

COLLEGE ESTATE ENDOWMENT

England & Wales · Charity number 217485

Details

Other names	COLLEGE ESTATE
Status	Registered
Legal form	Other
Registered	1964-04-29
Register	View on the Charity Commission register

Contact

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

Activities

Objects: TO MAINTAIN AND SUPPORT THE VICAR AND CURATE FOR THE TIME BEING OF THE CHURCH OF THE HOLY TRINITY AT STRATFORD-UPON-AVON BY THE PAYMENT TO HIM OF THE YEARLY SUM OF £7,000 OR SUCH OTHER SUM AS THE COMMISSIONERS FROM TIME TO TIME APPROVE AND SUBJECT THERETO TO FURTHER ALL OR ANY OF THE FOLLOWING PURPOSES - (1) THE RELIEF OF AGED IMPOTENT AND POOR INHABITANTS OF THE TOWN OF STRATFORD-UPON-AVON (THE INHABITANTS OF THE SAID TOWN BEING HEREINAFTER REFERRED TO IN THIS CLAUSE AS 'THE SAID INHABITANTS'); (2) THE RELIEF OF DISTRESS AND SICKNESS AMONG THE SAID INHABITANTS; (3) THE PROVISION AND SUPPORT (WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE SAID INHABITANTS IN THE INTERESTS OF SOCIAL WELFARE) OF FACILITIES FOR RECREATION OR OTHER LEISURE-TIME OCCUPATION; (4) THE PROVISION AND SUPPORT OF EDUCATIONAL FACILITIES FOR THE SAID INHABITANTS INCLUDING (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) THE PROVISION AND SUPPORT OF EDUCATIONAL FACILITIES AT THE GRAMMAR SCHOOL OF KING EDWARD VI IN STRATFORD-UPON-AVON; (5) THE ADVANCEMENT OF THE CHRISTIAN RELIGION AMONG THE SAID INHABITANTS; (6) ANY OTHER CHARITABLE PURPOSE (WHETHER OR NOT OF A NATURE SIMILAR TO ANY OF THOSE HEREINBEFORE SPECIFIED) FOR THE BENEFIT OF THE SAID INHABITANTS

Activities: As an endowment charity the main priority of the College Estate is pro-active management of its investments to maximise the capital and income return. There is a specific gift of £7000pa to the Vicar of Holy Trinity Church as required under the 2001 Scheme. The balance of net income is transferred to the Corporate Trustee.

Classification

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

Geography

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

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,038,357	£1,066,236	£17,297,733	0
2023-12-31	£1,020,079	£962,703	£16,804,871	0
2022-12-31	£1,005,024	£1,204,698	£16,727,890	0
2021-12-31	£928,488	£728,486	£17,984,292	0
2020-12-31	£910,492	£903,065	£16,907,720	0

Trustees

Name	Role	Appointed
THE STRATFORD UPON AVON TOWN TRUST		

COLLEGE ESTATE ENDOWMENT

England & Wales - Charity number 217485

Accounts

COLLEGE ESTATE ENDOWMENT
ANNUAL REPORT AND ACCOUNTS 2024

COLLEGE ESTATE ENDOWMENT
for the year ended 31 December 2024

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COLLEGE ESTATE ENDOWMENT

REPORT OF THE TRUSTEES

for the year ended 31 December 2024

Overview

The College Estate Endowment (registered charity number 217485) (“College Estate”) is a charitable trust of which the Corporate Trustee is the Stratford-upon-Avon Town Trust (registered charity number 1088521) (“Town Trust”). The Town Trust was established under a Memorandum of Association, which established the objects and powers of the charitable company, and it is governed under its Articles of Association. The Town Trust is the corporate Trustee of the Guild Estate Endowment and the College Estate Endowment charities (referred to as “the Group”).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the College Estate is, after defrayment of costs and expenses, transferred to the Town Trust where it becomes the Town Trust’s corporate property and is applied in accordance with the objects of the Town Trust. The only exception to this is the specific provision to the Vicar of Holy Trinity Church, who receives £7,000 each year before the transfer to the Town Trust is made.

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

The College Estate generates virtually all its income from its permanent endowed assets, which are invested in quoted investments and physical property. If one of these permanent endowed investments is disposed of, the College Estate has a legal duty to reinvest the net proceeds in another form of investment. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. The College Estate does not perform fundraising to generate income.

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

Public Benefit

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

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 and impact across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

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

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

Strategic Review

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

Financial Review

In 2024 total income for the College Estate was £1.0m of which the majority was unrestricted (2023: £1.0m) and in the main was generated by the College Estate’s investments. The restricted income of £0.03m (2023: £nil) related to a Shared Prosperity Fund grant of £0.02m which funded a volunteer led ecology project at Stratford-upon-Avon Local Nature Reserve (Stratford LNR) and the balance of income related to the bio-diversity units project at Rowley Fields. Investment management costs amounted to £0.6m (2023: £0.3m) the higher costs related to building repairs on two

COLLEGE ESTATE ENDOWMENT

REPORT OF THE TRUSTEES

for the year ended 31 December 2024 (continued)

Financial Review (continued)

properties which had been void for a number of years. We are very aware that the costs of managing the investments must be monitored closely and spent carefully, but also it is important that the investments are well managed, ensuring security of income flows for future generations.

Expenditure on charitable activities was £0.5m (2023: £0.6m), the majority was given as grants to the Town Trust, to be spent on enhancing the lives of the people of Stratford-upon-Avon.

Discretionary Grants

The College Estate gifted £ 0.4m (2023: £0.6m) in grants to the Town Trust. The Town Trust, after defraying costs, used this grant to fund its discretionary grant making programme.

Non-Discretionary Grants

£7,000 (2023: £7,000) was paid to the Vicar of the Holy Trinity Church in accordance with the 2001 Scheme.

Income

The 2024 unrestricted income of £1.0m was comparable to last year (2023: £1.0m). The small increase was driven by higher interest income.

Balance Sheet

The College Estate has investments of £18.5m (2023: £17.5m) (note 9). The majority of these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds must always be reinvested in other investment assets.

The £1.0m increase in the investments was due to an injection of funds (£0.4m), short term cash deposits of £0.14m and investment gains of £0.5m. The injection of £0.4m was received to fund a thirty-year bio net gain programme at Rowley Fields which have been invested.

Reserves Policy

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

The permanently endowed reserves in College Estate will always be fully investment and cash backed. To recognise the small operational risk an unrestricted reserve of at least £30k is held. The reserves policy was reviewed in June 2024. As at December 2024 the endowed reserves were £16.9m (2023: £16.5m) and the unrestricted reserves were £0.4m (2023: £0.4m) of which £0.3m was transferred from the endowed reserves following the reclassification of Rowley Fields land and Warwick Road lands from endowed investments to unrestricted investments in 2021. The restricted reserves were £0.02m, representing the funds ring fenced for the bio net gain project at Rowley Fields.

Fundraising

The College Estate does not undertake fundraising from the public and does not use professional fundraisers or commercial participators. The income of the College Estate is not bound by any regulatory scheme, and the College Estate does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As individuals are not approached for the purpose of raising funds, the College Estate does not have any specific requirements related to fundraising activities, nor does it consider it necessary to design specific procedures to monitor such activities.

Plans for the future

The College Estate's grants have translated into significant public benefit. It is proposed to continue with the present strategy and aim to maintain the awarding of grants to the Town Trust so it in turn may continue to award grants to a variety of charities and beneficiaries for the benefit of the residents of Stratford-upon-Avon.

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

INVESTMENT POLICY AND PERFORMANCE

The objective of the investment policy is to create sufficient income and capital growth to enable the College Estate to carry out its purposes consistently year on year. In the medium to long term the College Estate aims to generate an average annual income yield of 4.4% and for the capital value of the portfolio to grow at least in line with inflation (CPI).

The broad thrust of College Estate's investment policy in recent years has been to increase diversification and reduce exposure to property in Stratford-upon-Avon. A preferred range was set for total property investments held by the College Estate to be between 50% and 70% of the total investment portfolio. The percentage currently held is 55.7 % (2023: 58.8%).

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

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

The College Estate also has a responsible investment policy, which guides the Board in environmental, social and governance issues when making investment decisions.

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

The College Estate does not have any social investments; the majority of College 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 equivalents. The non-endowed investments are held in property funds with the addition of the land at Warwick Road lands (local nature reserve) and Rowley Fields, reclassified from permanent endowment investments to non-endowed investments, following their creation as green space. All investments held in equity investments or cash are readily realisable if required.

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

INVESTMENT POLICY AND PERFORMANCE (continued)

Investment	2024 £m	2023 £m	2024 Actual %	2023 Actual %	Future Target %
Endowed:					
Physical Property	8.3	8.2	44.8	47.1	50-70
Equity Funds	7.6	7.2	41.5	40.5	30-50
Property Funds	1.0	1.1	5.5	6.0	0-20
Cash equivalent	0.1	0.0	0.6	0.7	0
Total endowed investments	17.0	16.5	92.4	94.3	100
Non-Endowed:					
Physical Property	0.3	0.3	1.6	1.7	-
Equity Funds*	0.4	-	2.2	-	-
Property funds	0.7	0.7	3.8	4.0	-
Total non-endowed investments	1.4	1.0	7.6	5.7	-
Total investments**	18.4	17.5	100.0	100.0	100

*These funds were invested in 2024 and relate to the BNG funding at Rowley Fields land.

**Excludes cash deposits.

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

Independently Managed Funds Performance

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

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	4.0%	4.6%	8.6%	7.0%	12.7%

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

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

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

Physical Property

The physical property portfolio, valued at £8.6m (2023: £8.5m), increased due to one property being revalued, which represents an average capital return of 1.2% (2023: 0%). The rental yield for the property portfolio was 7.3% (2023: 7.5%), giving a total return of 8.5% (2023: 7.5%). In 2024 there were no disposals or acquisitions.

