

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

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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.

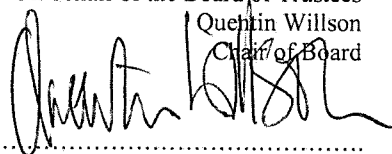
Over the year we have enjoyed positive collaboration with The Friends of the Guild Chapel and would like to specifically thank them for their generous support in improving the organ. The formation of a Guild Chapel Steering Group, including a representative of the Friends and the University of York, 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.



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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

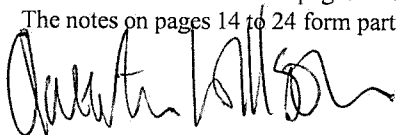
	Note	Unrestricted funds 2020 £	Permanent endowment funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Permanent endowment funds 2019 £	Total funds 2019 £
Income from:							
Investment income	3	2,121,214	-	2,121,214	2,596,890	-	2,596,890
Donations and legacies*	4	1,210	-	1,210	7,714	-	7,714
Income 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
		<u>36,911,596</u>	<u>40,145,884</u>
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
		<u>1,187,112</u>	<u>1,142,167</u>
Total current assets		1,187,112	1,142,167
Creditors: amounts falling due within one year	15	(1,116,716)	(1,072,035)
		<u>(1,116,716)</u>	<u>(1,072,035)</u>
Net current assets		70,396	70,132
		<u>70,396</u>	<u>70,132</u>
Total net assets		36,981,992	40,216,016
		<u><u>36,981,992</u></u>	<u><u>40,216,016</u></u>
Funds			
Endowment funds	16	36,879,139	40,113,427
Unrestricted funds	16	102,853	102,589
		<u>36,981,992</u>	<u>40,216,016</u>
Total funds	16	36,981,992	40,216,016
		<u><u>36,981,992</u></u>	<u><u>40,216,016</u></u>

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 Total funds £	2019 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net(expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(3,234,024)	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 Total funds £	2019 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>
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.		
	2020 £	2019 £
4 Donations and legacies		
Donations from visitors	1,210	7,714
	<u>1,210</u>	<u>7,714</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	<u>5,758</u>	<u>-</u>
	<u>6,008</u>	<u>6,274</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>
	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>

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
	<hr/>	<hr/>
	1,074,384	1,864,973
	<hr/>	<hr/>

*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
	<hr/>	<hr/>	<hr/>	<hr/>
Total	57,611	949,162	67,611	1,074,384
	<hr/>	<hr/>	<hr/>	<hr/>
	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
	<hr/>	<hr/>	<hr/>	<hr/>
Total	39,944	1,755,285	69,744	1,864,973
	<hr/>	<hr/>	<hr/>	<hr/>

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/> (note 7)	<hr/> <hr/> (note 8)	<hr/> <hr/>	<hr/> <hr/>
	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/> (note 7)	<hr/> <hr/> (note 8)	<hr/> <hr/>	<hr/> <hr/>

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	<u>578</u>	<u>564</u>
	<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
	<hr/>	<hr/>
	36,911,596	40,145,884
	<hr/>	<hr/>
Market value at 31 December 2019	30,315,100	30,910,100
Revaluation losses	(3,295,000)	(595,000)
	<hr/>	<hr/>
Market value at 31 December 2020	27,020,100	30,315,100
	<hr/>	<hr/>
Cost or donated value at 31 December 2020	4,962,090	4,962,090
	<hr/>	<hr/>
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
	<hr/>	<hr/>
Market value at 31 December 2020	9,872,729	9,756,746
	<hr/>	<hr/>
Historical cost at 31 December 2020	6,946,541	6,972,849
	<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 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	137,544	-
	<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	1,678	3,665
	<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	4,352	4,150

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	383,462	486,717
	<u>404,876</u>	<u>527,180</u>
At 31 December 2020		

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	40,216,016	2,129,460	(2,129,196)	(3,234,288)	36,981,992

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	40,031,722	2,646,832	(2,647,523)	459,985	40,216,016

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)
	102,853	36,879,139	36,981,992

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).