate has investments of £37.9m (2022: £36.8m) – an increase of £1.1m year on year. This increase is due to an increase of £0.2m of short term cash deposits, £0.4m of non endowed funds being held in bonds and £0.5m of property gains resulting from the property disposals during the year. The majority of these investments (£37.1m) are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds from the sale must always be reinvested in other investment assets, which in turn become endowed.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for the year ended 31 December 2023 (continued)

Reserves Policy

The Board reviews the reserves policy annually and consider it very important that the Guild Estate can pay all its committed costs and have free reserves to cover ongoing administration costs for six months.

The permanently endowed reserves in Guild Estate will always be fully investment and cash backed. To recognise the small operational risk in Guild Estate an unrestricted reserve of at least £0.1m is held. The reserves policy was reviewed in June 2023. As at December 2023 the endowed reserves are £37.0m (2022: £36.6m) and the unrestricted reserves are £0.1m (2022: £0.1m).

Financial Effect of Significant Events

In 2023 there were no significant events affecting the Guild Estate apart from the continued impact of the war in Ukraine and the high inflation rate.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2023 Guild Estate held investments (net of short term deposits) of £13.1m, an increase of 3.3m on 2022. The increase was in the main as a result of the reinvestment of proceeds from property sales during the year.

The objective of the investment policy is to create sufficient income and capital growth to enable the Guild Estate to carry out its purposes consistently year on year. In the medium to long term the Guild Estate 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 (CPI).

The broad thrust of our investment policy in recent years has been to increase diversification and reduce our exposure to property in Stratford-upon-Avon. The targets set for reducing physical property investment in the Guild Estate to between 70% and 80% of the total investment portfolio value, as at the end of December 2023 physical property represented 63.8% of the total investment portfolio.

The Board reviewed and updated the investment policy in September 2023. The policy's main objectives continue to be:

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the Guild Estate 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 objective, as measured over a 10-year rolling period, is to achieve a balanced return from the overall portfolio such that: for the combined portfolio there is an expectation of net income yield being not less than 4.4% pa and that the capital value grows at least in line with inflation. 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**
The endowment investments are expected to exist in perpetuity and should be managed to meet the Guild Estate's investment objectives and ensure their sustainability.

The Guild Estate also has a responsible investment policy, which guides the Board 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. The Guild Estate has considered this point in relation to its endowed investments but decided it was an approach it would not adopt at this time.

The Guild Estate does not have any social investments; all Guild Estate investments are endowed. The policy, at present, is to not have any programme related investments.

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

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2023 (continued)

Investment Policy and Performance (Continued)

Investment (net of short term deposits)	2023 £m	2022 £m	2023 Actual %	2022 Actual %	Future Target %
Endowed:					
Physical Property	24.3	26.8	64.1	73.2	70-80
Equity Funds	8.1	7.9	21.4	21.6	30-50
Property Funds	2.4	1.9	6.3	5.2	0-20
Liquidity Fund	2.7	0.0	7.1	0.0	0
Cash equivalent	0.0	0.0	0.0	0.0	0
Total endowed investments	37.5	36.6	98.9	100.0	100
Non-Endowed:					
Short term deposits	0.4	-	1.1	-	-
Total non-endowed investments	0.4	-	1.1	-	-
Total investments	37.9	36.6	100.0	100.0	100

The equity investments are held with either Sarasin & Partners or Cazenove Capital Management Limited. The property funds are held with either Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are reviewed and compared with their benchmarks, the investment policy and the performance of comparable funds.

Independently Managed Funds Performance

The following table shows the income and capital returns achieved during the period to arrive at the total return for the period:

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	4.4%	0.3%	4.7%	7.8%	5.5%

The benchmark for the Guild Estate is the weighted average of the benchmark for the property funds (-1.4%), which is based on AREF / MSCI All Balanced Funds Property Index and the benchmark for the Common Investments Funds (7.5%) (which is calculated based on: ICE BofA Sterling Corporate & Collateralized Index (7.5%), ICE BofA UK Gilts All Stocks (7.5%), MSCI AC World (Local Currency) (GBP) (10%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI All Countries World Daily (Net Total Return) (60%), 2% per annum above SONIA (alternative assets) (10%).

The actual performance was below both the target and the benchmark, in the main due to the high impact of inflation in the year (4.2%) which had a negative impact on funds' values.

Physical Property

The property portfolio, valued at £24.3m (2022: £26.8m), within the Guild Estate has decreased in value by £2.5m during the year. This decrease is due to the disposal of three properties.

The valuation change represents an average capital return of 0% (2022: 1.1%). The rental yield for the property portfolio was 8.1% (2022: 7.7%), giving a total return of 8.1% (2022: 8.8%).

The current strategy includes an objective to reduce the weighting of town centre properties in the investment portfolio. As a result there were three property disposals in 2023. In March 2023 the Coach House pub was sold for £0.7m and it had a book value of £0.45m. The net proceeds were reinvested in the Charity Property Fund. In June 2023 the Garrick Inn and Windmill pub were sold for £2.3m, they had a combined book value of £2.0m. The net proceeds were reinvested in a sterling liquidity fund. The Guild Estate continuously monitors the performance and management of its investments particularly the locally owned property portfolio.

A full property valuation was carried out by Colliers International in December 2020. A five-year interval is deemed appropriate by the Board to capture any material movement however the valuation is considered and monitored annually taking into account market conditions that may impact the valuation.

Public Benefit

The Public Benefit of the Guild Estate is primarily achieved through its Corporate Trustee's (the Town Trust) grant-making to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish). The Town

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2023 (continued)

Public Benefit (Continued)

Trust has had regard to the Charity Commission's guidance on Public Benefit. However, the Guild Estate also funds a non-discretionary entitlement to the Trustees of King Edward VI School. In 2023 this amounted to £727k.

All the Town Trust's grant applicants are required to provide information on the numbers and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

In the same way the Town Trust and Guild Estate ensure that access to all their directly managed facilities is available to all sectors of the community.

In 2023 the Group applied £2.4m to charitable purposes of which £1.0m discretionary grants were provided to 155 beneficiaries. Full details can be found in the Stratford-upon-Avon Town Trust Annual Report of the Trustees and Accounts. In 2023 the community hub continued to go from strength to strength. The cost for the year was £0.15m. There were 14 community groups who have taken permanent space as licensees and this benefit has been treated as a benefit in kind. Also, many community groups utilised the various meeting spaces on a regular basis.

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

Risk Management

The risk policy was reviewed in autumn 2023, 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 risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact and likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks and their mitigations are monitored and assessed on a regular basis, the Town Trust's policy states this is undertaken within the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The Board considers that there are no major risks facing the Guild Estate at the end of the year.

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 Town 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 Town Trust or for publication; and
- Good governance policies.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2023 (continued)

Control Environment

The Town Trust has an organisational structure with defined lines of responsibility, job descriptions and delegated levels of authority as approved by the Board.

Information Systems

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

Volunteers

We are very grateful for the volunteers' loyalty and commitment to the Guild Chapel. We would like to thank them for the time they give to offer a warm and knowledgeable welcome to all our visitors.

Guild Chapel

In Shakespeare Week we held a free schools' workshop at the Guild Chapel, the event was hosted by the Guild Chapel Volunteers and Orchestra of the Swan. On Shakespeare's Birthday there was an afternoon of medieval craft activities at the Chapel. During Heritage Week in September the Guild Chapel participated in the heritage tour for volunteers from Shakespeare Birthplace Trust, Holy Trinity Church, Shakespeare School rooms, Guild Chapel and the library. The final event in the year was a Christmas Carol Concert, which was a very popular event.

In 2023 the Friends of the Guild Chapel held a number of concerts and organ recitals and we are grateful for their continued support. During 2022 King Edward VI School utilised the chapel for musical activities, as well as its usual school assemblies and services.

Statement as to disclosure of information to auditors

The Trustees of the Town Trust 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.

On behalf of the Board of Trustees
Tim Bailey
Chair of Board



.....
22 May 2024

THE GUILD ESTATE ENDOWMENT CHARITY
OFFICERS AND CONTACTS
for the year ended 31 December 2023

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve Liz Coles Marion Homer Tony Jackson Simon Littlejohns	Henry Lu Michael Rolfe Jonathan Smith Clive Snowdon (to 31.1.23) Josie Stevens Mark Tailby (appointed 1.2.23)
CHIEF EXECUTIVE (of Corporate Trustee)	Sara Aspley	
SENIOR MANAGEMENT TEAM (of Corporate Trustee)	Sara Aspley, Rebecca Hampson, James McHugh, Paul Fitzpatrick, Frances Nibbs, Lynn Perkins.	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ
AUDITORS	Saffery LLP St John's Court Easton Street High Wycombe HP11 1JX	
COMMERCIAL PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU
	Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
as at 31 December 2023

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 (FRS102);
- 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Guild Estate Endowment for the year ended 31 December 2023 which comprise which comprise a statement of financial activity, Balance Sheet, 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or the charity has not kept sufficient accounting records; or

the financial statements are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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 charity'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 charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 charity'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 charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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.

THE GUILD ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP

St Johns Court
Easton Street
High Wycombe
HP11 1JX

Chartered Accountants
Statutory Auditors
Date: 29/5/24

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

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
for year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Permanent endowment funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Permanent endowment funds 2022 £	Total funds 2022 £
Income from:							
Investment income	3	2,573,958	-	2,573,958	2,410,165	-	2,410,165
Donations and legacies*	4	8,057	-	8,057	35,111	-	35,111
Income from charitable activities	5	2,659	-	2,659	1,888	-	1,888
Income from other activities	6	14,331	-	14,331	5,940	-	5,940
Total Income		2,599,005	-	2,599,005	2,453,104	-	2,453,104
Expenditure on:							
Raising funds	7	504,155	-	504,155	713,899	-	713,899
Charitable activities**	8	2,094,994	-	2,094,994	1,739,205	-	1,739,205
Total expenditure		2,599,149	-	2,599,149	2,453,104	-	2,453,104
Net gains / (losses) on investments		-	409,838	409,838	-	(1,014,938)	(1,014,938)
Net movement in funds		(144)	409,838	409,694	-	(1,014,938)	(1,014,938)
Reconciliation of funds							
Total funds brought forward		102,853	36,563,709	36,666,562	102,853	37,578,647	37,681,500
Total funds carried forward	16	102,709	36,973,547	37,076,256	102,853	36,563,709	36,666,562

*Includes £273 (2022: £29,751) of restricted income

** Includes £273 (2022: £29,751) of restricted expenditure

The notes on pages 14 to 23 form part of these financial statements.
All of the Guild Estate's activities are continuing.

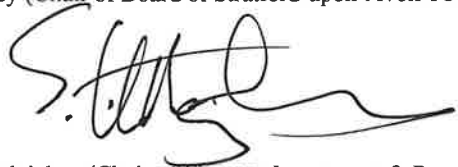
THE GUILD ESTATE ENDOWMENT CHARITY
BALANCE SHEET
as at 31 December 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Heritage assets	12		-		-
Investments	13		37,852,926		36,801,164
Total Fixed Assets			<u>37,852,926</u>		<u>36,801,164</u>
Current assets					
Debtors	14	310,716		295,220	
Cash at bank and in hand		711,998		1,050,938	
Total current assets		<u>1,022,714</u>		<u>1,346,158</u>	
Creditors: amounts falling due within one year	15	(1,799,384)		(1,480,760)	
Net current (liabilities) / assets			<u>(776,670)</u>		<u>(134,602)</u>
Total net assets			<u>37,076,256</u>		<u>36,666,562</u>
Funds					
Endowment funds	16		36,973,547		36,563,709
Unrestricted funds	16		102,709		102,853
Total funds	16		<u>37,076,256</u>		<u>36,666,562</u>

The financial statements on pages 11 to 23 were approved by the Board and authorised for issue on 22 May 2024.
The notes on pages 14 to 23 form part of these financial statements.



Tim Bailey (Chair of Board of Stratford-upon-Avon Town Trust)



Simon Littlejohns (Chair of Finance, Investment & Property Committee of Stratford-upon-Avon Town Trust)

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF CASH FLOWS
for the year ended 31 December 2023

	2023	2022
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(2,270,976)</u>	<u>(2,548,383)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	2,573,959	2,410,165
Proceeds from sale of investments	2,960,445	415,917
Purchase of investments	<u>(3,595,405)</u>	<u>(583,000)</u>
<i>Net cash provided by investing activities</i>	<u>1,938,999</u>	<u>2,243,082</u>
Change in cash and cash equivalents in the reporting period	(331,977)	(305,301)
Cash and cash equivalents at 31 December 2022	<u>1,091,350</u>	<u>1,396,651</u>
Cash and cash equivalents at 31 December 2023	<u>759,373</u>	<u>1,091,350</u>

	2023	2022
	Total funds	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>	409,694	(1,014,938)
Adjustments for:		
(Gains) / losses on investments	(409,838)	1,014,938
Dividends, interest, and rent from investments	<u>(2,573,959)</u>	<u>(2,410,165)</u>
(Increase) / decrease in debtors	(15,496)	59,586
Increase / (decrease) in creditors	<u>318,623</u>	<u>(197,804)</u>
<i>Net cash used in operating activities</i>	<u>(2,270,976)</u>	<u>(2,548,383)</u>

	2023	2022
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	711,998	1,050,938
Cash awaiting investment*	<u>47,375</u>	<u>40,412</u>
Total cash and cash equivalents	<u>759,373</u>	<u>1,091,350</u>

*Is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At	Cashflow	At
	1 January		31 December
	2023		2023
	£	£	£
Cash and equivalents			
Cash	1,050,938	(338,940)	711,998
Cash awaiting deposit	40,412	6,963	47,375
	<u> </u>	<u> </u>	<u> </u>
Total	1,091,350	(331,977)	759,373
	<u> </u>	<u> </u>	<u> </u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023

1. Statement of Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Guild Estate Endowment charity 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 of the Guild Estate. Monetary amounts in these financial statements are rounded to the nearest £.

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

b) Charitable Activities

The Board considers that the Guild Estate is a public benefit entity as it makes grants to the Town Trust. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 8.

c) Income

All incoming resources are recognised once the Guild Estate 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 Guild Estate to the expenditure. All expenditure is accounted for on an accruals basis (inclusive of any VAT which cannot be recovered) and has been classified under headings that aggregate all costs related to the category.

Wherever possible costs have been charged directly to the service or activity to which they relate. A management charge from the Town Trust is levied each quarter to cover property administration, governance, and grant support costs. Expenditure shared between two or more activities has been apportioned between them on a reasonable, justifiable, and consistent basis (see note 10).

e) Grants Payable

Grants payable are amounts payable to third parties in furtherance of the charitable objectives of the Guild Estate. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the Board has 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.