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

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

Risk Management

The risk policy was reviewed in autumn 2024, when the Town Trust assessed its risk appetite to be low to moderate. The College Estate continually reviews its risks, which are maintained on a risk register. Risk is a standing agenda item for all Board and committee meetings.

The risk policy explains the process for identifying risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact and likelihood of the risk occurring, then how 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, and the Town Trust’s policy states this is done via a Risk Register. The whole process is monitored by the Audit & Governance Committee.

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

Principal Risk	Mitigation
Risk of major national/ international incidents	<ul style="list-style-type: none"> • Monitor and remain aware of developments • Major Incident Plan • Ensure reputable fund managers are used • Closely monitor investments
Equity investments fail to deliver expected return	<ul style="list-style-type: none"> • Investment Strategy and Policy • Appointed fund managers working to KPIs and benchmarking data • Quarterly review of investment performance both yield & capital return • Regular update meetings held with fund managers • Diverse portfolio of funds held
Commercial tenants fail to maintain their property under the terms of their lease	<ul style="list-style-type: none"> • Regular inspections by managing agents and co-ordination with the Town Trust staff • Dilapidations clause included in lease • Independent advice sought where applicable

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 College Estate has and could be exposed to. Processes in place regarding risk management and internal controls include:

- Risk Policy and process;
- Review of internal controls and processes by Audit & Governance Committee and compliance advisor where appropriate;
- All major programmes and projects are scrutinised by senior management and monitored through an appropriate committee;
- The safeguarding of assets against unauthorised use or disposition;
- The maintenance of proper accounting records;
- The reliability of the financial information used within the Town Trust or for publication; and
- Good governance policies.

Control Environment

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

COLLEGE ESTATE ENDOWMENT REPORT OF THE TRUSTEES

for the year ended 31 December 2024 (continued)

Information Systems

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

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

The Board has reviewed the effectiveness of the Town Trust's system of internal financial controls and believes them to be adequate.

Volunteers

There are 35 conservation volunteers, 10 joined in 2024, who undertake ecology and habitat management activities which benefit the land owned by College Estate at Rowley Fields and Stratford LNR. During the year 87 volunteer conservation spaces were filled across 13 conservation activities. Conservation activities included removing encroaching brambles from the community orchard, ragwort removal at the Stratford LNR, and partnered activities with Warwickshire Wildlife Trust at the Stratford LNR which included coppicing and small tree felling. In addition, we have partnered with Forest of Hearts, and Eco Workshop who bring along a group of volunteers for a visitor counting session every quarter.

Statement of responsibilities of the trustees

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

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

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

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

On behalf of the Board of Trustees

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Tim Bailey
Chair of Board of Stratford-upon-Avon Town Trust
21 May 2025

COLLEGE ESTATE ENDOWMENT OFFICERS AND CONTACTS

for the year ended 31 December 2024

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve (to 3 May 2025) Liz Coles (to 31 May 2024) Marion Homer Tony Jackson (to 31 May 2024) Simon Littlejohns Lewis McNaught (from 1 June 2024)	Henry Lu Michael Rolfe Jonathan Smith Josie Stevens Sarah Summers (from 1 June 2024) Mark Tailby
CHIEF EXECUTIVE (of Corporate Trustee)	Sara Aspley	
SENIOR MANAGEMENT TEAM (of Corporate Trustee)	Sara Aspley (Chief Executive), Rebecca Hampson (Head of Finance & Deputy Chief Executive), James McHugh (Grants Manager), Paul Fitzpatrick (Buildings & Facilities Manager) (to 29.2.24), Richard Popple (Buildings & Facilities Manager) (from 12.2.24), Frances Nibbs (Community Hub Manager), Lynn Perkins (Executive Assistant).	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ	Mills & Reeve LLP One Centenary Way Birmingham B3 2AY
AUDITOR	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG	
PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU
	Charities Property Fund Cordea Savills 33 Margaret Street London W1G 0JD	Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

COLLEGE ESTATE ENDOWMENT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of College Estate Endowment (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

COLLEGE ESTATE ENDOWMENT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Capability of the audit in detecting irregularities

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

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

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

COLLEGE ESTATE ENDOWMENT

INDEPENDENT AUDITOR'S 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 section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

COLLEGE ESTATE ENDOWMENT
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2024

	Notes	Unrestricted funds	Restricted funds	Permanent endowment funds	Total funds	Unrestricted funds	Restricted funds	Permanent endowment funds	Total funds
		2024	2024	2024	2024	2023	2023	2023	2023
		£	£	£	£	£	£	£	£
Income from:									
Investments	3	995,735	-	-	995,735	1,006,165	-	-	1,006,165
Charitable activities	4	-	27,937	-	27,937	-	-	-	-
Other	5	14,685	-	-	14,685	13,914	-	-	13,914
Total Income		1,010,420	27,937	-	1,038,357	1,020,079	-	-	1,020,079
Expenditure on:									
Raising funds	6	578,541	27,937	-	606,478	332,977	-	-	332,977
Charitable activities	6	459,758	-	-	459,758	629,726	-	-	629,726
Total expenditure		1,038,299	27,937	-	1,066,236	962,703	-	-	962,703
Net gains / (losses) on investments	17	3,791	24,738	492,212	520,741	(44,098)	-	63,703	19,605
Net income / (expenditure) for the year	8	(24,088)	24,738	492,212	492,862	13,278	-	63,703	76,981
Reconciliation of funds									
Total funds brought forward		357,028	-	16,447,843	16,804,871	343,750	-	16,384,140	16,727,890
Total funds carried forward	16	332,940	24,738	16,940,055	17,297,733	357,028	-	16,447,843	16,804,871

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

COLLEGE ESTATE ENDOWMENT
BALANCE SHEET
as at 31 December 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Investments	9		18,534,918		17,473,824
Current assets					
Debtors	10	95,709		622,505	
Cash at bank and in hand		304,763		260,181	
		<u>400,472</u>		<u>882,686</u>	
Creditors: amounts falling due within one year	11	(332,179)		(265,712)	
		<u></u>		<u></u>	
Net current assets			68,293		616,974
Creditors: amounts falling due after one year	12		(1,078,720)		(1,094,240)
Provisions for liabilities	15		(226,758)		(191,687)
Total net assets			<u>17,297,733</u>		<u>16,804,871</u>
Funds					
Capital funds					
Endowment funds	16		16,940,055		16,447,843
Restricted Funds	16		24,738		-
Unrestricted funds					
Other charitable funds	16		332,940		357,028
			<u></u>		<u></u>
Total funds	16		<u>17,297,733</u>		<u>16,804,871</u>

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

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

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

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

	2024 Total funds	2024 Total funds	2023 Total funds	2023 Total funds
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	492,862		76,981	
Adjustments for:				
Gains on investments	(520,741)		(19,605)	
Dividends, interest, and rent from investments	(995,735)		(1,006,165)	
Decrease / (increase) in debtors	526,796		(497,200)	
Increase in creditors	86,018		202,018	
Net cash used in operating activities		<u>(410,800)</u>		<u>(1,243,971)</u>
Cash flows from investing activities:				
Dividends, interest and rents from investments	995,735		1,006,165	
Proceeds from sale of investments	1,016,713		9,266	
Purchase of investments	(1,531,548)		(52,449)	
Net cash provided by investing activities		<u>480,900</u>		<u>962,982</u>
Change in cash and cash equivalents in the reporting period		70,100		(280,989)
Cash and cash equivalents at 31 December 2023		<u>287,427</u>		<u>568,416</u>
Cash and cash equivalents at 31 December 2024		<u>357,527</u>		<u>287,427</u>

	2024 Total funds £	2023 Total funds £
Analysis of cash and cash equivalents:		
Cash in hand	304,763	260,181
Cash awaiting deposit*	<u>52,764</u>	<u>27,246</u>
Total cash and cash equivalents	<u>357,527</u>	<u>287,427</u>

*£39,638 is unavailable for general expenditure as it is an endowed asset.

Analysis of change in cash and cash equivalents:

	At 1 January 2024 £	Cashflow £	At 31 December 2024 £
Cash and equivalents			
Cash in hand	260,181	44,582	304,763
Cash awaiting deposit	27,246	25,518	52,764
Total	<u>287,427</u>	<u>70,100</u>	<u>357,527</u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024

1 Statement of accounting policies

a) Basis of preparation

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

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

College Estate Endowment 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 College Estate. Monetary amounts in these financial statements are rounded to the nearest £.

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

b) Charitable Activities

The Board considers that the College Estate is a public benefit entity as it makes grants to the Town Trust. Grant making is its sole charitable activity.

c) Income

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

d) Expenditure

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

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

e) Grants payable

Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the Board has agreed to pay the grant without condition.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable. The value of such grants unpaid at the year end is accrued.

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 Vicar of Holy Trinity Church.

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2024 (continued)

1 Statement of accounting policies (continued)

f) Governance costs

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

g) Investments

- (i) Investments are included in the financial statements at the fair 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.
- (iii) The valuation method used to determine the fair value of investment properties is stated in the notes to the accounts.

h) Costs of Raising Funds

These costs consist of investment and property management costs.

i) Fund accounting

- (i) Permanent Endowment Funds relate to those assets which represent the permanent capital base of the College Estate and which may not be spent.
- (ii) Restricted funds are funds which are to be used in accordance with specific restrictions imposed.
- (iii) Unrestricted funds are available for use at the discretion of the Board in furtherance of the general objectives of the College Estate.

j) Operating leases

Operating leases are credited to the Statement of Financial Activities as received.

k) Creditors and provisions

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

l) Financial instruments

The College Estate has only financial assets and liabilities that would qualify as basic financial instruments. Basic financial assets, which include cash and debtors, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

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

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

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

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

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

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2024 (continued)

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

Investment property valuations

As disclosed in note 9, the investment properties are valued at market value based on the rental yields achieved for each property. Where there has been a change in the rental arrangement during the year, the property will undergo a formal valuation at the balance sheet date. For those properties where a formal valuation is not carried out, the trustees will assess the fair value of the assets at each balance sheet date with changes in fair value being reflected in the Statement of Financial Activities.

