

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 £26.9m (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

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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
12th 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.

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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
Total Income		2,476,400	-	2,476,400	2,129,460	-	2,129,460
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
Total expenditure		2,476,400	-	2,476,400	2,129,196	-	2,129,196
Net gains / (losses) on investments		-	699,508	699,508	-	(3,234,288)	(3,234,288)
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
Total funds carried forward	16	102,853	37,578,647	37,681,500	102,853	36,879,139	36,981,992

*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	2020
	Total funds	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	2020
	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>	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	2020
	Total funds	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	Cashflow	At
	1 January		31 December
	2021		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
	<hr/>	<hr/>
	1,708,643	1,074,384
	<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.

** 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
	<hr/>	<hr/>	<hr/>	<hr/>
Total	81,483	1,579,919	47,241	1,708,643

	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/>

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)	-
Total		65,924	47,241	-	113,166
		(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)	-
Total		67,276	67,611	-	134,887
		(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	-	137,544
	<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	9,093	1,678
	<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	360,761	404,876

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
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	36,981,992	2,476,400	(2,476,400)	699,508	-	37,681,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	40,216,016	2,129,460	(2,129,196)	(3,234,288)	36,981,992
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Permanent endowment funds relate to those assets which represent the permanent capital base of the 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)
	<u> </u>	<u> </u>	<u> </u>
	102,853	37,578,647	37,681,500
	<u> </u>	<u> </u>	<u> </u>

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).