On 1 October 2001 the responsibility for paying out grants was transferred to the controlling charity, Stratford-upon-Avon Town Trust, except for the payment to the trustees of the School of King Edward VI at Stratford-upon-Avon and the maintenance of the Almshouses in Church Street.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

1. Statement of Accounting Policies (continued)

f) Costs of Generating Funds

These costs consist of investment and property management costs.

g) Governance Costs

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

h) Investments

- (i) Investments are included in the financial statements 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.

i) Fund Accounting

- (i) Permanent endowment funds relate to those assets which represent the permanent capital base of the Guild Estate and which may not be spent.
- (ii) Designated funds are unrestricted funds earmarked by the Board for particular purposes.
- (iii) Unrestricted funds include the income from permanent endowment and any other investments or income therefrom which the Board may apply at its discretion in pursuit of the objects of the Guild Estate.

j) Tangible Fixed Assets

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 their 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 Board, 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 Guild Estate was assigned the Guild Chapel in 1553; it is not expected that any other heritage assets will be acquired. Also, the Guild Estate intends to remain the custodian of the Guild Chapel in perpetuity.

k) Operating Leases

Operating leases are charged to the statement of financial activities as incurred.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

1 Statement of Accounting Policies (continued)

1) Financial Instruments

The Guild Estate 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 Guild Estate after deducting all of its liabilities.

2 Connected Charities

The Guild Estate Endowment Charity is connected with the College Estate Endowment Charity (Registered Charity Number 217485) due to there being common, parallel objects and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949, Registered Charity Number 1088521) and the financial statements for the period ended 31 December 2023 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

	2023 £	2022 £
3 Investment income		
Property	1,644,823	1,729,007
Car park	414,052	335,347
Redlands Allotments	4,058	3,078
	<u>2,062,933</u>	<u>2,067,432</u>
Dividends receivable	511,025	342,733
	<u>2,573,958</u>	<u>2,410,165</u>

Car park income earned is in relation to Rother Street car park, Grove Road car park and Guild Street car park from February 2023. Income and expenditure relating to the Rother Street car park is split 86.09% to Guild Estate and 13.91% to College Estate in accordance with land ownership arrangements.

	2023 £	2022 £
4 Donations and legacies		
Donations *	8,057	15,111
Grants **	-	20,000
	<u>8,057</u>	<u>35,111</u>

* Includes £273 of restricted income (2022 £9,751)

** This is restricted income. In 2022 £20,000 was received from the Pilgrim Trust.

	2023 £	2022 £
5 Income from Charitable activities		
Hire of Guild Chapel	1,735	1,675
Income from book sales	924	213
	<u>2,659</u>	<u>1,888</u>

	2023 £	2022 £
6 Income from Other activities		
Interest receivable from cash and bank	<u>14,331</u>	<u>5,940</u>

	2023 £	2022 £
7 Expenditure on raising funds		
Property management	197,795	468,502
Investment management	41,730	41,456
Redlands Allotments	26,666	2,713
Car Park	145,916	123,260
Support costs (note 10)	92,048	77,968
	<u>504,155</u>	<u>713,899</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

	2023	2022
	£	£
8 Expenditure on charitable activities		
Entitlement to King Edward VI School*	726,857	585,598
Grant to Almshouse Maintenance	54,500	48,554
Grant to Stratford-upon-Avon Town Trust	1,235,966	979,388
Costs related to Guild Chapel management**	41,135	74,209
Support costs (note 10)	36,536	51,456
	<u>2,094,994</u>	<u>1,739,205</u>

*The amount payable to King Edward VI School is non-discretionary and is enshrined in the Charity Commission Scheme dated 1st October 2001.

** Includes £nil (2022: £29,751) of restricted expenditure

9 Analysis of expenditure on charitable activities

	Activities undertaken directly	Grant funding of activities	Support costs	Total funds
	2023	2023	2023	2023
	£	£	£	£
Entitlement to King Edward VI School	-	726,857	4,080	730,937
Grant to Almshouse Maintenance	-	54,500	1,000	55,500
Grant to Stratford-upon-Avon Town Trust	-	1,235,966	2,000	1,237,966
Guild Chapel property management	41,135	-	29,456	70,591
	<u>41,135</u>	<u>2,017,323</u>	<u>36,536</u>	<u>2,094,994</u>
Total	<u>41,135</u>	<u>2,017,323</u>	<u>36,536</u>	<u>2,094,994</u>
	Activities undertaken directly	Grant funding of activities	Support costs	Total funds
	2022	2022	2022	2022
	£	£	£	£
Entitlement to King Edward VI School	-	585,598	10,754	596,352
Grant to Almshouse Maintenance	-	48,554	1,000	49,554
Grant to Stratford-upon-Avon Town Trust	-	979,388	2,500	981,888
Guild Chapel property management	74,209	-	37,202	111,411
	<u>74,209</u>	<u>1,613,540</u>	<u>51,456</u>	<u>1,739,205</u>
Total	<u>74,209</u>	<u>1,613,540</u>	<u>51,456</u>	<u>1,739,205</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

10 Allocation of support costs

	Basis of allocation	Raising funds 2023 £	Charitable activities 2023 £	Governance 2023 £	Total 2023 £
Staff costs	Time	63,940	25,380	9,049	98,369
Office costs	Time	17,896	7,103	2,533	27,532
External audit	Direct	-	-	2,683	2,683
Governance	Cost	<u>10,212</u>	<u>4,053</u>	<u>(14,265)</u>	<u>-</u>
Total		92,048	36,536	-	128,584
		(note 7)	(note 8)		
	Basis of allocation	Raising funds 2022 £	Charitable activities 2022 £	Governance 2022 £	Total 2022 £
Staff costs	Time	53,454	35,278	8,990	97,722
Office costs	Time	14,654	9,671	2,465	26,790
External audit	Direct	-	-	4,912	4,912
Governance	Cost	<u>9,860</u>	<u>6,507</u>	<u>(16,367)</u>	<u>-</u>
Total		77,968	51,456	-	129,424
		(note 7)	(note 8)		

The Guild Estate pays a management charge to the Town Trust to cover staff costs and office costs. For 2023 this was £121k (2022: £123.0k). This forms the main part of the support costs.

11 Employee and staff costs

The average number of employees throughout the year calculated on a role basis was 2 (2022: 1). On a full-time equivalent basis the total head count was 0.5 (2022: 0.5).

The cost of directly employed staff was:

	2023 £	2022 £
Salaries & wages	19,189	13,011
National Insurance	1,118	798
Pensions	<u>1,032</u>	<u>442</u>
	<u>21,339</u>	<u>14,251</u>

In 2023 and 2022 no member of staff was remunerated more than £60,000.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

12 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 Guild Estate took over the responsibility of maintaining the Chapel for its purposes. In 1954 the Friends of the Guild Chapel were set up. They fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the Guild Estate.

The Chapel is used on a regular basis by King Edward VI School for morning assembly, and the Friends of the Guild Chapel attend services on Holy Cross Day (14 September), hold a Christmas carol service, and a summer service. Weekly Holy Communion services are held at which anyone is welcome to worship. The Chapel is opened daily for the public to visit.

In the opinion of the Corporate Trustee, 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 £7.5m.

	2023	2022
	£	£
13 Fixed asset investments		
Investment properties	24,270,100	26,770,100
Quoted investments	13,133,171	9,790,652
Short term deposits	402,280	200,000
Cash awaiting investment	47,375	40,412
	<u>37,852,926</u>	<u>36,801,164</u>
Market value at 31 December 2022	26,770,100	26,870,100
Net sale proceeds	(2,947,385)	(378,002)
Gains / (losses) on disposal	447,385	(21,998)
Revaluation gains	-	300,000
	<u>24,270,100</u>	<u>26,770,100</u>
Market value at 31 December 2023	24,270,100	26,770,100
Cost or donated value at 31 December 2023	4,297,090	4,357,090
Quoted investments:		
Market value at 31 December 2022	9,790,652	10,738,507
Additions at cost	3,393,125	383,000
Disposal at cost	(13,060)	(37,915)
Net investment losses	(37,547)	(1,292,940)
	<u>13,133,170</u>	<u>9,790,652</u>
Market value at 31 December 2023	13,133,170	9,790,652
Historical cost at 31 December 2023	10,687,962	7,307,896

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2020 and are 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.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

	2023	2022
	£	£
14 Debtors: amounts falling due within one year:		
Trade debtors	185,577	221,583
Prepayments and accrued income	91,311	45,413
Other debtors	<u>33,828</u>	<u>28,224</u>
	<u>310,716</u>	<u>295,220</u>
	2023	2022
	£	£
15 Creditors: amounts falling due within one year		
Amount due to King Edward VI School	199,819	90,189
Trade creditors	57,303	53,156
Accruals and deferred income	1,029,099	1,162,860
Taxation and social security	102,931	93,897
Amount due to Stratford-upon-Avon Town Trust	405,066	76,570
Amount due to College Estate	<u>5,166</u>	<u>4,088</u>
	<u>1,799,384</u>	<u>1,480,760</u>
	2023	2022
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>5,000</u>	<u>5,380</u>

Deferred income represents lease premiums and rentals received in advance that relate to after the period end.

	2023	2022
	£	£
Reconciliation of deferred Income:		
At 1 January 2023	378,675	360,761
Released during the year	(358,292)	(340,120)
Deferred in current year	<u>377,002</u>	<u>358,034</u>
	<u>397,385</u>	<u>378,675</u>
At 31 December 2023	<u>397,385</u>	<u>378,675</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

16 Summary of Fund Movements

Fund Name	Fund Balances 31 December 2022	Income 2023	Expenditure 2023	Gains and losses 2023	Transfer between funds 2023	Fund Balances 31 December 2023
	£	£	£	£	£	£
Unrestricted Funds	102,853	2,599,005	(2,599,149)	-	-	102,709
Permanent Endowment Funds	36,563,709	-	-	409,838	-	36,973,547
Total Funds	36,666,562	2,599,005	(2,599,149)	409,838	-	37,076,256

Fund Name	Fund Balances 31 December 2021	Income 2022	Expenditure 2022	Gains and losses 2022	Transfer between funds 2022	Fund Balances 31 December 2022
	£	£	£	£	£	£
Unrestricted Funds	102,853	2,423,353	(2,423,353)	-	-	102,853
Restricted funds	-	29,751	(29,751)	-	-	-
Permanent Endowment Funds	37,578,647	-	-	(1,014,938)	-	36,563,709
Total Funds	37,681,500	2,453,104	(2,453,104)	(1,014,938)	-	36,666,562

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

	Unrestricted funds 2023	Endowed funds 2023	Total 2023
	£	£	£
17 Analysis of net assets between funds			
Investments	802,280	37,050,646	37,852,926
Current assets	1,022,714	-	1,022,714
Current liabilities	(1,722,285)	(77,099)	(1,799,384)
	<u>102,709</u>	<u>36,973,547</u>	<u>37,076,256</u>
	Unrestricted funds 2022	Endowment funds 2022	Total 2022
	£	£	£
Analysis of net assets between funds	200,000	36,601,164	36,801,164
Investments	1,346,158	-	1,346,158
Current assets	(1,443,305)	(37,455)	(1,480,760)
Current liabilities	<u>102,853</u>	<u>36,563,709</u>	<u>36,666,562</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2023 (continued)

18 Commitments

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

In accordance with the Guild Estate's constitution each year the Guild Estate has an ongoing 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) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund.

19 Related party transactions

Control: During the current period the Guild Estate Endowment Charity and the College Estate Endowment Charity were under the control of Stratford-upon-Avon Town Trust.

Transactions: During the period the following transactions were entered into on normal terms and conditions.

	Stratford-upon- Avon Town Trust 31 December 2023 £	Stratford-upon- Avon Town Trust 31 December 2022 £	College Estate 31 December 2023 £	College Estate 31 December 2022 £
Income	2,582	2,582	-	-
Expenditure				
Grant	1,235,966	979,388	-	-
Management charge	121,344	123,003	-	-
Balances outstanding at 31 December 2023				
Creditors	405,066	76,570	5,166	4,088

20 Lease Commitments

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

	2023 £	2022 £
Not later than 1 year	1,393,814	1,634,619
Later than 1 year but not later than 5 years	3,950,830	5,369,055
Later than 5 years	22,340,702	23,086,699

21 Trustee remuneration and benefits

The Guild Estate only has a corporate trustee (the Town Trust). As such it cannot receive remuneration or other benefits from employment. The Town Trust has a Board of Trustees. However, none of these Trustees has been paid any remuneration or received any other benefits from employment with the Guild Estate or the Town Trust.

22 Trustee expenses

Trustee expenses during the year amounted to £nil (2022: £nil).

THE GUILD ESTATE ENDOWMENT

England & Wales - Charity number 217484

Accounts

THE GUILD ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS
For year ended 31 December 2022

THE GUILD ESTATE ENDOWMENT CHARITY
FINANCIAL STATEMENTS
for year ended 31 December 2022

CONTENTS

	Page
Trustees' Report	1 - 5
Officers & Contacts	6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 - 10
Financial Statements	11 - 13
Notes on Financial Statements	14 - 24

THE GUILD ESTATE ENDOWMENT CHARITY

REPORT OF THE TRUSTEES OF THE GUILD ESTATE

for year ended 31 December 2022

Overview

The Guild Estate Endowment Charity (“Guild Estate”) is a charitable trust of which the Corporate Trustee is the Stratford-upon-Avon Town Trust (“Town Trust”).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the Guild Estate is, after defrayment of costs and expenses, transferred to the Town Trust where it becomes the Town Trust’s corporate property and is applied in accordance with the terms of the Town Trust. The only exception to this is the specific provision in the Scheme that 36% of the clear yearly income is set aside for the charity of the Grammar School of King Edward VI School at Stratford-upon-Avon (“King Edward VI School”).

The endowed assets of the Guild Estate are managed by the Town Trust within the obligations of charity law and in line with an investment policy for the Guild Estate determined by the Board of Trustees of the Town Trust (“the Board”).

The Guild Estate generates the majority of its income from its permanent endowed funds which are invested in quoted investments and physical property. If one of these endowed investments is disposed of the Guild Estate has a legal duty to reinvest the net proceeds in another form of investment, which in turn becomes endowed. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. However, some fundraising occurs in relation to the Guild Chapel.

All decisions concerning the management of the Guild Estate are taken by the Board and its officers. The costs applicable to the management of the Guild Estate are passed on by way of a management charge.