Leases

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

Impairment of assets

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

Provisions

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

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

2 Connected charities

The College Estate Endowment is connected to the Guild Estate Endowment (Registered Charity Number 217484) due to there being common, parallel objectives and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949 and Registered Charity Number 1088521) and their financial statements for the year ended 31 December 2024 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	2024	2023
	£	£
3 Investment income from:		
Investment Properties	623,154	636,011
Quoted Investments	372,581	370,154
	<u>995,735</u>	<u>1,006,165</u>

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

	2024	2023
	£	£
4 Charitable activities:		
Grant income		
Rural England Prosperity Fund – volunteer led ecology project	25,000	-
Bio Net Gain at Rowley Fields	2,937	-
	<u>27,937</u>	<u>-</u>

	2024	2023
	£	£
5 Other Income from:		
Interest receivable on cash at bank	14,685	13,914
	<u>14,685</u>	<u>13,914</u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	Raising funds	Charitable activities	Governance	Support Costs	Total	Total
	2024	2024	2024	2024	2024	2023
6 Analysis of Expenditure (current year)	£	£	£	£	£	£
Grants awarded (note 7)	-	453,660	-	-	453,660	624,434
Investment fund managers' fees	37,799	-	-	-	37,799	34,903
Investment property management costs	471,121	-	-	-	471,121	213,401
Staff costs (recharged)	-	-	11,158	63,227	74,385	64,407
Office costs (recharged)	-	-	3,641	20,630	24,271	22,758
External audit	-	-	5,000	-	5,000	2,800
	<u>508,920</u>	<u>453,660</u>	<u>19,799</u>	<u>83,857</u>	<u>1,066,236</u>	<u>962,703</u>
Support costs	78,924	4,933	-	(83,857)	-	-
Governance costs	18,634	1,165	(19,799)	-	-	-
	<u>606,478</u>	<u>459,758</u>	<u>-</u>	<u>-</u>	<u>1,066,236</u>	<u>962,703</u>

The College Estate pays a management charge to the Town Trust to cover staff costs, office costs and property facility costs which for 2024 was £ 89,671 (2023: £79,452). This forms the main part of the support costs.

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	Raising funds	Charitable activities	Governance	Support Costs	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
6 Analysis of Expenditure (prior year)					
Grants awarded (note 7)	-	624,434	-	-	624,434
Investment fund managers' fees	34,903	-	-	-	34,903
Investment property management costs	213,401	-	-	-	213,401
Staff costs (recharged)	-	-	9,661	54,746	64,407
Office costs (recharged)	-	-	3,414	19,344	22,758
External audit	-	-	2,800	-	2,800
	<u>248,304</u>	<u>624,434</u>	<u>15,875</u>	<u>74,090</u>	<u>962,703</u>
Support costs	69,732	4,358	-	(74,090)	-
Governance costs	14,941	934	(15,875)	-	-
	<u>332,977</u>	<u>629,726</u>	<u>-</u>	<u>-</u>	<u>962,703</u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

7 Grant Making	Grants to Institutions 2024 £	Grants to Individuals 2024 £	Support Costs 2024 £	Total 2024 £
Discretionary Grants:				
Stratford-upon-Avon Town Trust	446,660	-	5,598	452,258
Non-Discretionary Grants:				
Vicar of Holy Trinity	-	7,000	500	7,500
	<u>446,660</u>	<u>7,000</u>	<u>6,098</u>	<u>459,758</u>
	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Support Costs 2023 £	Total 2023 £
Discretionary Grants:				
Stratford-upon-Avon Town Trust	617,434	-	4,892	622,326
Non-Discretionary Grants:				
Vicar of Holy Trinity	-	7,000	400	7,400
	<u>617,434</u>	<u>7,000</u>	<u>5,292</u>	<u>629,726</u>
8 Net Income / Expenditure for the year	2024 £		2023 £	
This is stated after charging / (crediting):				
Operating lease rentals receivable:				
Property	(538,589)		(529,892)	
Auditor's remuneration	<u>5,000</u>		<u>2,800</u>	

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	2024	2023
	£	£
9 Fixed asset investments		
Investment properties	8,636,000	8,536,000
Quoted investments	9,705,801	8,910,578
Short term deposits	140,353	-
Cash awaiting investment	52,764	27,246
	<u>18,534,918</u>	<u>17,473,824</u>
	<u>18,534,918</u>	<u>17,473,824</u>
Investment properties:		
Valuation at 31 December 2023	8,536,000	8,536,000
Revaluation gains	100,000	-
Valuation at 31 December 2024	<u>8,636,000</u>	<u>8,536,000</u>
	<u>8,636,000</u>	<u>8,536,000</u>
Quoted investments:		
Market value at 31 December 2023	8,910,578	8,847,790
Additions at cost	1,391,196	52,449
Sale Proceeds	(1,016,714)	(9,266)
Investment gains	420,741	19,605
	<u>9,705,801</u>	<u>8,910,578</u>
Market value at 31 December 2024	<u>9,705,801</u>	<u>8,910,578</u>
	<u>9,705,801</u>	<u>8,910,578</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were valued at 31 December 2020 and are shown at market value, the Trust believes this valuation to still be appropriate as there has been no significant change in the status of the properties (with the exception of one) or tenants nor the wider commercial property market of Stratford Upon Avon. This valuation was carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in property in Stratford-upon-Avon and of the classes of property held by the College Estate. The one exception was revalued in 2024.

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	2024	2023
	£	£
10 Debtors: amounts falling due within one year		
Trade debtors	20,638	81,383
Amount owed by Guild Estate	5,150	5,166
Prepayments and accrued income	69,921	535,956
	<u>95,709</u>	<u>622,505</u>

Within the above debtor balance in 2024 £29,516 (2023: £nil) is related to prepayments due over one year.

	2024	2023
	£	£
11 Creditors: amounts falling due within one year		
Trade creditors	18,643	33,828
Taxation and social security	4,125	24,833
Amount due to Stratford-upon-Avon Town Trust	21,429	25,563
Accruals and deferred income	287,982	181,488
	<u>332,179</u>	<u>265,712</u>

	2024	2023
	£	£
12 Creditors: amounts falling after one year		
Accruals and deferred income	1,078,720	1,094,240
	<u>1,078,720</u>	<u>1,094,240</u>

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

Reconciliation of deferred income falling due within one year:

	2024	2023
	£	£
At 1 January 2024	157,031	133,973
Released during the year	(159,968)	(128,373)
Deferred in current year	137,035	151,431
	<u>134,098</u>	<u>157,031</u>

14 Reconciliation of deferred income falling due after one year:

	2024	2023
	£	£
At 1 January 2024	1,094,240	656,600
Released during the year	(15,520)	(5,600)
Deferred in current year	-	443,240
	<u>1,078,720</u>	<u>1,094,240</u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

	2024	2023
	£	£
15 Provision for liabilities		
Balance as at 1 January 2024	191,687	163,187
Amount released in the year	(118,282)	-
Increase in provision in year	153,353	28,500
Balance as at 31 December 2024	<u>226,758</u>	<u>191,687</u>

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

16 Analysis of net assets between funds	Unrestricted funds	Restricted funds	Endowment funds	Total
	2024	2024	2024	2024
	£	£	£	£
Investments	1,135,941	424,738	16,974,239	18,534,918
Current assets	360,169	40,303	-	400,472
Current liabilities	(517,770)	(6,983)	(34,184)	(558,937)
Liabilities greater than one year	(645,400)	(433,320)	-	(1,078,720)
	<u>332,940</u>	<u>24,738</u>	<u>16,940,055</u>	<u>17,297,733</u>

	Unrestricted funds	Endowment funds	Total
	2023	2023	2023
	£	£	£
Investments	891,796	16,582,028	17,473,824
Current assets	882,686	-	882,686
Current liabilities	(323,214)	(134,185)	(457,399)
Liabilities greater than one year	(1,094,240)	-	(1,094,240)
	<u>357,028</u>	<u>16,447,843</u>	<u>16,804,871</u>

17 Summary of Fund Movements	Fund Balances	Income	Expenditure	Gains and losses	Fund Balances
	31 December				31 December
	2023				2024
	£	£	£	£	£
Fund Name					
Unrestricted Funds	357,028	1,010,420	(1,038,299)	3,791	332,940
Restricted Funds	-	27,937	(27,937)	24,738	24,738
Permanent Endowment Funds	16,447,843	-	-	492,212	16,940,055
	<u>16,804,871</u>	<u>1,038,357</u>	<u>(1,066,236)</u>	<u>520,741</u>	<u>17,297,733</u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

Fund Name	Fund Balances 31 December 2022	Income	Expenditure	Gains and losses	Fund Balances 31 December 2023
	£	£	£	£	£
Unrestricted Funds	343,750	1,020,079	(962,703)	(44,098)	357,028
Permanent Endowment Funds	16,384,140	-	-	63,703	16,447,843
	<u>16,727,890</u>	<u>1,020,079</u>	<u>(962,703)</u>	<u>19,605</u>	<u>16,804,871</u>
Total Funds					

Permanent endowment funds relate to those assets which represent the permanent capital base of the College Estate and which may not be spent. The restricted funds represent the BNG funds received to enable the 30-year biodiversity project at Rowley Fields and the UK Shared Prosperity Fund which supported the volunteer ecology project at Stratford LNR.

18 Commitments

In accordance with the governing document each year the College Estate is committed to pay an annual sum, which is currently £7,000 per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon (pro-rated if there is no Vicar for part of the year).

19 Related party transactions

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

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

	Stratford-upon- Avon Town Trust	Stratford-upon- Avon Town Trust	Guild Estate	Guild Estate
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Rental/Service Charge income	48,462	58,128	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditure				
Grant	446,660	617,434	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Management charge	89,671	79,452	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balances outstanding at 31 December 2024				
Debtors	<u> </u>	<u> </u>	<u>5,150</u>	<u>5,166</u>
Creditors	<u>21,429</u>	<u>25,563</u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

COLLEGE ESTATE ENDOWMENT
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2024 (continued)

20 Trustee remuneration and benefits

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

21 Trustee Expenses

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

22 Lease Commitments

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

	2024	2023
	£	£
Not later than 1 year	494,011	529,544
Later than 1 year but not later than 5 years	1,620,654	1,775,816
Later than 5 years	<u>27,033,087</u>	<u>26,509,362</u>
	<u>29,147,752</u>	<u>28,814,722</u>

COLLEGE ESTATE ENDOWMENT

England & Wales - Charity number 217485

Accounts

THE COLLEGE ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS 2023

Charity Registered No: 217485

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

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THE COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2023

Overview

The College Estate Endowment Charity (“College Estate”) is a charitable trust of which the Corporate Trustee is the Stratford-upon-Avon Town Trust (“Town Trust”). The Town Trust was established under a Memorandum of Association, which established the objects and powers of the charitable company, and it is governed under its Articles of Association. The Town Trust is the corporate Trustee of the Guild Estate Endowment and the College Estate Endowment Charities (referred to as “the Group”).

Under a Scheme of the Charity Commissioners dated 1 October 2001 all the income of the College Estate is, after defrayment of costs and expenses, transferred to the Town Trust where it becomes the Town Trust’s corporate property and is applied in accordance with the objects of the Town Trust. The only exception to this is the specific provision to the Vicar of Holy Trinity Church who receives £7,000 each year before the transfer to the Town Trust is made.

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

The College Estate generates virtually all its income from its permanent endowed funds, which are invested in quoted investments and physical property. If one of these investments is disposed of, the College Estate has a legal duty to reinvest the net proceeds in another form of investment. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. The College Estate does not perform fundraising to generate income.

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

Strategic Review

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

Grants

Discretionary Grants

The College Estate paid £617,434 (2022: £535,097) in grants to the Town Trust. The Town Trust, after defraying costs, used this grant to fund its discretionary grant making strategy.

Non-Discretionary Grants

£7,000 (2022: £7,000) was paid to the Vicar of the Holy Trinity Church in accordance with the 2001 Scheme.

Financial Review

In 2023 total income for the Town Trust was £1,020,079 (2022: £1,005,024), the majority of which was generated by the College Estate’s investments. Investment management costs amounted to £332,977 (2022: £657,398). We are very aware that the costs of managing the investments must be monitored closely and spent carefully, but also it is important that the investments are well managed, ensuring security of income flows for future generations.

£629,726 (2022: £547,300) was spent on charitable expenditure, of which £624,434 (2022: £542,097) was given as grants, the majority of which was granted to the Town Trust, to be spent on enhancing the lives of the people of Stratford.

Income

The 2023 total income of £1,020,079 represented an increase of 1.5% on last year (2022: £1,005,024) the increase is driven by an improvement in income from equity investments and additional interest received as a result of higher interest rates, balanced with a small reduction in property income.

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

Balance Sheet

The College Estate has investments of £17.5m (2022: £17.5m) (note 8). The majority of these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds must always be reinvested in other investment assets.

The increase in the investments was due to the inception of a short term deposit of £0.1m.

Reserves Policy

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

The permanently endowed reserves in College Estate will always be fully investment and cash backed. To recognise the small operational risk an unrestricted reserve of at least £30k is held. The reserves policy was reviewed in June 2023. As at December 2023 the endowed reserves were £16.5m (2022: £16.4m) and the unrestricted reserves were £357k (2022: £344k) of which £300k was transferred from the endowed reserves following the reclassification of Rowley Fields land and Warwick Road lands from endowed investments to unrestricted investments in 2021.

INVESTMENT POLICY AND PERFORMANCE

The objective of the investment policy is to create sufficient income and capital growth to enable the College Estate to carry out its purposes consistently year on year. In the medium to long term the College Estate aims to generate an average annual income yield of 4.4% and for the capital value of the portfolio to grow at least in line with inflation (CPI).

The broad thrust of our investment policy in recent years has been to increase diversification and reduce our exposure to property in Stratford-upon-Avon. A preferred range was set for total property investments held by the College Estate to be between 50% and 70% of the total investment portfolio. The percentage currently held is 58.5 % (2022: 59.6%).

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

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

The College Estate also has a responsible investment policy, which guides the Board in environmental, social and governance issues when making investment decisions.

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

The College Estate does not have any social investments; the majority of College 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 equivalents. The non-endowed investments are held in property funds with the addition of the land at Warwick Road lands (local nature reserve) and Rowley Fields, reclassified from permanent endowment investments to non-endowed investments, following their creation as green space. All investments held in equity investments or cash are readily realisable if required.

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

INVESTMENT POLICY AND PERFORMANCE (continued)

Investment	2023 £m	2022 £m	2023 Actual %	2022 Actual %	Future Target %
Endowed:					
Physical Property	8.2	8.2	47.1	47.3	70-80
Equity Funds	7.2	7.1	40.5	40.0	30-50
Property Funds	1.1	1.1	6.0	6.4	0-20
Cash equivalent	0.0	0.1	0.7	0.6	0
Total endowed investments	16.5	16.5	94.3	94.3	100
Non-Endowed:					
Physical Property**	0.3	0.3	1.7	1.7	-
Property funds*	0.7	0.7	4.0	4.0	-
Total non-endowed investments	1.0	1.0	5.7	5.7	-
Total investments	17.5	17.5	100.0	100.0	100

*These funds were invested during 2016. They relate to a premium which was received in relation to Fordham House.

**On 23 June 2021 the Charity Commission ratified the Board's resolution under S282 of Charities Act 2011, that the permanent endowment restriction be released on Rowley Fields Grazing Land. On 26 October 2021 the Charity Commission also ratified the Board's resolution under S282 of Charities Act 2011, that the permanent endowment restrictions be released on Warwick Road lands owned by College Estate Endowment Charity.

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

Independently Managed Funds Performance

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

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	4.2%	0.7%	4.9%	7.7%	5.8%

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

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

Physical Property

The property portfolio, valued at £8.5m (2022: £8.5m), within the College Estate has remained constant in value during the year, which represents an average capital return of 0% (2022: -0.6%). The rental yield for the property portfolio was 7.5% (2022: 7.2%), giving a total return of 7.5% (2022: 6.6%). In 2023 there were no disposals or acquisitions.

A full property valuation was carried out by Colliers International in December 2020. It is a regulatory requirement that a full valuation is performed every 5 years.

Public Benefit

The Public Benefit of the College 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.

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

Public Benefit (continued)

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 and impact across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

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

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

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

Risk Management

The risk policy was reviewed in autumn 2023, when the Town Trust assessed its risk appetite to be low to moderate. The Town Trust continually reviews its risks, which are maintained on a risk register. Risk is a standing agenda item for all board and committee meetings.

The risk policy explains the process for identifying risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact and likelihood of the risk occurring, then how 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, and the Town Trust's policy states this is done via a Risk Register. The whole process is monitored by the Audit & Governance Committee.

The Board reviews the College Estate's risks on a regular basis throughout the year and consider that there are no major risks facing the College Estate at the year end.

Internal Controls

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

- Risk Policy and process;
- Review of internal controls and processes by Audit & Governance Committee and compliance advisor where appropriate;
- All major programmes and projects are scrutinised by senior management and monitored through an appropriate committee;
- The safeguarding of assets against unauthorised use or disposition;
- The maintenance of proper accounting records;
- The reliability of the financial information used within the Town Trust or for publication; and
- Good governance policies.

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

Control Environment

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

Information Systems

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

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

The Board has reviewed the effectiveness of the Town Trust's system of internal financial controls that require disclosure in the financial statements.

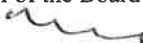
Volunteers

There are 26 volunteers who have signed up for ecology and habitat management activities which benefit the land owned by College Estate at Rowley Fields and Warwick Road lands. During the year 10 volunteers participated in habitat management sessions.

Statement as to disclosure of information to auditors

The Trustees of the Town Trust who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the Board of Trustees


.....

Tim Bailey
Chair of Board of Stratford-upon-Avon Town Trust
22 May 2024

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

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve Liz Coles Marion Homer Tony Jackson Simon Littlejohns	Henry Lu Michael Rolfe Jonathan Smith Clive Snowden (to 31 January 2023) Josie Stevens Mark Tailby (appointed 1 February 2023)
CHIEF EXECUTIVE (of Corporate Trustee) SENIOR MANAGEMENT TEAM (of Corporate Trustee)	Sara Aspley Sara Aspley, Rebecca Hampson, James McHugh, Paul Fitzpatrick, Frances Nibbs, Lynn Perkins.	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB
AUDITORS	Saffery LLP St John's Court Easton Street High Wycombe HP11 1JX	
PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W1G 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 COLLEGE ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
31 December 2023

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

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

Opinion

We have audited the financial statements of College Estate Endowment for the year ended 31 December 2023 which comprise which comprise a statement of financial activity, Balance Sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or

the charity has not kept sufficient accounting records; or

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

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

THE COLLEGE 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 8, 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 COLLEGE ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP
.....
Saffery LLP

St Johns Court
Easton Street
High Wycombe
HP11 1JX

Chartered Accountants

Statutory Auditors

Date: *29/5/24*

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

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

	Notes	Unrestricted funds 2023 £	Permanent endowment funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Permanent endowment funds 2022 £	Total funds 2022 £
Income from:							
Investment income	3	1,006,165	-	1,006,165	1,003,212	-	1,003,212
Other income	4	13,914	-	13,914	1,812	-	1,812
Total Income		1,020,079	-	1,020,079	1,005,024	-	1,005,024
Expenditure on:							
Raising funds	5	332,977	-	332,977	657,398	-	657,398
Charitable activities	6	629,726	-	629,726	547,300	-	547,300
Total expenditure		962,703	-	962,703	1,204,698	-	1,204,698
Net (losses) / gains on investments	11	(44,098)	63,703	19,605	(62,880)	(993,848)	(1,056,728)
Net movement in funds		13,278	63,703	76,981	(262,554)	(993,848)	(1,256,402)
Reconciliation of funds							
Total funds brought forward		343,750	16,384,140	16,727,890	606,304	17,377,988	17,984,292
Total funds carried forward	11	357,028	16,447,843	16,804,871	343,750	16,384,140	16,727,890

The notes on pages 15 to 23 form part of these financial statements.
All of the charity's activities are continuing.