Strategic Review

The Guild Estate continued to follow the strategic plan, developed and approved in November 2020 by the Board, and a commentary on that is included in the Annual Report of the Town Trust.

Grants - discretionary and non-discretionary

The Guild Estate paid £979,388 (2021: £983,226) as a discretionary grant to the Town Trust.

King Edward VI School’s non-discretionary entitlement of £585,598 (2021: £550,454) was paid in accordance with the Charity Commission Scheme dated 1 October 2001.

In accordance with the existing agreement £48,554 (2021: £46,239) was paid towards the maintenance of the Church Street Almshouses, as a non-discretionary grant.

Financial Review

In 2022 total income for the Guild Estate was £2,453,104 (2021: £2,476,400), the majority of which was generated by the Guild Estate’s investments. Investment management costs amounted to £713,889 (2021: £767,577), so 70.9% (2021: 69.0%) was available for charitable purposes, which funded the non-discretionary entitlement to King Edward VI School and a discretionary grant to the Town Trust. We are very aware that the costs of managing the investments have to be monitored closely and spent carefully, but also it is important that the investments are well managed, thus ensuring income flows for future generations.

Charitable expenditure was £1,739,205 (2021: £1,708,643), of which £1,613,540 (2021: £1,579,919) was grant funding.

Income

The 2022 total income of £2,453,104 represented a decrease of 0.9% on last year (2021: £2,476,400). This decrease is due to a decrease in grant income of £110,000 in 2022 as 2021 benefited from a Culture Recovery Fund for Heritage grant of £134,000 which was received from The National Lottery Heritage Fund, administered by National Heritage Memorial Fund. In 2022 grant income was only £29,751 which represented a grant from the Pilgrim Trust for feasibility work relating to the conservation of the medieval paintings in the Guild Chapel.

Balance Sheet

The Guild Estate has investments of £36.8m (2021: £37.6m) – a decrease of £0.8m year on year. This decrease is due to £1.3m equity investment loss netted against a property gain of £0.3m and £0.2m of cash deposits. All these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds from the sale must always be reinvested in other investment assets, which in turn become endowed.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for the year ended 31 December 2022 (continued)

Reserves Policy

The Board reviews the reserves policy annually and consider it very important that the Guild Estate can pay all its committed costs and have free reserves to cover ongoing administration costs for six months.

The permanently endowed reserves in Guild Estate will always be fully investment and cash backed. To recognise the small operational risk in Guild Estate an unrestricted reserve of at least £0.1m is held. The reserves policy was reviewed in June 2022. As at December 2022 the endowed reserves are £36.6m (2021: £37.6m) and the unrestricted reserves are £0.1m (2021: £0.1m).

Financial Effect of Significant Events

In 2022 there were no significant events affecting the Guild Estate apart from the impact of the war in Ukraine and the high inflation rate.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2022 Guild Estate held investments (net of short term deposits) of £36.6m, a decrease of £1.0m on 2021.

The objective of the investment policy is to create sufficient income and capital growth to enable the Guild Estate to carry out its purposes consistently year on year. In the medium to long term the Guild Estate 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 diversification and reduce our exposure to property in Stratford-upon-Avon. The targets set for reducing physical property investment in the Guild Estate to between 70% and 80% of the total investment portfolio value, as at the end of December 2022 physical property represented 73.2% of the total investment portfolio.

The Board reviewed and updated the investment policy in September 2022. The policy's main objectives continue to be:

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the Guild Estate 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 objective, as measured over a 10-year rolling period, is to achieve a balanced return from the overall portfolio such that: for the combined portfolio there is an expectation of net income yield being not less than 4.4% pa and that the capital value grows at least in line with inflation (CPI). Net income is defined as gross income less all direct costs i.e., fees, repair costs, legal/advisor fees.
- **Long Term Objective**
The endowment investments are expected to exist in perpetuity and should be managed to meet the Guild Estate's investment objectives and ensure their sustainability.

The Guild Estate also has a responsible investment policy, which guides the Board 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. The Guild Estate has considered this point in relation to its endowed investments but decided it was an approach it would not adopt at this time.

The Guild Estate does not have any social investments; all Guild Estate investments are endowed. The policy, at present, is to not have any programme related investments.

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

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2022 (continued)

Investment (net of short term deposits)	2022 £m	2021 £m	2022 Actual %	2021 Actual %	Future Target %
Endowed:					
Physical Property	26.8	26.7	73.2	71.0	70-80
Equity Funds	7.9	9.2	21.6	24.5	30-50
Property Funds	1.9	1.7	5.2	4.5	0-20
Cash equivalent	0.0	0.0	-	0.0	0
Total endowed investments	36.6	37.6	100.0	100.0	100
Non-Endowed:	-	-	-	-	-
Total investments	36.6	37.6	100.0	100.0	100

The equity investments are held with either Sarasin & Partners or Cazenove Capital Management Limited. The property funds are held with either Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are reviewed and compared with their benchmarks, the investment policy and the performance of comparable funds.

Independently Managed Funds Performance

The following table shows the income and capital returns achieved during the period to arrive at the total return for the period:

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.3%	-12.4%	-9.1%	13.6%	-7.4%

The benchmark for the Guild Estate is the weighted average of the benchmark for the property funds (-9.5%), which is based on AREF / MSCI All Balanced Funds Property Index and the benchmark for the Common Investments Funds (-6.9%) (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 actual performance was below both the target and the benchmark, in the main due to the high impact of inflation in the year (9.2%) which had a negative impact of funds value.

Physical Property

The property portfolio, valued at £26.8m (2021: £26.9m), within the Guild Estate has decreased in net value by £0.1m during the year. This decrease is due to the disposal of one property netted against £0.3m gain on valuation of retained portfolio.

The valuation change represents an average capital return of 1.1% (2021: -0.6%). The rental yield for the property portfolio was 7.7% (2021: 7.4%), giving a total return of 8.8% (2021: 6.8%).

In 2022 there was one property disposal. In September 2022 35/36 Rother Street was sold for £390,000. It had a book value of £400,000. The Board made the strategic decision to sell the property as the costs of repair made it uneconomical as a rental property. The net proceeds were reinvested in the Charity Property Fund. The Guild Estate continuously monitors the performance and management of its investments particularly the locally owned property portfolio.

A full property valuation was carried out by Colliers International in December 2020. A five-year interval is deemed appropriate by the Board to capture any material movement however the valuation is considered and monitored annually taking into account market conditions that may impact the valuation.

Public Benefit

The Public Benefit of the Guild Estate is primarily achieved through its Corporate Trustee's (Town Trust) grant-making to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish). The Corporate Trustee (Town Trust) has had regard to the Charity Commission's guidance on Public Benefit. However, the Guild Estate also funds a non-discretionary entitlement to the Trustees of King Edward VI School. In 2022 this amounted to £586k.

All the Town Trust's grant applicants are required to provide information on the numbers and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2022 (continued)

Public Benefit (Continued)

In the same way the Town Trust and Guild Estate ensure that access to all their directly managed facilities is available to all sectors of the community.

In 2022 the Stratford-upon-Avon Town Trust Group applied £2.2m to charitable purposes of which £0.9m discretionary grants have been provided to 111 beneficiaries. Full details can be found in the Stratford-upon-Avon Town Trust Annual Report of the Trustees and Accounts. In 2022 the community hub - Foundation House - continued to go from strength to strength. The cost for the year was £0.16m. There are 15 community groups who have taken permanent space as licensees and this benefit has been treated as a benefit in kind. Also, many community groups utilised the various meeting spaces on a regular basis.

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

Risk management

The risk policy was reviewed in autumn 2022, 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 risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact and likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks and their mitigations are monitored and assessed on a regular basis, the Town Trust's policy states this is undertaken within the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The Board considers that the major risks facing the Guild Estate at the end of the year are:

Description of Risk	Mitigation of Risk
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.
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.
Equity investments fail to deliver expected returns	The Town Trust has a detailed investment policy and monitors equity investment returns on a regular basis, comparing against benchmarks and target returns. All equity investments are held via Funds. Fund managers attend regulate update meetings with the Town Trust.

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 Town 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 Town Trust or for publication
- Good governance policies

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2022 (continued)

Control Environment

The Town Trust has an organisational structure with defined lines of responsibility, job descriptions and delegated levels of authority as approved by the Board.

Information Systems

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

Volunteers

We are very grateful for the volunteers' loyalty and commitment to the Guild Chapel. We would like to thank them for the time they give to offer a warm and knowledgeable welcome to all our visitors.

Guild Chapel

The Pilgrim Trust awarded a grant of £20k towards the Death Revealed conservation project, which took place in Spring 2022. The balance of the project cost was funded by crowdfunding and two significant contributions from individual donors. The project involved the temporary removal of the 20th century oak wood panelling in the Chapel so that the conditions of the medieval paintings hidden behind could be assessed. The work revealed substantial amounts of the original paintings on both the north and south walls of the nave, with extensive evidence of two later decorative schemes overlying the earlier paintings. On the north wall the subject is the Dance of Death and on the south wall scenes from the Life of Adam. These two schemes are of exceptional quality and are unique in English wall painting, both in their subject matter and their extent, and are therefore of significant national – and indeed international – importance. This feasibility study will allow us to plan the next phase of conservation and exhibition, that will allow for increased public engagement and opportunities for further study of the paintings, whilst still retaining the current overall appearance and use of the chapel, we hope to begin this next stage of work in 2024.


In May 2022 we held a members' evening 'Death Revealed and the Whore of Babylon' where members could hear first-hand from the conservators about their discoveries during their work in the Guild Chapel.

In 2022 the Friends of the Guild Chapel held a number of concerts and organ recitals as well as a very successful Flower Festival in August 2022, and we are grateful for their continued support. During 2022 King Edward VI School utilised the chapel for musical activities, as well as its usual school assemblies and services.

Statement as to disclosure of information to auditors

The Trustees of the Town Trust 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.

On behalf of the Board of Trustees
Tony Jackson
Chair of Board


.....
17 May 2023

THE GUILD ESTATE ENDOWMENT CHARITY

OFFICERS AND CONTACTS

for the year ended 31 December 2022

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve Liz Coles Marion Homer (elected 26.5.22) Tony Jackson Simon Littlejohns (appointed 1.9.22) Henry Lu (elected 26.5.22) Lindsay MacDonald (to 25.5.22)	Matthew Macdonald (to 31.2.22) Stephen Parker (to 31.8.22) Michael Rolfe (elected 26.5.22) Jonathan Smith (appointed 1.4.22) Clive Snowdon (to 31.1.23) Josie Stevens Mark Tailby (appointed 1.02.23) David Taylor (to 25.5.22) Quentin Willson (to 25.5.22)
CHIEF EXECUTIVE (of corporate trustee) SENIOR MANAGEMENT TEAM (of corporate trustee)	Sara Aspley Sara Aspley, Rebecca Hampson, James McHugh, Paul Fitzpatrick, Frances Nibbs (appointed 1.7.22), Lynn Perkins	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ
AUDITORS	Saffery Champness LLP St John's Court Easton Street High Wycombe HP11 1JX	
COMMERCIAL PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
as at 31 December 2022

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 (FRS102);
- 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Guild Estate Endowment for the year ended 31 December 2022 which comprise a statement of financial activity, Balance Sheet, 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
the charity has not kept sufficient accounting records; or
the financial statements are not in agreement with the accounting records and returns; or
we have not received all the information and explanations we require for our audit.

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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 charity'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 charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 charity'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 charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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.

THE GUILD ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
St John's Court
Easton Street
High Wycombe
HP11 1JX

Statutory Auditors

Date: 1 June 2023

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

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
for year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Permanent endowment funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Permanent endowment funds 2021 £	Total funds 2021 £
Income from:							
Investment income	3	2,410,165	-	2,410,165	2,322,431	-	2,322,431
Donations and legacies*	4	35,111	-	35,111	150,734	-	150,734
Income from charitable activities	5	1,888	-	1,888	3,138	-	3,138
Income from other activities	6	5,940	-	5,940	97	-	97
Total Income		2,453,104	-	2,453,104	2,476,400	-	2,476,400
Expenditure on:							
Raising funds	7	713,899	-	713,899	767,757	-	767,757
Charitable activities**	8	1,739,205	-	1,739,205	1,708,643	-	1,708,643
Total expenditure		2,453,104	-	2,453,104	2,476,400	-	2,476,400
Net (losses) / gains on investments		-	(1,014,938)	(1,014,938)	-	699,508	699,508
Net movement in funds		-	(1,014,938)	(1,014,938)	-	699,508	699,508
Reconciliation of funds							
Total funds brought forward		102,853	37,578,647	37,681,500	102,853	36,879,139	36,981,992
Total funds carried forward	16	102,853	36,563,709	36,666,562	102,853	37,578,647	37,681,500

*Includes £29,751 (2021: £139,000) of restricted income


** Includes £29,751 (2021: £46,200) of restricted expenditure

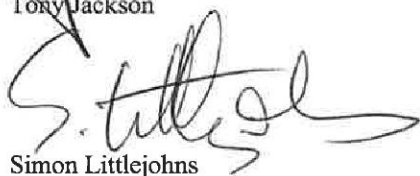
The notes on pages 14 to 24 form part of these financial statements.
All of the Guild Estate's activities are continuing.

THE GUILD ESTATE ENDOWMENT CHARITY
BALANCE SHEET
as at 31 December 2022

	Note	2022		2021	
		£	£	£	£
Fixed assets					
Heritage assets	12		-		-
Investments	13		36,801,164		37,611,104
			<u>36,801,164</u>		<u>37,611,104</u>
Total Fixed Assets					37,611,104
Current assets					
Debtors	14	295,220		354,806	
Cash at bank and in hand		1,050,938		1,394,154	
		<u>1,346,158</u>		<u>1,748,960</u>	
Total current assets			1,346,158		1,748,960
Creditors: amounts falling due within one year	15	(1,480,760)		(1,678,564)	
		<u>(1,480,760)</u>		<u>(1,678,564)</u>	
Net current (liabilities) / assets			(134,602)		70,396
			<u>(134,602)</u>		<u>70,396</u>
Total net assets			36,666,562		37,681,500
			<u>36,666,562</u>		<u>37,681,500</u>
Funds					
Endowment funds	16		36,563,709		37,578,647
Unrestricted funds	16		102,853		102,853
			<u>102,853</u>		<u>102,853</u>
Total funds	16		36,666,562		37,681,500
			<u>36,666,562</u>		<u>37,681,500</u>

The financial statements on pages 11 to 24 were approved by the Board and authorised for issue on 17 May 2023.
The notes on pages 14 to 24 form part of these financial statements.


Tony Jackson


Simon Littlejohns

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

	2022 Total funds £	2021 Total funds £
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(2,548,383)</u>	<u>(1,618,604)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	2,410,165	2,322,431
Proceeds from sale of investments	415,917	-
Purchase of investments	<u>(583,000)</u>	<u>(16,270)</u>
<i>Net cash provided by investing activities</i>	<u>2,243,082</u>	<u>2,306,161</u>
Change in cash and cash equivalents in the reporting period	(305,301)	687,557
Cash and cash equivalents at 31 December 2021	<u>1,396,651</u>	<u>709,094</u>
Cash and cash equivalents at 31 December 2022	<u>1,091,350</u>	<u>1,396,651</u>

	2022 Total funds £	2021 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(1,014,938)	699,508
Adjustments for:		
Losses / (gains) on investments	1,014,938	(699,508)
Dividends, interest, and rent from investments	(2,410,165)	(2,322,431)
Decrease in debtors	59,586	141,979
Increase in creditors	<u>(197,804)</u>	<u>561,848</u>
<i>Net cash used in operating activities</i>	<u>(2,548,383)</u>	<u>(1,618,604)</u>

	2022 Total funds £	2021 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	1,050,938	1,394,154
Cash awaiting investment*	40,412	2,497
Total cash and cash equivalents	<u>1,091,350</u>	<u>1,396,651</u>

*Is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2022 £	Cashflow £	At 31 December 2022 £
Cash and equivalents			
Cash	1,394,154	(343,216)	1,050,938
Cash awaiting deposit	2,497	37,915	40,412
Total	<u>1,396,651</u>	<u>(305,301)</u>	<u>1,091,350</u>

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022

1. Statement of Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Guild Estate Endowment charity 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 of the Guild Estate. Monetary amounts in these financial statements are rounded to the nearest £.

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

b) Charitable Activities

The Board considers that the Guild Estate is a public benefit entity as it makes grants to the Town Trust. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 8.

c) Income

All incoming resources are recognised once the Guild Estate 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 Guild Estate to the expenditure. All expenditure is accounted for on an accruals basis (inclusive of any VAT which cannot be recovered) and has been classified under headings that aggregate all costs related to the category.

Wherever possible costs have been charged directly to the service or activity to which they relate. A management charge from the Town Trust is levied each quarter to cover property administration, governance, and grant support costs. Expenditure shared between two or more activities has been apportioned between them on a reasonable, justifiable, and consistent basis (see note 10).

e) Grants Payable

Grants payable are amounts payable to third parties in furtherance of the charitable objectives of the Guild Estate. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the Board has 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.

On 1 October 2001 the responsibility for paying out grants was transferred to the controlling charity, Stratford-upon-Avon Town Trust, except for the payment to the trustees of the School of King Edward VI at Stratford-upon-Avon and the maintenance of the Almshouses in Church Street.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

1. Statement of Accounting Policies (continued)

f) Costs of Generating Funds

These costs consist of investment and property management costs.

g) Governance Costs

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

h) Investments

- (i) Investments are included in the financial statements 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.

i) Fund Accounting

- (i) Permanent endowment funds relate to those assets which represent the permanent capital base of the Guild Estate and which may not be spent.
- (ii) Designated funds are unrestricted funds earmarked by the Board for particular purposes.
- (iii) Unrestricted funds include the income from permanent endowment and any other investments or income therefrom which the Board may apply at its discretion in pursuit of the objects of the Guild Estate.

j) Tangible Fixed Assets

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 their 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 Board, 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 Guild Estate was assigned the Guild Chapel in 1553; it is not expected that any other heritage assets will be acquired. Also, the Guild Estate intends to remain the custodian of the Guild Chapel in perpetuity.

k) Operating Leases

Operating leases are charged to the statement of financial activities as incurred.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

1 Statement of Accounting Policies (continued)

1) Financial Instruments

The Guild Estate 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 Guild Estate after deducting all of its liabilities.

2 Connected Charities

The Guild Estate Endowment Charity is connected with the College Estate Endowment Charity (Registered Charity Number 217485) due to there being common, parallel objects and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949, Registered Charity Number 1088521) and the financial statements for the period ended 31 December 2022 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

	2022 £	2021 £
3 Investment income		
Property	1,729,007	1,739,734
Car park	335,347	240,523
Redlands Allotments	3,078	4,523
	<u>2,067,432</u>	<u>1,984,780</u>
Dividends receivable	342,733	337,651
	<u>2,410,165</u>	<u>2,322,431</u>
<p>Car park income earned is in relation to both Rother Street car park and Grove Road car park. Income and expenditure relating to the Rother Street car park is split 86.09% to Guild Estate and 13.91% to College Estate in accordance with land ownership arrangements.</p>		
	2022 £	2021 £
4 Donations and legacies		
Donations **	15,111	2,511
Grants *	20,000	139,000
Donations from Friends of the Guild Chapel	-	9,233
	<u>35,111</u>	<u>150,734</u>
<p>*This is restricted income. In 2022 £20,000 was received from the Pilgrim Trust, in 2021 £139,000 was received from the Heritage Lottery Fund **Includes £9,751 of restricted income (2021 £nil)</p>		
	2022 £	2021 £
5 Income from Charitable activities		
Hire of Guild Chapel	1,675	1,080
Income from book sales	213	-
Income from furlough	-	2,058
	<u>1,888</u>	<u>3,138</u>
	2022 £	2021 £
6 Income from Other activities		
Interest receivable from cash and bank	5,940	97
	2022 £	2021 £
7 Expenditure on raising funds		
Property management	468,502	572,549
Investment management	41,456	42,765
Redlands Allotments	2,713	(2,833)
Car Park	123,260	89,352
Support costs (note 10)	77,968	65,924
	<u>713,899</u>	<u>767,757</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2022 (continued)

	2022	2021
	£	£
8 Expenditure on charitable activities		
Entitlement to King Edward VI School*	585,598	550,454
Grant to Almshouse Maintenance	48,554	46,239
Grant to Stratford-upon-Avon Town Trust	979,388	983,226
Costs related to Guild Chapel management**	74,209	81,483
Support costs (note 10)	51,456	47,241
	<u>1,739,205</u>	<u>1,708,643</u>

*The amount payable to King Edward VI School is non-discretionary and is enshrined in the Charity Commission Scheme dated 1st October 2001.

** Includes £29,751 (2021: £46,200) of restricted expenditure

9 Analysis of expenditure on charitable activities

	Activities Undertaken Directly 2022 £	Grant funding of activities 2022 £	Support Costs 2022 £	Total funds 2022 £
Entitlement to King Edward VI School	-	585,598	10,754	596,352
Grant to Almshouse Maintenance	-	48,554	1,000	49,554
Grant to Stratford-upon-Avon Town Trust	-	979,388	2,500	981,888
Guild Chapel property management	74,209	-	37,202	111,411
	<u>74,209</u>	<u>1,613,540</u>	<u>51,456</u>	<u>1,739,205</u>
Total	<u>74,209</u>	<u>1,613,540</u>	<u>51,456</u>	<u>1,739,205</u>
	Activities Undertaken Directly 2021 £	Grant funding of activities 2021 £	Support Costs 2021 £	Total funds 2021 £
Entitlement to King Edward VI School	-	550,454	12,427	562,881
Grant to Almshouse Maintenance	-	46,239	700	46,939
Grant to Stratford-upon-Avon Town Trust	-	983,226	2,000	985,226
Guild Chapel property management	81,483	-	32,114	113,597
	<u>81,483</u>	<u>1,579,919</u>	<u>47,241</u>	<u>1,708,643</u>
Total	<u>81,483</u>	<u>1,579,919</u>	<u>47,241</u>	<u>1,708,643</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2022 (continued)

10 Allocation of support costs

	Basis of allocation	Raising funds 2022	Charitable Activities 2022	Governance 2022	Total 2022
		£	£	£	£
Staff costs	Time	53,454	35,278	8,990	97,722
Office costs	Time	14,654	9,671	2,465	26,790
External audit	Direct	-	-	4,912	4,912
Governance	Cost	<u>9,860</u>	<u>6,507</u>	<u>(16,367)</u>	<u>-</u>
Total		77,968	51,456	-	129,424
		(note 7)	(note 8)		

	Basis of allocation	Raising funds 2021	Charitable Activities 2021	Governance 2021	Total 2021
		£	£	£	£
Staff costs	Time	48,062	31,719	8,084	87,865
Office costs	Time	8,858	5,840	1,495	16,193
External audit	Direct	-	-	5,366	5,366
Legal	Direct	-	3,741	-	3,741
Governance	Cost	<u>9,004</u>	<u>5,941</u>	<u>(14,945)</u>	<u>-</u>
Total		65,924	47,241	-	113,165
		(note 7)	(note 8)		

The Guild Estate pays a management charge to the Town Trust to cover staff costs and office costs. For 2022 this was £123.0k (2021: £95.3k). This forms the main part of the support costs.

11 Employee and staff costs

The average number of employees throughout the year calculated on a role basis was 1 (2021: 2). On a full-time equivalent basis the total head count was 0.5 (2021: 0.4).

The cost of directly employed staff was:

	2022	2021
	£	£
Salaries & wages	13,011	11,223
National Insurance	798	110
Pensions	<u>442</u>	<u>578</u>
	<u>14,251</u>	<u>11,911</u>

In 2022 and 2021 no member of staff was remunerated more than £60,000.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2022 (continued)

12 Heritage Asset

The value of the Guild Chapel in Stratford-upon-Avon is not included in the balance sheet. 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 Guild Estate took over the responsibility of maintaining the Chapel for its purposes. The Friends of the Guild Chapel were set up in 1954 and they fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the Guild Estate.

The Chapel is used on a regular basis by King Edward VI School for morning assembly, and the Friends of the Guild Chapel hold services on Holy Cross Day (14 September), at Christmas, and also during the summer. A weekly ecumenical service is held at the Chapel, currently every Wednesday, at which anyone may worship. The Chapel is also open to public visitors daily.

In the opinion of the Board, 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.

	2022	2021
	£	£
13 Fixed asset investments		
Investment properties	26,770,100	26,870,100
Quoted investments	9,790,652	10,738,507
Short term deposits	200,000	-
Cash awaiting investment	40,412	2,497
	<u>36,801,164</u>	<u>37,611,104</u>
Market value at 31 December 2021	26,870,100	27,020,100
Net sale proceeds	(378,002)	-
Gains on disposal	(21,998)	-
Revaluation gains / (losses)	300,000	(150,000)
	<u>26,770,100</u>	<u>26,870,100</u>
Market value at 31 December 2022	26,770,100	26,870,100
Cost or donated value at 31 December 2022	4,357,090	4,962,090
Quoted investments:		
Market value at 31 December 2021	10,738,507	9,872,729
Additions at cost	383,000	16,270
Disposal at cost	(37,915)	-
Net investment (losses) / gains	(1,292,940)	849,508
	<u>9,790,652</u>	<u>10,738,507</u>
Market value at 31 December 2022	9,790,652	10,738,507
Historical cost at 31 December 2022	7,307,896	6,962,811

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2022 and are 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.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

	2022	2021
	£	£
14 Debtors: amounts falling due within one year:		
Trade debtors	221,583	253,874
Prepayments and accrued income	45,413	74,094
Other debtors	<u>28,224</u>	<u>26,838</u>
	<u>295,220</u>	<u>354,806</u>

	2022	2021
	£	£
15 Creditors: amounts falling due within one year		
Rent received in advance	378,675	360,761
Amount due to King Edward VI School	90,189	161,499
Trade creditors	53,156	87,065
Accruals	784,185	774,775
Taxation and social security	93,897	114,607
Amount due to Stratford-upon-Avon Town Trust	76,570	170,764
Amount due to College Estate	<u>4,088</u>	<u>9,093</u>
	<u>1,480,760</u>	<u>1,678,564</u>

	2022	2021
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>5,380</u>	<u>5,000</u>

Deferred income represents lease premiums and rentals received in advance that relate to after the period end.

	2022	2021
	£	£
Reconciliation of deferred Income:		
At 1 January 2022	360,761	404,876
Released during the year	(340,120)	(383,977)
Deferred in current year	<u>358,034</u>	<u>339,862</u>
	<u>378,675</u>	<u>360,761</u>
At 31 December 2022	<u>378,675</u>	<u>360,761</u>

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

16 Summary of Fund Movements

Fund Name	Fund Balances 31 December 2021 £	Income 2022 £	Expenditure 2022 £	Gains and Losses 2022 £	Transfer between funds 2022 £	Fund Balances 31 December 2022 £
Unrestricted Funds	102,853	2,423,353	(2,423,353)	-	-	102,853
Restricted Funds	-	29,751	(29,751)	-	-	-
Permanent Endowment Funds	37,578,647	-	-	(1,014,938)	-	36,563,709
Total Funds	37,681,500	2,453,104	(2,453,104)	(1,014,938)	-	36,666,562

Fund Name	Fund Balances 31 December 2020 £	Income 2021 £	Expenditure 2021 £	Gains and Losses 2021 £	Transfer between funds 2021 £	Fund Balances 31 December 2021 £
Unrestricted Funds	102,853	2,337,400	(2,433,600)	-	96,200	102,853
Restricted funds	-	139,000	(42,800)	-	(96,200)	-
Permanent Endowment Funds	36,879,139	-	-	699,508	-	37,578,647
Total Funds	36,981,992	2,476,400	(2,476,400)	699,508	-	37,681,500

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

	Unrestricted funds 2022 £	Endowed funds 2022 £	Total 2022 £
17 Analysis of net assets between funds			
Investments	200,000	36,601,164	36,801,164
Current assets	1,346,158	-	1,346,158
Current liabilities	(1,443,305)	(37,455)	(1,480,760)
	<u>102,853</u>	<u>36,563,709</u>	<u>36,666,562</u>
	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Analysis of net assets between funds			
Investments	-	37,611,104	37,611,104
Current assets	1,748,960	-	1,748,960
Current liabilities	(1,646,107)	(32,457)	(1,678,564)
	<u>102,853</u>	<u>37,578,647</u>	<u>37,681,500</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2022 (continued)

18 Commitments

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

In accordance with the Guild Estate's constitution each year the Guild Estate has an ongoing 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) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund.

19 Related party transactions

Control: During the current period the Guild Estate Endowment Charity and the College Estate Endowment Charity were under the control of Stratford-upon-Avon Town Trust.

Transactions: During the period the following transactions were entered into on normal terms and conditions.