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

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Investments	8		17,473,824		17,454,218
Current assets					
Debtors	9	622,505		125,305	
Cash at bank and in hand		260,181		497,987	
		<u>882,686</u>		<u>623,292</u>	
Creditors: amounts falling due within one year	10	(1,551,639)		(1,349,620)	
		<u></u>		<u></u>	
Net current liabilities			(668,953)		(726,328)
			<u></u>		<u></u>
Net assets			16,804,871		16,727,890
			<u></u>		<u></u>
Funds					
Capital funds					
Endowment funds	11		16,447,843		16,384,140
Unrestricted funds					
Other charitable funds	11		357,028		343,750
			<u></u>		<u></u>
Total funds	11		16,804,871		16,727,890
			<u></u>		<u></u>

The financial statements on pages 12 to 23 were approved by the Board and authorised for issue on 22 May 2024.
The notes on pages 15 to 23 form part of these financial statements.



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



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

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

	2023	2022
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(1,243,971)</u>	<u>(799,350)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,006,165	1,003,212
Proceeds from sale of investments	9,266	66,882
Purchase of investments	<u>(52,449)</u>	<u>-</u>
<i>Net cash provided by investing activities</i>	962,982	1,070,094
Change in cash and cash equivalents in the reporting period	(280,989)	270,744
Cash and cash equivalents at 31 December 2022	<u>568,416</u>	<u>297,672</u>
Cash and cash equivalents at 31 December 2023	<u>287,427</u>	<u>568,416</u>

	2023	2022
	Total funds	Total funds
	£	£
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	76,981	(1,256,402)
Adjustments for:		
(Gains) / losses on investments	(19,605)	1,056,728
Dividends, interest, and rent from investments	(1,006,165)	(1,003,212)
(Increase) / decrease in debtors	(497,200)	71,382
Increase in creditors	<u>202,018</u>	<u>332,154</u>
<i>Net cash used in operating activities</i>	<u>(1,243,971)</u>	<u>(799,350)</u>

	2023	2022
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	260,181	497,987
Cash awaiting deposit*	27,246	70,429
Total cash and cash equivalents	<u>287,427</u>	<u>568,416</u>

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

Analysis of change in net debt

	At	Cashflow	At
	1 January 2023		31 December 2023
	£	£	£
Cash and equivalents			
Cash in hand	497,987	(237,806)	260,181
Cash awaiting deposit	70,429	(43,183)	27,246
Total	<u>568,416</u>	<u>(280,989)</u>	<u>287,427</u>

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

1 Statement of accounting policies

a) Basis of preparation

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

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

College 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 College Estate. Monetary amounts in these financial statements are rounded to the nearest £.

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

b) Charitable Activities

The Board considers that the College Estate is a public benefit entity as it makes grants to the Town Trust. Grant making is its sole charitable activity.

c) Income

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

d) Expenditure

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

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

e) Grants payable

Grants payable are shown in the Statement of Financial Activities as they are paid or approved by the Board. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the Board has agreed to pay the grant without condition.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable. The value of such grants unpaid at the year end is accrued.

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 Vicar of Holy Trinity Church.

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2023 (continued)

1 Statement of accounting policies (continued)

f) Governance costs

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

g) 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.

h) Costs of Generating Funds

These costs consist of investment and property management costs.

i) Fund accounting

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

j) Operating leases

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

k) Financial instruments

The College Estate has only financial assets and liabilities that would qualify as basic financial instruments. Basic financial assets, which include cash and debtors, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

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

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

2 Connected charities

The College Estate is connected to the Guild Estate Endowment Charity (Registered Charity Number 217484) due to there being common, parallel objectives and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949 and Registered Charity Number 1088521) and their financial statements for the year ended 31 December 2023 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

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

	2023	2022
	£	£
3 Investment income from:		
Investment Properties	636,011	685,125
Quoted Investments	370,154	318,087
	<u>1,006,165</u>	<u>1,003,212</u>

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

	2023	2022
	£	£
4 Other Income from:		
Interest receivable on cash at bank	13,914	1,812
	<u>13,914</u>	<u>1,812</u>

	2023	2022
	£	£
5 Expenditure on raising funds:		
Investment property management costs	213,401	539,183
Investment fund managers' fees	34,903	34,980
Support costs (note 7)	84,673	83,235
	<u>332,977</u>	<u>657,398</u>

	2023	2022
	£	£
6 Expenditure on charitable activities:		
Grant to Stratford-upon-Avon Town Trust	617,434	535,097
Payment to the Vicar of Holy Trinity	7,000	7,000
Support costs (note 7)	5,292	5,203
	<u>629,726</u>	<u>547,300</u>

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

7 Allocation of support costs

	Basis of allocation	Charitable activities	Governance	Raising funds	Total funds
		2023	2023	2023	2023
		£	£	£	£
Staff costs	Time	3,220	9,661	51,526	64,407
Office costs	Time	1,138	3,414	18,206	22,758
External audit	Direct	-	2,800	-	2,800
Governance costs	Cost	934	(15,875)	14,941	-
		<u>5,292</u>	<u>-</u>	<u>84,673</u>	<u>89,965</u>
		(note 6)		(note 5)	

	Basis of allocation	Charitable activities	Governance	Raising funds	Total funds
		2022	2022	2022	2022
		£	£	£	£
Staff costs	Time	3,024	9,070	48,376	60,470
Office costs	Time	1,144	3,432	18,302	22,878
External audit	Direct	-	5,090	-	5,090
Governance costs	Cost	1,035	(17,592)	16,557	-
		<u>5,203</u>	<u>-</u>	<u>83,235</u>	<u>88,438</u>
		(note 6)		(note 5)	

The College Estate pays a management charge to the Town Trust to cover staff costs, office costs and property facility costs which for 2023 was £79,452 (2022: £76,768). This forms the main part of the support costs.

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

	2023 £	2022 £
8 Fixed asset investments		
Investment properties	8,536,000	8,536,000
Quoted investments	8,910,578	8,847,790
Cash awaiting investment	27,246	70,429
	<u>17,473,824</u>	<u>17,454,218</u>
Investment properties:		
Valuation at 31 December 2022	8,536,000	8,586,000
Revaluation gains / (losses)	-	(50,000)
Valuation at 31 December 2023	<u>8,536,000</u>	<u>8,536,000</u>
Cost or donated value at 31 December 2023	<u>1,626,119</u>	<u>1,626,119</u>
Quoted investments:		
Market value at 31 December 2023	8,847,790	9,921,400
Additions at cost	52,449	-
Sale Proceeds	(9,266)	(66,882)
Investment gains / (losses)	19,605	(1,006,728)
Market value at 31 December 2023	<u>8,910,578</u>	<u>8,847,790</u>
Historical cost at 31 December 2023	<u>6,602,226</u>	<u>6,559,043</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were valued at 31 December 2020 and are shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in property in Stratford-upon-Avon and of these classes of property.

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

	2023	2022
	£	£
9 Debtors: amounts falling due within one year		
Trade debtors	81,383	44,057
Prepayments and accrued income	535,956	77,160
Amount owed by Guild Estate	5,166	4,088
Amount owed by Stratford-upon-Avon Town Trust	-	-
	<u>622,505</u>	<u>125,305</u>
	2023	2022
	£	£
10 Creditors: amounts falling due within one year		
Trade creditors	33,828	15,983
Accruals and deferred income	1,275,728	1,114,139
Other creditors	191,687	191,687
Taxation and social security	24,833	24,111
Amount due to Stratford-upon-Avon Town Trust	25,563	3,700
	<u>1,551,639</u>	<u>1,349,620</u>

Deferred income £1,251,271 (2022: £790,573) represents lease premiums, rental income received in advance and grant funding that relate to after the period end; represented by deferred income under one year £172,698, deferred income relating to one to five years £59,400 and the value relating to over five years £1,019,240.