	Stratford-upon- Avon Town Trust 31 December 2022 £	Stratford-upon- Avon Town Trust 31 December 2021 £	College Estate 31 December 2022 £	College Estate 31 December 2021 £
Income	2,582	2,582	-	-
Expenditure				
Grant	979,388	983,226	-	-
Management charge	123,003	95,335	-	-
Balances outstanding at 31 December 2022				
Creditors	76,570	170,764	4,088	9,093

20 Lease Commitments

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

	2022 £	2021 £
Not later than 1 year	1,634,619	1,396,006
Later than 1 year but not later than 5 years	5,369,055	5,001,513
Later than 5 years	23,086,699	24,737,277

21 Trustee remuneration and benefits

The Guild Estate only has a corporate trustee (the Town Trust). As such it cannot receive remuneration or other benefits from employment. The Town Trust has a Board of Trustees. However, none of these Trustees has been paid any remuneration or received any other benefits from employment with the Guild Estate or the Town Trust.

22 Trustee expenses

Trustee expenses during the year amounted to £nil (2021: £nil).

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2022 (continued)

23 Post balance sheet event

On 3 March 2023 the Coach House, 42 Rother Street, was sold to the tenant Davenports for a sale price of £700k and the net proceeds were £679k.

On 7 March 2023 Guild Estate Endowment was awarded £90k of Shared Prosperity Fund to support work which will be undertaken to two properties to the rear of Henley Street, Stratford-upon-Avon.

THE GUILD ESTATE ENDOWMENT

England & Wales - Charity number 217484

Accounts

THE GUILD ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS
For year ended 31 December 2021

THE GUILD ESTATE ENDOWMENT CHARITY
FINANCIAL STATEMENTS
for year ended 31 December 2021

CONTENTS

	Page
Trustees' Report	1 - 5
Officers & Contacts	6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 - 10
Financial Statements	11 - 13
Notes on Financial Statements	14 - 24

THE GUILD ESTATE ENDOWMENT CHARITY

REPORT OF THE TRUSTEES OF THE GUILD ESTATE

for year ended 31 December 2021

Overview

The Guild Estate Endowment Charity (Guild Estate) is a charitable trust of which the Trustee is the Stratford-upon-Avon Town Trust (Town Trust).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the Guild Estate is, after defrayment of costs and expenses, transferred to the Stratford-upon-Avon Town Trust where it becomes that Trust's corporate property and is applied in accordance with the terms of that Trust. The only exception to this is the specific provision in the Scheme that 36% of the clear yearly income is set aside for the charity of the Grammar School of King Edward VI School at Stratford-upon-Avon (King Edward VI School).

The endowed assets of the Guild Estate are managed by the Town Trust within the obligations of charity law and in line with an investment policy for the Guild Estate determined by the trustees of the Town Trust.

The Guild Estate generates the majority of its income from its permanent endowed funds which are invested in quoted investments and physical property. If one of these endowed investments is disposed of the Guild Estate has a legal duty to reinvest the net proceeds in another form of investment, which in turn becomes endowed. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. However, some fundraising occurs in relation to the Guild Chapel.

All decisions concerning the management of the Guild Estate are taken by the Board of trustees of the Town Trust and its officials. The costs applicable to the management of the Guild Estate are passed on by way of a management charge.

Strategic Review

The Guild Estate continued to follow the strategic plan developed and approved, in November 2020, by the Town Trust Board, and a commentary on that is included in the Annual Report of the Town Trust.

Grants - discretionary and non-discretionary

The Guild Estate paid £983,226 (2020: £556,884) as a discretionary grant to the Town Trust.

King Edward VI School's non-discretionary entitlement of £550,454 (2020: £347,515) was paid in accordance with the Charity Commission Scheme dated 1 October 2001.

In accordance with the existing agreement £46,239 (2020: £44,763) was paid towards the maintenance of the Church Street Almshouses, as a non-discretionary grant.

Financial Review

In 2021 total income for the Guild Estate was £2,476,400 (2020: £2,129,460), the majority of which was generated by the charity's investments. Investment management costs amounted to £767,577 (2020: £1,054,812), so 69.0% (2020: 50.5%) was available for charitable purposes, which funded the non-discretionary grant to King Edward VI School and a discretionary grant to Town Trust. We are very aware that the costs of managing the investments have to be monitored closely and spent carefully, but also it is important that the investments are well managed, thus ensuring income flows for future generations.

Charitable expenditure was £1,708,643 (2020: £1,074,385), of which £1,595,046 (2020: £980,453) was grant funding.

Income

The 2021 total income of £2,476,400 represented an increase of 16.3% on last year (2020: £2,129,460) this increase is due to an increase in all income streams, £176k relating to increased property revenue, due to less voids and improved car park income. The equity investment income has also increased year on year. In 2021 a Culture Recovery Fund for Heritage grant of £134k was received from The National Lottery Heritage Fund, administered by National Heritage Memorial Fund, which was restricted to supporting the Guild Chapel and the re-inflation of the reserves.

Balance Sheet

The charity has investments of £37.6m (2020: £36.9m) – an increase of £0.7m year on year. This increase is due to £850k equity investment gain netted against a property reduction of £150k. All these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds from the sale must always be reinvested in other investment assets, which in turn become endowed.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for the year ended 31 December 2021 (continued)

Reserves Policy

The Trustees review the reserves policy annually and consider it very important that the Guild Estate can pay all its committed costs and have free reserves to cover ongoing administration costs for six months.

The permanently endowed reserve in Guild Estate will always be fully investment and cash backed. To recognise the small operational risk in Guild Estate an unrestricted reserve of at least £0.1m is held. The reserves policy was reviewed in June 2021. As at December 2021 the endowed reserves are £37.6m (2020: £36.9m) and the unrestricted reserves are £0.1m (2020: £0.1m).

Financial Effect of Significant Events

In 2021 there were no significant events affecting the Guild Estate, apart from ongoing impact of the covid-19 pandemic, which has affected both the income generation and valuation of the charities physical property portfolio, which is concentrated within the town centre of Stratford-upon-Avon. The Guild Estate continuously monitors the performance and management of its investments particularly the locally owned property portfolio.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2021 Guild Estate held investments of £37.6m, an increase of £0.7m on 2020.

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 diversification and reduce our exposure to property in Stratford-upon-Avon. The targets set for reducing physical property investment in the Guild Estate to between 70% and 80% of the total investment portfolio value, as at the end of December 2021 physical property represented 71.4% of the total investment portfolio.

The Board reviewed and updated the investment policy in September 2021. The policy's main objectives continue to be:

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the 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% pa 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.
- **Long Term Objective**
The endowment investments are expected to exist in perpetuity and should be managed to meet the Trusts' 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 considered this point in relation to its endowed investments but decided it was an approach it would not adopt at this time.

The Trust does not have any social investments; all Guild Estate investments are endowed. The policy, at present, is to not have any programme related investments.

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

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2021 (continued)

Investment	2021 £M	2020 £M	2021 Actual %	2020 Actual %	Future Target %
Endowed:					
Physical Property	26.7	27.0	71.0	73.2	70-80
Equity Funds	9.2	8.4	24.5	22.8	30-50
Property Funds	1.7	1.5	4.5	4.0	0-20
Cash equivalent	0.0	0.0	0.0	0.0	0
Total endowed investments	37.6	36.9	100.0	100.0	100.0
Non-Endowed:	-	-	-	-	-
Total investments	37.6	36.9	100.0	100.0	100.0

The equity investments are held with Sarasin & Partners, Cazenove Capital Management Limited. The property funds are held with Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are reviewed and compared with their benchmarks, the investment policy and the performance of comparable funds.

Independently Managed Funds Performance

The following table shows the income and capital returns achieved during the period to arrive at the total return for the period:

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.3%	8.2%	11.5%	9.3%	14.6%

The benchmark for the Guild 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 and 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 actual performance was above the target but below the benchmark, in the main due to an under performance by the Sarasin funds, which was a result of the portfolio being underweight in the technology and energy sectors during the year.

Physical Property

The property portfolio, valued at £26.9.m (2020: £27.0m), within the Guild Estate has decreased in net value by £0.15m during the year, this decrease is due to property revaluations.

The valuation decrease represents an average capital return of -0.6% (2020: -10.9%). The rental yield for the property portfolio was 7.4% (2020: 6.3%), giving a total return of 6.8% (2020: -4.6%).

In 2021 there were no property additions nor disposals.

A full property valuation was carried out by Colliers International in December 2020. A five-year interval is deemed appropriate by the Board to capture any material movement however the valuation is considered and monitored annually taking into account market conditions that may impact on the valuation.

Public Benefit

The Public Benefit of the Guild Estate is primarily achieved through its Corporate Trustee's (Town Trust) grant-making to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish). The Corporate Trustee (Town Trust) has had regard to the Charity Commission's guidance on Public Benefit. However Guild Estate also awards a non-discretionary grant to Trustees of King Edward VI School, in 2021 this amounted to £550k.

All Town Trust's grant applicants are required to provide information on the numbers and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2021 (continued)

Public Benefit (Continued)

In the same way the Town Trust and Guild Estate ensure that access to all their directly managed facilities is available to all sectors of the community.

In 2021 the Stratford-upon-Avon Town Trust Group applied £1.8m to charitable purposes of which £0.9m discretionary grants have been provided to 117 beneficiaries. Full details can be found in the Stratford-Upon-Avon Town Trust Annual Report of the Trustees and Accounts. In 2021 the community hub - Foundation House - continued to go from strength to strength, the cost for the year was £0.2m. There are 12 community groups who have taken permanent space as licensees, this benefit has been treated as a benefit in kind. Also, many community groups utilised the various meeting spaces on a regular basis.

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

Risk management

The risk policy was reviewed in autumn 2021, when the Trust assessed its risk appetite to be low to moderate. The 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 risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact of the risk and the likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks and their mitigations are monitored and assessed on a regular basis, the Trust’s policy states this is undertaken within the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees consider that the major risks facing the Guild Estate at the end of the year are:

Description of Risk	Mitigation of Risk
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 end of leases a proactive approach is adopted in terms of dilapidation negotiations and settlements
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
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

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.

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
- Good governance policies

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2021 (continued)

Control Environment

The Trust has an organisational structure with defined lines of responsibility, job descriptions and delegated levels of authority as approved by the Board of Town Trust.

Information Systems

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

Volunteers

We are very grateful for the volunteers' loyalty and commitment during the extended period of uncertainty and closure due to the covid pandemic. We would like to thank them for the time they give to offer a warm and knowledgeable welcome to all our visitors.

Guild Chapel

In 2021 the Guild Estate was awarded a Culture Recovery Fund for Heritage grant by the National Lottery Heritage Fund. The grant was for £139k and 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 assistance 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. 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 August 2021 the volunteers welcomed visitors back into the Chapel, a positive step after 18 months of closure.

In June 2021 The Pilgrim Trust awarded a grant of £20k to partly fund the Death Revealed Project, which will take place in Spring 2022. In the autumn 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 were used in 2022 to part fund the temporary removal of the wood panelling in the Chapel so that the conditions of the medieval paintings hidden 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.

Statement as to disclosure of information to auditors

The Town Trust 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.

On behalf of the Board of Trustees
Tony Jackson
Chair of Board

.....

18 May 2022

THE GUILD ESTATE ENDOWMENT CHARITY

OFFICERS AND CONTACTS

for the year ended 31 December 2021

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve Liz Coles Tony Jackson Lindsay MacDonald Matthew Macdonald (resigned 31 January 2022)	Stephen Parker Jonathan Smith (appointed 1 April 2022) Clive Snowdon Josie Stevens David Taylor Quentin Willson
CHIEF EXECUTIVE (of corporate trustee) SENIOR MANAGEMENT TEAM (of corporate trustee)	Sara Aspley Sara Aspley, Rebecca Hampson, James McHugh, Fiona Tomlinson (to 7.8.21), Paul Fitzpatrick (appointed 26.7.21), Lynn Perkins	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ
AUDITORS	Saffery Champness LLP St John's Court Easton Street High Wycombe HP11 1JX	
COMMERCIAL PROPERTY MANAGER	Colliers International 12 th Floor, Eleven Brindley Place 2 Brunswick Square Brindley Place Birmingham B1 2LP	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
as at 31 December 2021

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 (FRS102);
- 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Guild Estate Endowment for the year ended 31 December 2021 which comprise a statement of financial activity, balance sheet, 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 charity's affairs as at 31 December 2021 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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 charity'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 charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 charity'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 charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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.

THE GUILD ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Saffery Champness LLP
Chartered Accountants

St John's Court
Easton Street
High Wycombe
HP11 1JX

Statutory Auditors

Date:

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

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
for 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:							
Investment income	3	2,322,431	-	2,322,431	2,121,214	-	2,121,214
Donations and legacies*	4	150,734	-	150,734	1,210	-	1,210
Income from charitable activities	5	3,138	-	3,138	6,008	-	6,008
Income from other activities	6	97	-	97	1,028	-	1,028
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Income		2,476,400	-	2,476,400	2,129,460	-	2,129,460
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:							
Raising funds	7	767,757	-	767,757	1,054,812	-	1,054,812
Charitable activities**	8	1,708,643	-	1,708,643	1,074,384	-	1,074,384
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		2,476,400	-	2,476,400	2,129,196	-	2,129,196
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net gains / (losses) on investments		-	699,508	699,508	-	(3,234,288)	(3,234,288)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		-	699,508	699,508	264	(3,234,288)	(3,234,024)
Reconciliation of funds							
Total funds brought forward		102,853	36,879,139	36,981,992	102,589	40,113,427	40,216,016
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	16	102,853	37,578,647	37,681,500	102,853	36,879,139	36,981,992
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*Includes £139,000 of restricted income

** Includes £46,200 of restricted expenditure

The notes on pages 14 to 24 form part of these financial statements
All of the charity's activities are continuing.

THE GUILD ESTATE ENDOWMENT CHARITY
BALANCE SHEET
as at 31 December 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Heritage assets	12		-		-
Investments	13		37,611,104		36,911,596
			<u> </u>		<u> </u>
Total Fixed Assets			37,611,104		36,911,596
Current assets					
Debtors	14	354,806		496,785	
Cash at bank and in hand		1,394,154		690,327	
		<u> </u>		<u> </u>	
Total current assets		1,748,960		1,187,112	
Creditors: amounts falling due within one year	15	(1,678,564)		(1,116,716)	
		<u> </u>		<u> </u>	
Net current assets			70,396		70,396
			<u> </u>		<u> </u>
Total net assets			37,681,500		36,981,992
			<u> </u>		<u> </u>
Funds					
Endowment funds	16		37,578,647		36,879,139
Unrestricted funds	16		102,853		102,853
			<u> </u>		<u> </u>
Total funds	16		37,681,500		36,981,992
			<u> </u>		<u> </u>

The financial statements on pages 11 to 24 were approved by the trustees and authorised for issue on 18 May 2022.
The notes on pages 14 to 24 form part of these financial statements.

Tony Jackson

Clive Snowdon

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF CASH FLOWS
for the year ended 31 December 2021

	2021 Total funds £	2020 Total funds £
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(1,618,604)</u>	<u>(2,311,629)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	2,322,431	2,121,214
Proceeds from sale of investments	-	538,422
Purchase of investments	<u>(16,270)</u>	<u>(593,692)</u>
<i>Net cash provided by investing activities</i>	<u>2,306,161</u>	<u>2,065,944</u>
Change in cash and cash equivalents in the reporting period	687,557	(245,685)
Cash and cash equivalents at 31 December 2020	<u>709,094</u>	<u>954,779</u>
Cash and cash equivalents at 31 December 2021	<u>1,396,651</u>	<u>709,094</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>	699,508	(3,234,024)
Adjustments for:		
(Gains) / losses on investments	(699,508)	3,234,288
Dividends, interest, and rent from investments	(2,322,431)	(2,121,214)
Decrease / (increase) in debtors	141,979	(235,359)
Increase in creditors	<u>561,848</u>	<u>44,680</u>
<i>Net cash used in operating activities</i>	<u>(1,618,604)</u>	<u>(2,311,629)</u>

	2021 Total funds £	2020 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	1,394,154	690,327
Cash awaiting investment*	<u>2,497</u>	<u>18,767</u>
Total cash and cash equivalents	<u>1,396,651</u>	<u>709,094</u>

*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	690,327	703,827	1,394,154
Cash awaiting deposit	18,767	(16,270)	2,497
Total	<u>709,094</u>	<u>687,557</u>	<u>1,396,651</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021

1. Statement of Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Guild Estate Endowment charity 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 of the charity. 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.

b) Charitable Activities

The trustees consider that the charity is a public benefit entity as it makes grants to the Town Trust. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 8.

c) Income

All incoming resources are recognised once the charity 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 (inclusive of any VAT which cannot be recovered) and has been classified under headings that aggregate all costs related to the category.

Wherever possible costs have been charged directly to the service or activity to which they relate. A management charge from the Town Trust is levied each quarter to cover property administration, governance and grant support costs. Expenditure shared between two or more activities has been apportioned between them on a reasonable, justifiable and consistent basis (see note 10).

e) Grants Payable

Grants payable are amounts payable to third parties in furtherance of the charitable objectives of the Guild Estate. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and 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.

On 1 October 2001 the responsibility for paying out grants was transferred to the controlling charity Stratford-upon-Avon Town Trust except for the payment to the trustees of the School of King Edward VI at Stratford-upon-Avon and the maintenance of the Almshouses in Church Street.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2021 (continued)

1. Statement of Accounting Policies (continued)

f) Costs of Generating Funds

These costs consist of investment and property management costs.

g) 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.

h) Investments

- (i) Investments are included in the financial statements 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.

i) 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) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- (iii) Unrestricted funds include the income from permanent endowment and any other investments or income therefrom which the Trustees may apply at their discretion in pursuit of the objects of the charity.

j) Tangible Fixed Assets

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.

k) Operating Leases

Operating leases are charged to the statement of financial activities as incurred.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2021 (continued)

1 Statement of Accounting Policies (continued)

1) 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 Connected Charities

The Guild Estate Endowment Charity is connected with the College Estate Endowment Charity (Registered Charity Number 217485) due to there being common, parallel objects and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949, Registered Charity Number 1088521) and the financial statements for the period ended 31 December 2021 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2021 (continued)

	2021	2020
	£	£
3 Investment income		
Property	1,739,734	1,619,517
Car park	240,523	185,260
Redlands Allotments	4,523	3,715
	<u>1,984,780</u>	<u>1,808,492</u>
Interest receivable on treasury deposits		
Dividends receivable	337,651	312,722
	<u>2,322,431</u>	<u>2,121,214</u>

Car park income earned is in relation to both Rother Street car park and Grove Road car park. Income and expenditure relating to the Rother Street car park is split 86.09% to Guild Estate and 13.91% to College Estate in accordance with land ownership arrangements.

	2021	2020
	£	£
4 Donations and legacies		
Donations from visitors	2,510	1,210
Grant from Heritage Lottery*	139,000	-
Donations from Friends of the Guild Chapel	9,233	-
	<u>150,734</u>	<u>1,210</u>

*This is restricted income

	2021	2020
	£	£
5 Income from Charitable activities		
Hire of Guild Chapel	1,080	250
Income from events	-	-
Income from book sales	-	-
Income from furlough	<u>2,058</u>	<u>5,758</u>
	<u>3,138</u>	<u>6,008</u>

	2021	2020
	£	£
6 Income from Other activities		
Interest receivable from cash and bank	<u>97</u>	<u>1,028</u>

	2021	2020
	£	£
7 Expenditure on raising funds		
Property management	572,549	867,745
Investment management	42,765	39,489
Redlands Allotments	(2,833)	6,366
Car Park	89,352	73,936
Support costs (note 10)	65,924	67,276
	<u>767,757</u>	<u>1,054,812</u>

THE GUILD ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

for year ended 31 December 2021 (continued)

	2021 £	2020 £
8 Expenditure on charitable activities		
Grant to King Edward VI School*	550,454	347,515
Grant to Almshouse Maintenance	46,239	44,763
Grant to Stratford-upon-Avon Town Trust	983,226	556,884
Costs related to Guild Chapel management**	81,483	57,611
Support costs (note 10)	47,241	67,611
	<u>1,708,643</u>	<u>1,074,384</u>

*The amount payable to King Edward VI School is non-discretionary and is enshrined in the Charity Commission Scheme dated 1st October 2001.

** Includes £46,200 of restricted expenditure

9 Analysis of expenditure on charitable activities

	Activities Undertaken Directly 2021 £	Grant funding of activities 2021 £	Support Costs 2021 £	Total funds 2021 £
Grant to King Edward VI School	-	550,454	12,427	562,881
Grant to Almshouse Maintenance	-	46,239	700	46,939
Grant to Stratford-upon-Avon Town Trust	-	983,226	2,000	985,226
Guild Chapel property management	81,483	-	32,114	113,597
	<u>81,483</u>	<u>1,579,919</u>	<u>47,241</u>	<u>1,708,643</u>
Total				

	Activities Undertaken Directly 2020 £	Grant funding of activities 2020 £	Support Costs 2020 £	Total funds 2020 £
Grant to King Edward VI School	-	347,515	29,291	376,806
Grant to Almshouse Maintenance	-	44,763	550	45,313
Grant to Stratford-upon-Avon Town Trust	-	556,884	1,450	558,334
Guild Chapel property management	57,611	-	36,320	93,931
	<u>57,611</u>	<u>949,162</u>	<u>67,611</u>	<u>1,074,384</u>
Total				

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

10 Allocation of support costs

	Basis of allocation	Raising funds 2021	Charitable Activities 2021	Governance 2021	Total 2021
		£	£	£	£
Staff costs	Time	48,062	31,719	8,084	87,865
Office costs	Time	8,858	5,840	1,495	16,193
External audit	Direct	-	-	5,366	5,366
Legal	Direct	-	3,741	-	3,741
Governance	Cost	9,004	5,941	(14,945)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		65,924	47,241	-	113,166
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(note 7)	(note 8)		

	Basis of allocation	Raising funds 2020	Charitable Activities 2020	Governance 2020	Total 2020
		£	£	£	£
Staff costs	Time	47,220	37,583	9,422	94,225
Office costs	Time	10,957	8,687	2,183	21,827
External audit	Direct	-	-	4,731	4,731
Legal	Direct	-	14,104	-	14,104
Governance	Cost	9,099	7,237	(16,336)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		67,276	67,611	-	134,887
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(note 7)	(note 8)		

The Guild Estate pays a management charge to the Trust to cover staff costs and office costs. For 2021 this was £95.3k (2020: £113.9k). This forms the main part of the support costs.

11 Employee and staff costs

The average number of employees throughout the year calculated on a role basis was 2 (2020: 2). On a full-time equivalent basis the total head count was 0.4 (2020: 0.4).

The cost of employing all staff was:

	2021	2020
	£	£
Salaries & wages	11,223	11,101
National Insurance	110	121
Pensions	<u>578</u>	<u>578</u>
	<u>11,911</u>	<u>11,800</u>

In 2021 and 2020 no member of staff was remunerated more than £60,000.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

12 Heritage Asset

The value of the Guild Chapel in Stratford-upon-Avon is not included in the balance sheet. 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. The Friends of the Guild Chapel were set up in 1954 and they fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the Guild Estate Endowment Charity.

The Chapel is used on a regular basis by King Edward VI School for morning assembly, and the Friends of the Guild Chapel hold services on Holy Cross Day (14 September), at Christmas and also during the summer. A weekly ecumenical service is held at the Chapel, currently every Wednesday, at which anyone may worship. The Chapel is also open to public visitors every day, subject to covid-19 restrictions.

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.

	2021	2020
	£	£
13 Fixed asset investments		
Investment properties	26,870,100	27,020,100
Quoted investments	10,738,507	9,872,729
Cash awaiting investment	2,497	18,767
	<hr/>	<hr/>
	37,611,104	36,911,596
	<hr/>	<hr/>
Market value at 31 December 2020	27,020,100	30,315,100
Revaluation losses	(150,000)	(3,295,000)
	<hr/>	<hr/>
Market value at 31 December 2021	26,870,100	27,020,100
	<hr/>	<hr/>
Cost or donated value at 31 December 2021	4,962,090	4,962,090
	<hr/>	<hr/>
Quoted investments:		
Market value at 31 December 2020	9,872,729	9,756,747
Additions at cost	16,270	593,692
Disposal at cost	-	(538,422)
Net investment gains	849,508	60,712
	<hr/>	<hr/>
Market value at 31 December 2021	10,738,507	9,872,729
	<hr/>	<hr/>
Historical cost at 31 December 2021	6,962,811	6,946,541
	<hr/>	<hr/>

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 are 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.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

	2021	2020
	£	£
14 Debtors: amounts falling due within one year:		
Trade debtors	253,874	257,481
Prepayments and accrued income	74,094	41,381
Other debtors	26,838	11,039
Amount due from King Edward VI School	-	49,340
Amount due from Stratford-upon-Avon Town Trust	-	<u>137,544</u>
	<u>354,806</u>	<u>496,785</u>

	2021	2020
	£	£
15 Creditors: amounts falling due within one year		
Rent received in advance	360,761	404,876
Amount due to King Edward VI School	161,499	-
Trade creditors	87,065	38,138
Accruals	774,775	536,412
Taxation and social security	114,607	135,612
Amount due to Stratford-upon-Avon Town Trust	170,764	-
Amount due to College Estate	<u>9,093</u>	<u>1,678</u>
	<u>1,678,564</u>	<u>1,116,716</u>

	2021	2020
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>5,000</u>	<u>4,352</u>

Deferred income represents lease premiums and rentals received in advance that relate to after the period end.

	2021	2020
	£	£
Reconciliation of deferred Income:		
At 1 January 2021	404,876	527,180
Released during the year	(383,977)	(505,766)
Deferred in current year	339,862	383,462
	<u>360,761</u>	<u>404,876</u>
At 31 December 2021	<u>360,761</u>	<u>404,876</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

16 Summary of Fund Movements

Fund Name	Fund Balances 31 December 2020 £	Income 2021 £	Expenditure 2021 £	Gains and Losses 2021 £	Transfer between funds 2021 £	Fund Balances 31 December 2021 £
Unrestricted Funds	102,853	2,337,400	(2,433,600)	-	96,200	102,853
Restricted Funds	-	139,000	(42,800)	-	(96,200)	-
Permanent Endowment Funds	36,879,139	-	-	699,508	-	37,578,647
Total Funds	36,981,992	2,476,400	(2,476,400)	699,508	-	37,681,500

Fund Name	Fund Balances 31 December 2019 £	Income 2020 £	Expenditure 2020 £	Gains and Losses 2020 £	Fund Balances 31 December 2020 £
Unrestricted Funds	102,589	2,129,460	(2,129,196)	-	102,853
Permanent Endowment Funds	40,113,427	-	-	(3,234,288)	36,879,139
Total Funds	40,216,016	2,129,460	(2,129,196)	(3,234,288)	36,981,992

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

	Unrestricted funds 2021 £	Endowed funds 2021 £	Total 2021 £
17 Analysis of net assets between funds			
Investments	-	37,611,104	37,611,104
Current assets	1,748,960	-	1,748,960
Current liabilities	(1,646,107)	(32,457)	(1,678,564)
	102,853	37,578,647	37,681,500

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

17 Analysis of net assets between funds continued

	Unrestricted funds 2020	Endowment funds 2020	Total 2020
	£	£	£
Analysis of net assets between funds			
Investments	-	36,911,596	36,911,596
Current assets	1,187,112	-	1,187,112
Current liabilities	(1,084,259)	(32,457)	(1,116,716)
	<hr/>	<hr/>	<hr/>
	102,853	36,879,139	36,981,992
	<hr/>	<hr/>	<hr/>

18 Commitments

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

In accordance with the Guild Estate's constitution each year the charity has an ongoing 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.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2021 (continued)

19 Related party transactions

Control: During the current period the Guild Estate Endowment Charity and the College Estate Endowment Charity were under the control of Stratford-upon-Avon Town Trust.

Transactions: During the period the following transactions were entered into on normal terms and conditions.

	Stratford-upon- Avon Town Trust 31 December 2021 £	Stratford-upon- Avon Town Trust 31 December 2020 £	College Estate 31 December 2021 £	College Estate 31 December 2020 £
Income	2,582	2,582	-	-
Expenditure				
Grant	983,226	556,884	-	-
Management charge	95,335	113,893	-	-
Balances outstanding at 31 December 2021				
Creditors	170,764	-	9,093	1,678
Debtors	-	137,544	-	-

20 Lease Commitments

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

	2021 £	2020 £
Not later than 1 year	1,396,006	1,398,349
Later than 1 year but not later than 5 years	5,001,513	5,048,532
Later than 5 years	24,737,277	25,630,315

21 Trustee remuneration and benefits

Guild Estate only has a corporate trustee (Town Trust). As such it cannot receive remuneration or other benefits from employment. The Town Trust has trustees. However, none of these trustees have been paid any remuneration or received any other benefits from employment with Guild Estate or Town Trust.