	2023	2022
	£	£
Reconciliation of deferred income:		
At 1 January 2023	790,573	817,873
Released during the year	(133,973)	(155,673)
Deferred in current year	594,671	128,373
	<u>1,251,271</u>	<u>790,573</u>

	2023	2022
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	5,000	5,200

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

11 Analysis of net assets between funds	Unrestricted funds	Endowment funds	Total
	2023	2023	2023
	£	£	£
Investments	891,796	16,582,028	17,473,824
Current assets	882,686	-	882,686
Current liabilities	(1,417,454)	(134,185)	(1,551,639)
	<u>357,028</u>	<u>16,447,843</u>	<u>16,804,871</u>
	Unrestricted funds	Endowment funds	Total
	2022	2022	2022
	£	£	£
Investments	1,035,894	16,418,324	17,454,218
Current assets	623,292	-	623,292
Current liabilities	(1,315,436)	(34,184)	(1,349,620)
	<u>343,750</u>	<u>16,384,140</u>	<u>16,727,890</u>

Summary of Fund Movements

Fund Name	Fund Balances 31 December 2022 £	Income £	Expenditure £	Gains and losses £	Transfer between funds £	Fund Balances 31 December 2023 £
Unrestricted Funds	343,750	1,020,079	(962,703)	(44,098)	-	357,028
Permanent						
Endowment Funds	16,384,140	-	-	63,703	-	16,447,843
	<u>16,727,890</u>	<u>1,020,079</u>	<u>(962,703)</u>	<u>19,605</u>	<u>-</u>	<u>16,804,871</u>

Fund Name	Fund Balances 31 December 2021 £	Income £	Expenditure £	Gains and losses £	Transfer between funds £	Fund Balances 31 December 2022 £
Unrestricted Funds	606,304	1,005,024	(1,204,698)	(62,880)	-	343,750
Permanent						
Endowment Funds	17,377,988	-	-	(993,848)	-	16,384,140
	<u>17,984,292</u>	<u>1,005,024</u>	<u>(1,204,698)</u>	<u>(1,056,728)</u>	<u>-</u>	<u>16,727,890</u>

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

12 Commitments

In accordance with the governing document each year the College Estate is committed to pay an annual sum, which is currently £7,000 per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon (pro-rated if there is no Vicar for part of the year).

13 Related party transactions

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

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

	Stratford-upon- Avon Town Trust	Stratford-upon- Avon Town Trust	Guild Estate	Guild Estate
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	£	£	£	£
Rental/Service Charge income	58,128	36,218	-	-
Expenditure				
Grant	617,434	535,097	-	-
Management charge	79,452	76,768	-	-
Balances outstanding at 31 December 2023				
Debtors	-	-	5,166	4,088
Creditors	25,563	3,700	-	-

14 Trustee remuneration and benefits

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

15 Trustee Expenses

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

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

16 Grant Making

	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Support Costs 2023 £	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Support Costs 2022 £
Discretionary Grants	617,434	-	4,892	535,097	-	4,827
Non-Discretionary Grants	-	7,000	400	-	7,000	375
	<u>617,434</u>	<u>7,000</u>	<u>5,292</u>	<u>535,097</u>	<u>7,000</u>	<u>5,202</u>

17 Lease Commitments

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

	2023 £	2022 £
Not later than 1 year	529,544	486,569
Later than 1 year but not later than 5 years	1,775,816	1,794,898
Later than 5 years	26,509,362	26,914,320

COLLEGE ESTATE ENDOWMENT

England & Wales - Charity number 217485

Accounts

THE COLLEGE ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS 2022

DRAFT

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

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THE COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2022

Overview

The College Estate Endowment Charity (“College 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 College Estate is, after defrayment of costs and expenses, transferred to the 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 to the Vicar of Holy Trinity Church who receives £7,000 each year before the transfer to the Town Trust is made.

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

College Estate generates virtually all its income from its permanent endowed funds, which are invested in quoted investments and physical property. If one of these investments is disposed of, the College Estate has a legal duty to reinvest the net proceeds in another form of investment. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. The College Estate does not perform fundraising to generate income.

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

Strategic Review

The College Estate follows 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 Grants

The College Estate paid £535,097 (2021: £443,303) in grants to the Town Trust. The Town Trust, after defraying costs, used this grant to fund its discretionary grant making strategy.

Non-Discretionary Grants

£7,000 (2021: £7,000) was paid to the Vicar of the Holy Trinity Church in accordance with the 2001 Scheme.

Financial Review

In 2022 total income for the Trust was £1,005,024 (2021: £928,488), the majority of which was generated by the charity’s investments. Investment management costs amounted to £672,398 (2021: £273,796), £200,000 of this cost related to the College Estate’s contribution to the Riverside project. 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.

£547,300 (2021: £454,692) was spent on charitable expenditure, of which £542,097 (2021: £450,303) was given as grants, the majority of which was granted to Stratford Town Trust, to be spent on enhancing the lives of the people of Stratford.

Income

The 2022 total income of £1,005,024 represented an increase of 8.2% on last year (2021: £928,488) the majority of which is attributable to an increase in investment property income. Investment income remains the main source of income, being 99.8% of total income.

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

Balance Sheet

The charity has investments of £17.45.m (2021: £18.51m) (note 8), a decrease of £1.06.m on last year, 94.1% of these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds must always be reinvested in other investment assets.

The decrease in the investments was due to investment losses on quoted investments of £1.0m and property valuation decreases of £0.05m.

Reserves Policy

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

The permanently endowed reserve in College Estate will always be fully investment and cash backed. To recognise the small operational risk in College an unrestricted reserve of at least £30k is held. The reserves policy was reviewed in June 2022. As at December 2022 the endowed reserves are £16.4.m (2021: £17.4m) and the unrestricted reserves are £344k (2021: £606k) of which £300k have been transferred from the endowed reserves following the reclassification of Rowley Fields land and Warwick Road lands from endowed investments to unrestricted investments in 2021.

INVESTMENT POLICY AND PERFORMANCE

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. A preferred range was set for total property investments held by the College Estate to be between 50% and 70% of the total investment portfolio, the percentage currently held is 59.6 % (2021: 57.5%).

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

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the Trust has sufficient liquidity to enable it to fund its planned charitable spending 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 (CPI). Net income is defined as gross income less all direct costs i.e., fees, repair costs, legal/advisor fees.
- **Long Term Objective**
The endowment investments are expected to exist in perpetuity and should be managed to meet the 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 has 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; the majority of College 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 with the addition of the land at Warwick Road lands and Rowley Fields reclassified from permanent endowment investments to non endowed investments following their creation as green space. All investments held in equity investments or cash are readily realisable if required.

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

INVESTMENT POLICY AND PERFORMANCE (continued)

Investment	2022 £M	2021 £M	2022 Actual %	2021 Actual %	Future Target %
Endowed:					
Physical Property	8.2	8.3	47.3	44.8	70-80
Equity Funds	7.1	7.8	40.0	42.4	30-50
Property Funds	1.1	1.3	6.4	6.9	0-20
Cash equivalent	0.1	-	0.6	0.0	0
Total endowed investments	16.5	17.4	94.3	94.1	100.0
Non Endowed:					
Physical Property**	0.3	0.3	1.7	1.6	-
Property funds*	0.7	0.8	4.0	4.3	-
Total non-endowed investments	1.0	1.1	5.7	5.9	-
Total investments	17.5	18.5	100.0	100.0	100.0

*These funds were invested during 2016. They relate to a premium which was received in relation to Fordham House.

**On 23 June 2021 the Charity Commission ratified the trustees' resolution under S282 of Charities Act 2011, that the permanent endowment restriction be released on Rowley Fields Grazing Land. On 26 October 2021 the Charity Commission also ratified the trustees' resolution under S282 of Charities Act 2011, that the permanent endowment restrictions be released on Warwick Road lands owned by College Estate Endowment Charity.

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

Independently Managed Funds Performance

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

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.4%	-10.7%	-7.3%	13.6%	-7.4%

The benchmark for the College Estate is the weighted average of the benchmark for the property funds (-9.5%), which is based on AREF / MSCI All Balanced Funds Property Index and the benchmark for the Common Investments Funds (-6.9%) (which is calculated based on: ICE BofAML Sterling Corporate (7.5%), ICE BofAML UK Gilts All Stocks (7.5%), MSCI AC World ex UK (Local Currency) (GBP) (10%), MSCI AC World ex UK (Net Total Return) (40%), MSCI All Balanced Property Funds - One Quarter Lagged (5%), MSCI UK IMI (Net Return) GBP (20%), 2% per annum above SONIA (alternative assets) (10%).

The actual performance was below the target but comparable to the benchmark, in the main due to the high impact of inflation in the year (9.2%) which had a negative impact on funds value.

Physical Property

The property portfolio, valued at £8.50m (2021: £8.55m), within the College Estate has decreased in value by £0.05m during the year, which represents an average capital return of -0.6% (2021: 0.6%). The rental yield for the property portfolio was 7.2% (2021: 7.2%), giving a total return of 6.6% (2021: 7.8%). In 2022 there were no disposals nor acquisitions.

A full property valuation was carried out by Colliers International in December 2020. It is a regulatory requirement that a full valuation is performed every 5 years.

Public Benefit

The Public Benefit of the College 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.

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

Public Benefit (continued)

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 and impact across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

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

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

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

Risk management

The risk policy was reviewed in autumn 2022, when the 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 how 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 via a Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees review the College Estate's risks on a regular basis throughout the year and consider that there is one major risk facing the College Estate at the year end.

- The Riverside project has been closely scrutinised by some Stratford groups and townspeople, and the Trust has worked hard to allay these concerns so that the project and its funding from CWLEP has not been subject to unnecessary delays or the withdrawal of funding. The project team had regular project meetings which monitored progress, budgets and feedback from townspeople and local stakeholders.

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 COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2022 (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. Also, a three-year plan is produced annually and this is dovetailed into the Strategic Plan with scenario overlays, where necessary. An annual budget is produced, which is compared with the three-year plan and the expected out-turn by the Finance, Investment and Property Committee and then approved by the Board. Cash forecasts are prepared monthly to aid investment decisions and cash management. During the year full year financial forecasts are prepared and reviewed by both, the Finance, Investment and Property Committee and the main Board.

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

The Board has reviewed the effectiveness of the Trust's system of internal financial controls that require disclosure in the financial statements.

Volunteers

There are 6 volunteers involved in ecology and habitat management activities which benefit the land owned by College Estate at Rowley Fields and Warwick Road lands.

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 Town Trust trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the Board of Trustees

.....