22 Trustee expenses

Trustee expenses during the year amounted to £nil (2020: £nil).

THE GUILD ESTATE ENDOWMENT

England & Wales - Charity number 217484

Accounts

THE GUILD ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS
For year ended 31 December 2020

THE GUILD ESTATE ENDOWMENT CHARITY
FINANCIAL STATEMENTS
for year ended 31 December 2020

CONTENTS

	Page
Trustees' Report	1 - 5
Officers & Contacts	6
Statement of Trustees' Responsibilities	7
Independent Auditors' Report	8 - 10
Financial Statements	11 - 13
Notes on Financial Statements	14 - 24

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2020

Overview

The Guild Estate Endowment Charity (Guild Estate) is a charitable trust of which the Trustee is the Stratford-upon-Avon Town Trust (Town Trust).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the Guild Estate is, after defrayment of costs and expenses, transferred to the Stratford-upon-Avon Town Trust where it becomes that Trust's corporate property and is applied in accordance with the terms of that Trust. The only exception to this is the specific provision in the Scheme that 36% of the clear yearly income is set aside for the charity of the Grammar School of King Edward VI School at Stratford-upon-Avon (King Edward VI School).

The endowed assets of the Guild Estate are managed by the Town Trust within the obligations of charity law and in line with an investment policy for the Guild Estate determined by the trustees of the Town Trust.

The Guild Estate generates the majority of its income from its permanent endowed funds which are invested in quoted investments and physical property. If one of these endowed investments is disposed of the Guild Estate has a legal duty to reinvest the net proceeds in another form of investment, which in turn becomes endowed. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. However, some fundraising occurs in relation to the Guild Chapel.

All decisions concerning the management of the Guild Estate are taken by the Board of trustees of the Town Trust and its officials. The costs applicable to the management of the Guild Estate are passed on by way of a management charge.

Strategic Review

The Guild Estate continued to follow the strategic plan developed and approved, in December 2017, by the Town Trust Board, and a commentary on that is included in the Annual Report of the Town Trust. In November 2020 the board of Stratford Town Trust approved the strategic plan for period 2021 to 2025, details of this are also included in the Annual Report of the Town Trust.

Grants - discretionary and non-discretionary

The Guild Estate paid £556,884 (2019: £1,079,440) as a discretionary grant to the Town Trust.

King Edward VI School's non-discretionary entitlement of £347,515 (2019: £632,228) was paid in accordance with the Charity Commission Scheme dated 1 October 2001.

In accordance with the existing agreement £44,763 (2019: £43,617) was paid towards the maintenance of the Church Street Almshouses, as a non-discretionary grant.

Financial Review

In 2020 total income for the Guild Estate was £2,129,460 (2019: £2,614,928), the majority of which was generated by the charity's investments. Investment management costs amounted to £1,054,812 (2019: £750,646), so 50.5% (2019: 71.3%) was available for charitable purposes, which funded the non-discretionary grant to King Edward VI School and a discretionary grant to Town Trust. We are very aware that the costs of managing the investments have to be monitored closely and spent carefully, but also it is important that the investments are well managed, thus ensuring income flows for future generations.

Charitable expenditure was £1,074,385 (2019: £1,896,877), of which £980,453 (2019: £1,787,189) was grant funding.

Income

The 2020 total income of £2,129,460 represented a decrease of 18.6% on last year (2019: £2,614,928) this decrease is due to an decrease in all income streams, £425k relating to decreased property revenue, due to reduction in commercial property rent due to voids and loss of car park income. The equity investment income has also decreased year on year.

Balance Sheet

The charity has investments of £36.9m (2019: £40.1m) – a decrease of £3.2m year on year. This reduction is due to the revaluation of the investment properties, this valuation was undertaken by Colliers International as per RICS valuation. All these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds from the sale must always be reinvested in other investment assets, which in turn become endowed.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for the year ended 31 December 2020 (continued)

Reserves Policy

The Trustees review the reserves policy annually and consider it very important that the Guild Estate can pay all its committed costs and have free reserves to cover ongoing administration costs for six months.

The permanently endowed reserve in Guild Estate will always be fully investment and cash backed. To recognise the small operational risk in Guild Estate an unrestricted reserve of at least £0.1m is held. The reserves policy was reviewed in June 2020. As at December 2020 the endowed reserves are £36.9m (2019: £40.1m) and the unrestricted reserves are £0.1m (2019: £0.1m).

Financial Effect of Significant Events

In 2020 there were no significant events affecting the Guild Estate, apart from the covid-19 pandemic, which has effected both the income generation and valuation of the charities physical property portfolio, which is concentration within the town centre of Stratford upon Avon. The Guild Estate continuously monitors the performance and management of its investments particularly the locally owned property portfolio.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2020 Guild Estate held investments of £36.9m, a decrease of £3.2m on 2019.

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

The broad thrust of our investment policy in recent years has been to increase diversification and reduce our exposure to property in Stratford-upon-Avon. The targets set for reducing physical property investment in the Guild Estate to between 70% and 80% of the total investment portfolio value, as at the end of December 2020 physical property represented 73.2% of the total investment portfolio.

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

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the Trust has sufficient liquidity to enable it to fund its planned spending on good causes and meet its overhead costs as they fall due.
- **Medium to Long Term Objective**
The medium to long-term investment objectives, as measured over a 10 year rolling period, are to achieve a balanced return from the overall portfolio such that: for the combined portfolio of all the charities there is an expectation of net income yield being not less than 4.5% pa 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.
- **Long Term Objective**
The endowment investments are expected to exist in perpetuity and should be managed to meet the Trusts' investment objectives and ensure their sustainability.

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

The Trust does not have any social investments; all Guild Estate investments are endowed. The policy, at present, is to not have any programme related investments.

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

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2020 (continued)

Investment	2020 £M	2019 £M	2020 Actual %	2019 Actual %	Future Target %
Endowed:					
Physical Property	27.0	30.3	73.2	75.6	70-80
Equity Funds	8.4	8.1	22.8	20.2	30-50
Property Funds	1.5	1.6	4.0	4.0	0-20
Cash equivalent	0.0	0.1	0.0	0.2	0
Total endowed investments	36.9	40.1	100.0	100.0	100.0
Non-Endowed:	-	-	-	-	-
Total investments	36.9	40.1	100.0	100.0	100.0

The equity investments are held with Sarasin & Partners, Cazenove Capital Management Limited. During the year the passive investments held with Legal & General were disposed of and reinvested with Sarasin & Partners. The property funds are held with Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are reviewed and compared with their benchmarks, the investment policy and the performance of comparable funds.

Independently Managed Funds Performance

The following table shows the income and capital returns achieved during the period to arrive at the total return for the period:

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.2%	0.6%	3.8%	7.0%	5.4%

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

The actual performance was below both the target and the benchmark, due to the poor performance of the passive investments prior to their disposal in August 2020, also the property funds under achieved against their target and benchmark. Covid-19 impacted negatively on investments in the year.

Physical Property

The property portfolio, valued at £27.0m (2019: £30.3m), within the Guild Estate has decreased in net value by £3.3m during the year, this decrease is due to property revaluations.

The valuation decrease represents an average capital return of -10.9% (2019: -1.9%). The rental yield for the property portfolio was 6.3% (2019: 7.4%), giving a total return of -4.6% (2019: 5.5%).

In 2020 there were no property additions nor disposals.

A full property valuation was carried out by Colliers International in December 2020. The previous full property valuation was in December 2015. A five-year interval is deemed appropriate by the Board to capture any material movement however the valuation is considered and monitored annually taking into account market conditions that may impact on the valuation.

Public Benefit

The Public Benefit of the Guild Estate is primarily achieved through its Corporate Trustee's (Town Trust) grant-making to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish). The Corporate Trustee (Town Trust) has had regard to the Charity Commission's guidance on Public Benefit. However Guild Estate also awards a non-discretionary grant to Trustees of King Edward VI School, in 2020 this amounted to £348k.

All Town Trust's grant applicants are required to provide information on the numbers and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2020 (continued)

Public Benefit (Continued)

In the same way the Town Trust and Guild Estate ensure that access to all their directly managed facilities is available to all sectors of the community.

In 2020 the Stratford-upon-Avon Town Trust Group applied £1.7m to charitable purposes of which £0.7m discretionary grants have been provided to 103 beneficiaries. Full details can be found in the Stratford-Upon-Avon Town Trust Annual Report of the Trustees and Accounts. In 2020 the community hub - Foundation House continued to go from strength to strength, the cost for the year was £0.2m. There are 12 community groups who have taken permanent space as licensees, this benefit has been treated as a gift in kind. Also, many community groups utilised the various meeting spaces on a regular basis.

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

Risk management

The risk policy was reviewed in autumn 2020, when the Trust assessed its risk appetite to be low to moderate. The 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 risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact of the risk and the likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks and their mitigations are monitored and assessed on a regular basis, the Trust's policy states this is done by a Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees consider that the major risks facing the Guild Estate at the end of the year are:

Description of Risk	Mitigation of Risk
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 tenant, any actions are followed up on an ongoing basis. At end of leases a proactive approach is adopted in terms of dilapidation negotiations and settlements
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
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

The coronavirus pandemic has significantly impacted global markets and the economy throughout 2020 and continue to do so in 2021. It is hoped that the vaccination programme in the UK will stem the infection rate and enable the easing of lockdown measures. However, we are aware that variants of the virus could have a detrimental impact on such easing, as such the Trust is closely monitoring the pandemic and its impact on the charity.

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
- Good governance policies

THE GUILD ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE GUILD ESTATE
for year ended 31 December 2020 (continued)

Control Environment

The Trust has an organisational structure with defined lines of responsibility, job descriptions and delegated levels of authority as approved by the Board of Town Trust.

Information Systems

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

Volunteers

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

Guild Chapel

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

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

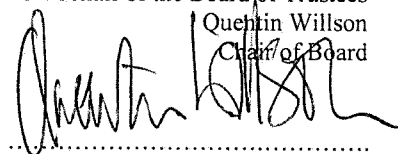
Over the year we have enjoyed positive collaboration with The Friends of the Guild Chapel and would like to specifically thank them for their generous support in improving the organ. The formation of a Guild Chapel Steering Group, including a representative of the Friends and the University of York,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

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

Statement as to disclosure of information to auditors

The Town Trust 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.

On behalf of the Board of Trustees
Quentin Willson
Chair of Board



.....

19 May 2021

THE GUILD ESTATE ENDOWMENT CHARITY
OFFICERS AND CONTACTS
for the year ended 31 December 2020

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Charles Bates (to 31.5.20) Tessa Bates (to 31.5.20) Gill Cleeve (from 1.6.20) Liz Coles (from 1.6.20) Tony Jackson Lindsay MacDonald	Matthew Macdonald Stephen Parker Clive Snowdon Josie Stevens (from 2.11.20) David Taylor Quentin Willson
CHIEF EXECUTIVE (of corporate trustee) SENIOR MANAGEMENT TEAM (of corporate trustee)	Sara Aspley Sara Aspley, Rebecca Hampson, James McHugh, Fiona Tomlinson (appointed 6.7.20), Lynn Wilson	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Wiggin Osborne Fullerlove 95 The Promenade Cheltenham GL50 1HH Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ
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	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
as at 31 December 2020

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 (FRS102);
- 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of Guild Estate Endowment for the year ended 31 December 2020 which comprise a statement of financial activity, balance sheet, statement of cashflows 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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE GUILD ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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 charity'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 charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 charity'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 charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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.

THE GUILD ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....

Saffery Champness LLP
Chartered Accountants

St John's Court
Easton Street
High Wycombe
HP11 1JX

Statutory Auditors

Date: 1 June 2021

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

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
for year ended 31 December 2020

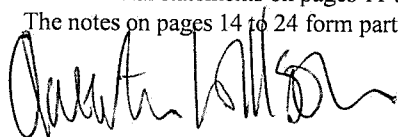
	Note	Unrestricted funds 2020 £	Permanent endowment funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Permanent endowment funds 2019 £	Total funds 2019 £
Income from:							
Investment income	3	2,121,214	-	2,121,214	2,596,890	-	2,596,890
Donations and legacies*	4	1,210	-	1,210	7,714	-	7,714
Income from charitable activities	5	6,008	-	6,008	6,274	-	6,274
Income from other activities	6	1,028	-	1,028	4,050	-	4,050
Total Income		2,129,460	-	2,129,460	2,614,928	-	2,614,928
Expenditure on:							
Raising funds	7	1,054,812	-	1,054,812	750,646	-	750,646
Charitable activities**	8	1,074,384	-	1,074,384	1,864,973	-	1,864,973
Total expenditure		2,129,196	-	2,129,196	2,615,619	-	2,615,619
Net (losses) / gains on investments		-	(3,234,288)	(3,234,288)	-	184,985	184,985
Net movement in funds		264	(3,234,288)	(3,234,024)	(691)	184,985	184,294
Reconciliation of funds							
Total funds brought forward		102,589	40,113,427	40,216,016	103,280	39,928,442	40,031,722
Total funds carried forward	16	102,853	36,879,139	36,981,992	102,589	40,113,427	40,216,016

The notes on pages 14 to 24 form part of these financial statements
All of the charity's activities are continuing.

THE GUILD ESTATE ENDOWMENT CHARITY
BALANCE SHEET
as at 31 December 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Heritage assets	12		-		-
Investments	13		36,911,596		40,145,884
Total Fixed Assets			36,911,596		40,145,884
Current assets					
Debtors	14	496,785		261,426	
Cash at bank and in hand		690,327		880,741	
Total current assets		1,187,112		1,142,167	
Creditors: amounts falling due within one year	15	(1,116,716)		(1,072,035)	
Net current assets			70,396		70,132
Total net assets			36,981,992		40,216,016
Funds					
Endowment funds	16		36,879,139		40,113,427
Unrestricted funds	16		102,853		102,589
Total funds	16		36,981,992		40,216,016

The financial statements on pages 11 to 24 were approved by the trustees and authorised for issue on 19 May 2021.
The notes on pages 14 to 24 form part of these financial statements.



Quentin Willson



Clive Snowdon

THE GUILD ESTATE ENDOWMENT CHARITY
STATEMENT OF CASH FLOWS
for the year ended 31 December 2020

	2020 Total funds £	2019 Total funds £
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(2,311,629)</u>	<u>(2,602,891)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	2,121,214	2,596,890
Proceeds from sale of investments	538,422	14,438
Purchase of investments	<u>(593,692)</u>	<u>(3,286)</u>
<i>Net cash provided by investing activities</i>	<u>2,065,944</u>	<u>2,608,042</u>
Change in cash and cash equivalents in the reporting period	(245,685)	5,151
Cash and cash equivalents at 31 December 2019	<u>954,779</u>	<u>949,628</u>
Cash and cash equivalents at 31 December 2020	<u>709,094</u>	<u>954,779</u>
	2020	2019
	Total funds	Total funds
	£	£
Reconciliation of net income to net cash flow from operating activities		
<i>Net(expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(3,234,024)	184,294
Adjustments for:		
Losses / (gains) on investments	3,234,288	(184,985)
Dividends, interest, and rent from investments	(2,121,214)	(2,596,890)
(Increase)/ decrease in debtors	(235,359)	(26,170)
Increase / (decrease) in creditors	<u>44,680</u>	<u>20,860</u>
<i>Net cash used in operating activities</i>	<u>(2,311,629)</u>	<u>(2,602,891)</u>
	2020	2019
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	690,327	880,741
Cash awaiting investment*	<u>18,767</u>	<u>74,038</u>
Total cash and cash equivalents	<u>709,094</u>	<u>954,779</u>

*Is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2020 £	Cashflow £	At 31 December 2020 £
Cash and equivalents			
Cash	880,741	(190,414)	690,327
Cash awaiting deposit	74,038	(55,271)	18,767
Total	<u>954,779</u>	<u>(245,685)</u>	<u>709,094</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020

1. Statement of Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Guild Estate Endowment charity 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 of the charity. 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.

b) Charitable Activities

The trustees consider that the charity is a public benefit entity as it makes grants to the Town Trust. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 8.

c) Income

All incoming resources are recognised once the charity 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 (inclusive of any VAT which cannot be recovered) and has been classified under headings that aggregate all costs related to the category.

Wherever possible costs have been charged directly to the service or activity to which they relate. A management charge from the Town Trust is levied each quarter to cover property administration, governance and grant support costs. Expenditure shared between two or more activities has been apportioned between them on a reasonable, justifiable and consistent basis (see note 10).

e) Grants Payable

Grants payable are amounts payable to third parties in furtherance of the charitable objectives of the Guild Estate. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and 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.

On 1 October 2001 the responsibility for paying out grants was transferred to the controlling charity Stratford-upon-Avon Town Trust except for the payment to the trustees of the School of King Edward VI at Stratford-upon-Avon and the maintenance of the Almshouses in Church Street.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

1. Statement of Accounting Policies (continued)

f) Costs of Generating Funds

These costs consist of investment and property management costs.

g) 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.

h) Investments

- (i) Investments are included in the financial statements 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.

i) 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) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- (iii) Unrestricted funds include the income from permanent endowment and any other investments or income therefrom which the Trustees may apply at their discretion in pursuit of the objects of the charity.

j) Tangible Fixed Assets

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.

k) Operating Leases

Operating leases are charged to the statement of financial activities as incurred.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

1 Statement of Accounting Policies (continued)

1) 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 Connected Charities

The Guild Estate Endowment Charity is connected with the College Estate Endowment Charity (Registered Charity Number 217485) due to there being common, parallel objects and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949, Registered Charity Number 1088521) and the financial statements for the period ended 31 December 2020 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

	2020	2019
	£	£
3 Investment income		
Property	1,619,517	1,880,826
Car park	185,260	348,841
Redlands Allotments	3,715	3,293
	<u>1,808,492</u>	<u>2,232,960</u>
Interest receivable on treasury deposits		
Dividends receivable	312,722	363,930
	<u>2,121,214</u>	<u>2,596,890</u>
	<u><u>2,121,214</u></u>	<u><u>2,596,890</u></u>
<p>Car park income earned is in relation to both Rother Street car park and Grove Road car park. Income and expenditure relating to the Rother Street car park is split 86.09% to Guild Estate and 13.91% to College Estate in accordance with land ownership arrangements.</p>		
	2020	2019
	£	£
4 Donations and legacies		
Donations from visitors	1,210	7,714
	<u>1,210</u>	<u>7,714</u>
	<u><u>1,210</u></u>	<u><u>7,714</u></u>
	2020	2019
	£	£
5 Income from Charitable activities		
Hire of Guild Chapel	250	3,175
Income from events	-	2,046
Income from book sales	-	1,053
Income from furlough	5,758	-
	<u>6,008</u>	<u>6,274</u>
	<u><u>6,008</u></u>	<u><u>6,274</u></u>
	2020	2019
	£	£
6 Income from Other activities		
Interest receivable from cash and bank	1,028	4,050
	<u>1,028</u>	<u>4,050</u>
	<u><u>1,028</u></u>	<u><u>4,050</u></u>
	2020	2019
	£	£
7 Expenditure on raising funds		
Property management	867,745	524,838
Investment management	39,489	36,970
Redlands Allotments	6,366	4,862
Car Park	73,936	115,896
Support costs (note 10)	67,276	68,080
	<u>1,054,812</u>	<u>750,646</u>
	<u><u>1,054,812</u></u>	<u><u>750,646</u></u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

	2020 £	2019 £
8 Expenditure on charitable activities		
Grant to King Edward VI School*	347,515	632,228
Grant to Almshouse Maintenance	44,763	43,617
Grant to Stratford-upon-Avon Town Trust	556,884	1,079,440
Costs related to Guild Chapel management	57,611	39,944
Support costs (note 10)	67,611	69,744
	<u>1,074,384</u>	<u>1,864,973</u>

*The amount payable to King Edward VI School is non-discretionary and is enshrined in the Charity Commission Scheme dated 1st October 2001.

9 Analysis of expenditure on charitable activities

	Activities Undertaken Directly 2020 £	Grant funding of activities 2020 £	Support Costs 2020 £	Total funds 2020 £
Grant to King Edward VI School	-	347,515	29,291	376,806
Grant to Almshouse Maintenance	-	44,763	550	45,313
Grant to Stratford-upon-Avon Town Trust	-	556,884	1,450	558,334
Guild Chapel property management	57,611	-	36,320	93,931
	<u>57,611</u>	<u>949,162</u>	<u>67,611</u>	<u>1,074,384</u>
Total	<u>57,611</u>	<u>949,162</u>	<u>67,611</u>	<u>1,074,384</u>
	Activities Undertaken Directly 2019 £	Grant funding of activities 2019 £	Support Costs 2019 £	Total funds 2019 £
Grant to King Edward VI School	-	632,228	29,647	661,875
Grant to Almshouse Maintenance	-	43,617	600	44,217
Grant to Stratford-upon-Avon Town Trust	-	1,079,440	1,550	1,080,990
Guild Chapel property management	39,944	-	37,947	77,891
	<u>39,944</u>	<u>1,755,285</u>	<u>69,744</u>	<u>1,864,973</u>
Total	<u>39,944</u>	<u>1,755,285</u>	<u>69,744</u>	<u>1,864,973</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

10 Allocation of support costs

	Basis of allocation	Raising funds 2020	Charitable Activities 2020	Governance 2020	Total 2020
		£	£	£	£
Staff costs	Time	47,220	37,583	9,422	94,225
Office costs	Time	10,957	8,687	2,183	21,827
External audit	Direct	-	-	4,731	4,731
Legal	Direct	-	14,104	-	14,104
Governance	Cost	9,099	7,237	(16,336)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		67,276	67,611	-	134,887
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(note 7)	(note 8)		
	Basis of allocation	Raising funds 2019	Charitable Activities 2019	Governance 2019	Total 2019
		£	£	£	£
Staff costs	Time	45,035	34,101	9,087	88,223
Office costs	Time	13,831	9,882	2,635	26,348
External audit	Direct	-	-	4,378	4,378
Legal	Direct	-	18,875	-	18,875
Governance	Cost	9,214	6,886	(16,100)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		68,080	69,744	-	137,824
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(note 7)	(note 8)		

The Guild Estate pays a management charge to the Trust to cover staff costs and office costs. For 2020 this was £113.9k (2019: £110.6k). This forms the main part of the support costs.

11 Employee and staff costs

The average number of employees throughout the year calculated on a role basis was 2 (2019: 2). On a full time equivalent basis the total head count was 0.4 (2019: 0.4).

The cost of employing all staff was:

	2020	2019
	£	£
Salaries & wages	11,101	10,830
National Insurance	121	113
Pensions	578	564
	<u>11,800</u>	<u>11,507</u>

In 2020 and 2019 no member of staff was remunerated more than £60,000.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

12 Heritage Asset

The value of the Guild Chapel in Stratford-upon-Avon is not included in the balance sheet. 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. The Friends of the Guild Chapel were set up in 1954 and they fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the Guild Estate Endowment Charity.

The Chapel is used on a regular basis by King Edward VI School for morning assembly, and the Friends of the Guild Chapel hold services on Holy Cross Day (14 September), at Christmas and also during the summer. A weekly ecumenical service is held at the Chapel, currently every Wednesday, at which anyone may worship. The Chapel is also open to public visitors every day, subject to covid-19 restrictions.

In the opinion of the Trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements. The building and contents are insured for £6.0m.

	2020 £	2019 £
13 Fixed asset investments		
Investment properties	27,020,100	30,315,100
Quoted investments	9,872,729	9,756,746
Cash awaiting investment	18,767	74,038
	<u>36,911,596</u>	<u>40,145,884</u>
Market value at 31 December 2019	30,315,100	30,910,100
Revaluation losses	(3,295,000)	(595,000)
	<u>27,020,100</u>	<u>30,315,100</u>
Market value at 31 December 2020	27,020,100	30,315,100
	<u>4,962,090</u>	<u>4,962,090</u>
Quoted investments:		
Market value at 31 December 2019	9,756,746	8,987,913
Additions at cost	593,692	3,286
Disposal at cost	(538,422)	(14,438)
Net investment gains	60,712	779,985
	<u>9,872,729</u>	<u>9,756,746</u>
Market value at 31 December 2020	9,872,729	9,756,746
	<u>6,946,541</u>	<u>6,972,849</u>
Historical cost at 31 December 2020	6,946,541	6,972,849

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2020 and are 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.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

	2020	2019
	£	£
14 Debtors: amounts falling due within one year:		
Trade debtors	257,481	204,907
Prepayments and accrued income	41,381	43,206
Other debtors	11,039	13,313
Amount due from King Edward VI School	49,340	-
Amount due from Stratford-upon-Avon Town Trust	<u>137,544</u>	<u>-</u>
	<u>496,785</u>	<u>261,426</u>
	2020	2019
	£	£
15 Creditors: amounts falling due within one year		
Rent received in advance	404,876	527,180
Amount due to King Edward VI School	-	6,691
Trade creditors	38,138	85,701
Accruals	536,412	279,431
Taxation and social security	135,612	107,778
Amount due to Stratford-upon-Avon Town Trust	-	61,589
Amount due to College Estate	<u>1,678</u>	<u>3,665</u>
	<u>1,116,716</u>	<u>1,072,035</u>
	2020	2019
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>4,352</u>	<u>4,150</u>

Deferred income represents lease premiums and rentals received in advance that relate to after the period end.

	2020	2019
	£	£
Reconciliation of deferred Income:		
At 1 January 2020	527,180	545,190
Released during the year	(505,766)	(504,727)
Deferred in current year	<u>383,462</u>	<u>486,717</u>
At 31 December 2020	<u>404,876</u>	<u>527,180</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

16 Summary of Fund Movements

Fund Name	Fund Balances 31 December 2019 £	Income 2020 £	Expenditure 2020 £	Gains and Losses 2020 £	Fund Balances 31 December 2020 £
Unrestricted Funds	102,589	2,129,460	(2,129,196)	-	102,853
Permanent Endowment Funds	40,113,427	-	-	(3,234,288)	36,879,139
Total Funds	<u>40,216,016</u>	<u>2,129,460</u>	<u>(2,129,196)</u>	<u>(3,234,288)</u>	<u>36,981,992</u>

Fund Name	Fund Balances 31 December 2018 £	Income 2019 £	Expenditure 2019 £	Gains and Losses 2019 £	Fund Balances 31 December 2019 £
Unrestricted Funds	103,280	2,646,832	(2,647,523)	-	102,589
Permanent Endowment Funds	39,928,442	-	-	184,985	40,113,427
Total Funds	<u>40,031,722</u>	<u>2,646,832</u>	<u>(2,647,523)</u>	<u>459,985</u>	<u>40,216,016</u>

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

	Unrestricted funds 2020 £	Endowed funds 2020 £	Total 2020 £
17 Analysis of net assets between funds			
Investments	-	36,911,596	36,911,596
Current assets	1,187,112	-	1,187,112
Current liabilities	(1,084,259)	(32,457)	(1,116,716)
	<u>102,853</u>	<u>36,879,139</u>	<u>36,981,992</u>

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

17 Analysis of net assets between funds continued

	Unrestricted funds 2019	Endowment funds 2019	Total 2019
	£	£	£
Analysis of net assets between funds			
Investments	-	40,145,884	40,145,884
Current assets	102,589	1,039,578	1,142,167
Current liabilities	-	(1,072,035)	(1,072,035)
	<u>102,589</u>	<u>40,113,427</u>	<u>40,216,016</u>

18 Commitments

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

In accordance with the Guild Estate's constitution each year the charity has an ongoing 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.

THE GUILD ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for year ended 31 December 2020 (continued)

19 Related party transactions

Control: During the current period the Guild Estate Endowment Charity and the College Estate Endowment Charity were under the control of Stratford-upon-Avon Town Trust.

Transactions: During the period the following transactions were entered into on normal terms and conditions.

	Stratford-upon- Avon Town Trust 31 December 2020 £	Stratford-upon- Avon Town Trust 31 December 2019 £	College Estate 31 December 2020 £	College Estate 31 December 2019 £
Income	2,582	3,656	-	-
Expenditure				
Grant	556,884	1,100,146	-	-
Management charge	113,893	110,585	-	-
Balances outstanding at 31 December 2020				
Creditors	-	61,589	1,678	3,665
Debtors	137,544	-	-	-

20 Lease Commitments

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

	2020 £	2019 £
Not later than 1 year	1,398,349	1,495,172
Later than 1 year but not later than 5 years	5,048,532	4,928,002
Later than 5 years	25,630,315	24,451,378

21 Trustee remuneration and benefits

Guild Estate only has a corporate trustee (Town Trust). As such it cannot receive remuneration or other benefits from employment. The Town Trust has trustees. However, none of these trustees have been paid any remuneration or received any other benefits from employment with Guild Estate or Town Trust.

22 Trustee expenses

Trustee expenses during the year amounted to £nil (2019: £nil).