Tony Jackson
Chair of Board
17 May 2023

THE COLLEGE ESTATE ENDOWMENT CHARITY
OFFICERS AND CONTACTS
for the year ended 31 December 2022

TRUSTEES OF CORPORATE TRUSTEE	Tim Bailey Gill Cleeve Liz Coles Marion Homer (elected 26.5.22) Tony Jackson Simon Littlejohns (appointed 1.9.22) Henry Lu (elected 26.5.22) Lindsay MacDonald (to 25.5.22)	Matthew Macdonald (resigned 31.1.22) Stephen Parker (to 31.8.22) Michael Rolfe (elected 26.5.22) Jonathan Smith (appointed 1 April 2022) Clive Snowdon (to 31.1.23) Josie Stevens Mark Tailby (appointed 01.02.23) David Taylor (to 25.5.22) Quentin Willson (to 25.5.22)
CHIEF EXECUTIVE (of corporate trustee)	Sara Aspley	
SENIOR MANAGEMENT TEAM (of corporate trustee)	Sara Aspley, Rebecca Hampson, James McHugh, Paul Fitzpatrick, Frances Nibbs (appointed to SMT 1.7.22), Lynn Perkins	
ADDRESS	Stratford-upon-Avon Town Trust 14 Rother Street Stratford-upon-Avon CV37 6LU	
BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP	
SOLICITORS	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB
AUDITORS	Saffery Champness LLP St John's Court Easton Street High Wycombe HP11 1JX	
PROPERTY MANAGER	Colliers International Property Consultants Limited 19 th Floor 103 Colmore Row Birmingham B3 3AG	
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London WC4M 8BU	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU
	Charities Property Fund Cordea Savills 33 Margaret Street London W1G 0JD	Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE COLLEGE ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
31 December 2022

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

THE COLLEGE ESTATE ENDOWMENT CHARITY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of College Estate Endowment for the year ended 31 December 2022 which comprise a statement of financial activity, Balance Sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

THE COLLEGE 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 8, 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 COLLEGE 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.

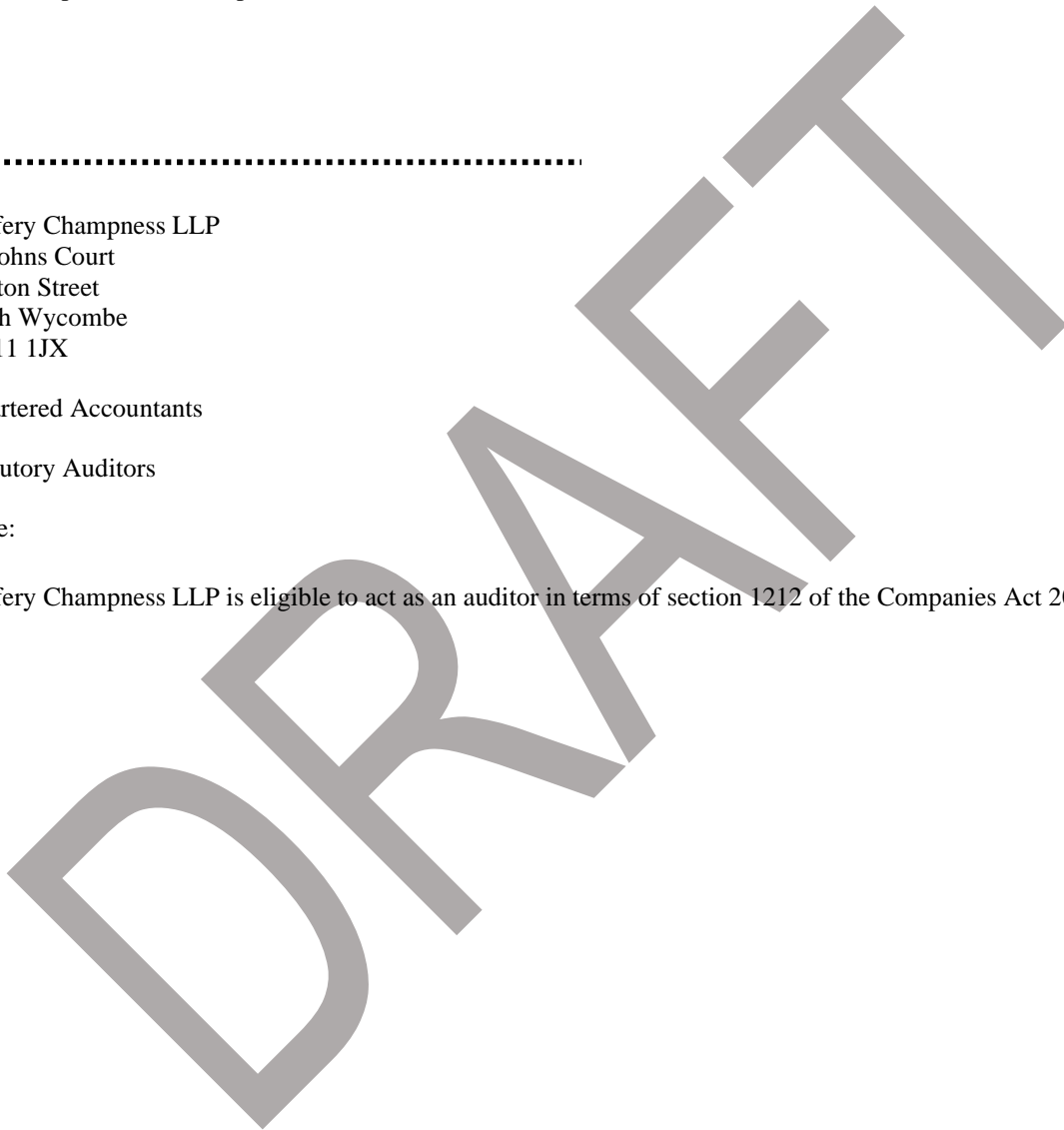
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Saffery Champness LLP
St Johns Court
Easton Street
High Wycombe
HP11 1JX

Chartered Accountants

Statutory Auditors

Date:

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



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

	Notes	Unrestricted funds 2022 £	Permanent endowment funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Permanent endowment funds 2021 £	Total funds 2021 £
Income from:							
Investment income	3	1,003,212	-	1,003,212	928,450	-	928,450
Other income	4	1,812	-	1,812	38	-	38
Total Income		1,005,024	-	1,005,024	928,488	-	928,488
Expenditure on:							
Raising funds	5	657,398	-	657,398	273,794	-	273,794
Charitable activities	6	547,300	-	547,300	454,692	-	454,692
Total expenditure		1,204,698	-	1,204,698	728,486	-	728,486
Net (losses) / gains on investments	11	(62,880)	(993,848)	(1,056,728)	75,434	801,136	876,570
Reclassification of reserves		-	-	-	300,000	(300,000)	-
Net movement in funds		(262,554)	(993,848)	(1,256,402)	575,436	501,136	1,076,572
Reconciliation of funds							
Total funds brought forward		606,304	17,377,988	17,984,292	30,868	16,876,852	16,907,720
Total funds carried forward	11	343,750	16,384,140	16,727,890	606,304	17,377,988	17,984,292

The notes on pages 15 to 23 form part of these financial statements.
All of the charity's activities are continuing.

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

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investments	8		17,454,218		18,510,947
Current assets					
Debtors	9	125,305		196,687	
Cash at bank and in hand		497,987		294,125	
		<u>623,292</u>		<u>490,812</u>	
Creditors: amounts falling due within one year	10	(1,349,620)		(1,017,467)	
		<u>(1,349,620)</u>		<u>(1,017,467)</u>	
Net current liabilities			(726,328)		(526,655)
			<u>(726,328)</u>		<u>(526,655)</u>
Net assets			16,727,890		17,984,292
			<u>16,727,890</u>		<u>17,984,292</u>
Funds					
Capital funds					
Endowment funds	11		16,384,140		17,377,988
Unrestricted funds					
Other charitable funds	11		343,750		606,304
			<u>343,750</u>		<u>606,304</u>
Total funds	11		16,727,890		17,984,292
			<u>16,727,890</u>		<u>17,984,292</u>

The financial statements on pages 12 to 23 were approved by the trustees and authorised for issue on 17 May 2023.
The notes on pages 15 to 23 form part of these financial statements.

Tony Jackson

Simon Littlejohns

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

	2022	2021
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	(799,349)	(941,309)
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,003,212	928,450
Proceeds from sale of investments	66,883	-
Purchase of investments	<u>-</u>	<u>(19,616)</u>
<i>Net cash provided by investing activities</i>	1,070,095	908,834
Change in cash and cash equivalents in the reporting period	270,744	(32,475)
Cash and cash equivalents at 31 December 2021	<u>297,672</u>	<u>330,147</u>
Cash and cash equivalents at 31 December 2022	<u>568,416</u>	<u>297,672</u>

	2022	2021
	Total funds	Total funds
	£	£
Reconciliation of net (expenditure) / income to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(1,256,402)	1,076,572
Adjustments for:		
Losses / (gains) on investments	1,056,728	(876,570)
Dividends, interest, and rent from investments	(1,003,212)	(928,450)
Decrease / (increase) in debtors	71,382	(109,484)
Increase / (decrease) in creditors	<u>332,153</u>	<u>(103,377)</u>
<i>Net cash used in operating activities</i>	<u>(799,349)</u>	<u>(941,309)</u>

	2022	2021
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	497,987	294,125
Cash awaiting deposit*	<u>70,429</u>	<u>3,547</u>
Total cash and cash equivalents	<u>568,416</u>	<u>297,672</u>

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

Analysis of change in net debt

	At	Cashflow	At
	1 January 2022		31 December 2022
	£	£	£
Cash and equivalents			
Cash in hand	294,125	203,862	497,987
Cash awaiting deposit	3,547	66,882	70,429
Total	<u>297,672</u>	<u>270,744</u>	<u>568,416</u>

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 December 2022

1 Statement of accounting policies

a) Basis of preparation

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

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

College 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. Grant making is its sole charitable activity.

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.

e) Grants payable

Grants payable are shown in the Statement of Financial Activities as they are paid or approved by the trustees. 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. The value of such grants unpaid at the year end is accrued.

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 Vicar of Holy Trinity Church.

THE COLLEGE ESTATE ENDOWMENT CHARITY

NOTES ON FINANCIAL STATEMENTS

For the year ended 31 December 2022 (continued)

1 Statement of accounting policies (continued)

f) 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.

g) 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.

h) Costs of Generating Funds

These costs consist of investment and property management costs.

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 Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the law.
- iii Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- iv Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

j) Operating leases

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

k) 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 College Estate is connected to the Guild Estate Endowment Charity (Registered Charity Number 217484) due to there being common, parallel objectives and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949 and Registered Charity Number 1088521) and their financial statements for the year ended 31 December 2022 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

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

	2022	2021
	£	£
3 Investment income from:		
Investment Properties	685,125	619,635
Quoted Investments	318,087	308,815
	<u>1,003,212</u>	<u>928,450</u>
Income and expenditure relating to the Rother Street Car Park is split 86.09% to Guild and 13.91% to College in accordance with land ownership arrangements.		
	2022	2021
	£	£
4 Other Income from:		
Interest receivable on cash at bank	1,812	38
	<u>1,812</u>	<u>38</u>
	2022	2021
	£	£
5 Expenditure on raising funds:		
Investment property management costs	539,183	166,672
Investment fund managers fees	34,980	36,901
Support costs (note 7)	83,235	70,221
	<u>657,398</u>	<u>273,794</u>
	2022	2021
	£	£
6 Expenditure on charitable activities:		
Grant to Stratford-upon-Avon Town Trust	535,097	443,303
Payment to the vicar of Holy Trinity	7,000	7,000
Support costs (note 7)	5,203	4,389
	<u>547,300</u>	<u>454,692</u>

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

7 Allocation of support costs

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2022 £
Staff costs	Time	3,024	9,070	48,376	60,470
Office costs	Time	1,144	3,432	18,302	22,878
External audit	Direct	-	5,090	-	5,090
Governance costs	Cost	1,035	(17,592)	16,557	-
		<u>5,203</u>	<u>-</u>	<u>83,235</u>	<u>88,438</u>

(note 6)

(note 5)

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2021 £
Staff costs	Time	2,688	8,063	43,001	53,752
Office costs	Time	814	2,442	13,029	16,285
External audit	Direct	-	4,573	-	4,573
Governance costs	Cost	887	(15,078)	14,191	-
		<u>4,389</u>	<u>-</u>	<u>70,221</u>	<u>74,610</u>

(note 6)

(note 5)

The College Estate pays a management charge to the Town Trust to cover staff costs, office costs and property facility costs which for 2022 was £76,768 (2021: £63,715). This forms the main part of the support costs.

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

	2022	2021
	£	£
8 Fixed asset investments		
Investment properties	8,536,000	8,586,000
Quoted investments	8,847,790	9,921,400
Cash awaiting investment	70,429	3,547
	<u>17,454,218</u>	<u>18,510,947</u>
Investment properties:		
Valuation at 31 December 2021	8,586,000	8,536,000
Revaluation gains / (losses)	(50,000)	50,000
Valuation at 31 December 2022	<u>8,536,000</u>	<u>8,586,000</u>
Cost or donated value at 31 December 2022	<u>1,626,119</u>	<u>1,626,119</u>
Quoted investments:		
Market value at 31 December 2021	9,921,400	9,075,214
Additions at cost	-	19,616
Sale Proceeds	(66,882)	-
Investment gains / (losses)	<u>(1,006,728)</u>	<u>826,570</u>
Market value at 31 December 2022	<u>8,847,790</u>	<u>9,921,400</u>
Historical cost at 31 December 2022	<u>6,559,043</u>	<u>6,625,925</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were valued at 31 December 2021 and are shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in property in Stratford-upon-Avon and of these classes of property.

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

	2022	2021
	£	£
9 Debtors: amounts falling due within one year		
Trade debtors	44,057	62,808
Prepayments and accrued income	77,160	29,696
Amount owed by Guild Estate	4,088	9,093
Amount owed by Stratford-upon-Avon Town Trust	-	95,090
	<u>125,305</u>	<u>196,687</u>

	2022	2021
	£	£
10 Creditors: amounts falling due within one year		
Trade creditors	15,983	10,905
Accruals and deferred income	1,114,139	854,275
Other creditors	191,187	120,000
Taxation and social security	24,111	32,287
Amount due to Stratford-upon-Avon Town Trust	3,700	-
	<u>1,349,620</u>	<u>1,017,467</u>

Deferred income £790,573 (2021: £817,873) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £198,973, deferred income relating to one to five years £22,400 and the value relating to over five years £634,200.

	2022	2021
	£	£
Reconciliation of deferred income:		
At 1 January 2022	817,873	823,949
Released during the year	(155,673)	(156,149)
Deferred in current year	128,373	150,073
	<u>790,573</u>	<u>817,873</u>

	2022	2021
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	5,200	4,600
	<u>5,200</u>	<u>4,600</u>

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

11 Analysis of net assets between funds	Unrestricted Funds 2022 £	Endowment funds 2022 £	Total 2022 £
Investments	1,035,894	16,418,324	17,454,218
Current assets	623,292	-	623,292
Current liabilities	(1,315,436)	(34,184)	(1,349,620)
	<u>343,750</u>	<u>16,384,140</u>	<u>16,727,890</u>
	Unrestricted Funds 2021 £	Endowment funds 2021 £	Total 2021 £
Investments	1,098,774	17,412,173	18,510,947
Current assets	490,812	-	490,812
Current liabilities	(983,282)	(34,185)	(1,017,467)
	<u>606,304</u>	<u>17,377,988</u>	<u>17,984,292</u>

Summary of Fund Movements

Fund Name	Fund Balances 31 December 2021 £	Income £	Expenditure £	Gains and Losses £	Transfer between funds £	Fund Balances 31 December 2022 £
Unrestricted Funds	606,304	1,005,024	(1,204,698)	(62,880)	-	343,750
Permanent Endowment Funds	17,377,988	-	-	(993,848)	-	16,384,140
Total Funds	<u>17,984,292</u>	<u>1,005,024</u>	<u>(1,204,698)</u>	<u>(1,056,728)</u>	<u>-</u>	<u>16,727,890</u>
Fund Name	Fund Balances 31 December 2020 £	Income £	Expenditure £	Gains and Losses £	Transfer between funds £	Fund Balances 31 December 2021 £
Unrestricted Funds	30,868	928,488	(728,486)	75,434	300,000	606,304
Permanent Endowment Funds	16,876,852	-	-	801,136	(300,000)	17,377,988
Total Funds	<u>16,907,720</u>	<u>928,488</u>	<u>(728,486)</u>	<u>876,570</u>	<u>-</u>	<u>17,984,292</u>

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

12 Commitments

In accordance with the governing document each year the charity is committed to pay an annual sum, which is currently £7,000 per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon (pro-rated if there is no vicar for part of the year).

13 Related party transactions

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

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

	Stratford-upon- Avon Town Trust	Stratford-upon- Avon Town Trust	Guild Estate	Guild Estate
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	£	£	£	£
Rental/Service Charge income	36,218	40,140	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditure				
Grant	553,097	443,303	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Management charge	76,768	63,715	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balances outstanding at 31 December 2022				
Debtors	-	95,090	4,088	9,093
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Creditors	<u>3,700</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 Trustee remuneration and benefits

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

15 Trustee Expenses

No trustee expenses have been incurred (2021: £nil).

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

16 Grant Making

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Support Costs 2022 £	Grants to Institutions 2021 £	Grants to Individuals 2021 £	Support Costs 2021 £
Discretionary Grants	535,097	-	4,827	443,303	-	4,039
Non-Discretionary Grants	-	7,000	375	-	7,000	350
	<u>535,097</u>	<u>7,000</u>	<u>5,202</u>	<u>443,303</u>	<u>7,000</u>	<u>4,389</u>

17 Lease Commitments

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

	2022 £	2021 £
Not later than 1 year	486,569	476,994
Later than 1 year but not later than 5 years	1,794,898	1,707,241
Later than 5 years	26,914,320	26,675,816

COLLEGE ESTATE ENDOWMENT

England & Wales - Charity number 217485

Accounts

THE COLLEGE ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS 2021

Charity Registered No: 217485

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

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THE COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2021

Overview

The College Estate Endowment Charity ("College 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 College Estate is, after defrayment of costs and expenses, transferred to the 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 to the Vicar of Holy Trinity Church who receives £7,000 each year before the transfer to the Town Trust is made.

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

College Estate generates virtually all its income from its permanent endowed funds, which are invested in quoted investments and physical property. If one of these investments is disposed of, the College Estate has a legal duty to reinvest the net proceeds in another form of investment. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. The College Estate does not perform fundraising to generate income.

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

Strategic Review

The College Estate follows 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 Grants

The College Estate paid £443,303 (2020: £567,962) in grants to the Town Trust. The Town Trust, after defraying costs, used this grant to fund its discretionary grant making strategy.

Non-Discretionary Grants

£7,000 (2020: £7,000) was paid to the Vicar of the Holy Trinity Church in accordance with the 2001 Scheme.

Financial Review

In 2021 total income for the Trust was £928,488 (2020: £910,492), the majority of which was generated by the charity's investments. Investment management costs amounted to £273,796 (2020: £324,121), so 70.52% (2020: 64.4%) was available for charitable purposes, the majority of which was granted to Stratford Town Trust, to be spent on enhancing the lives of the people of Stratford. 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. This has been a particularly challenging year due to the economic impact of the covid-19 pandemic.

£454,692 (2020: £578,944) was spent on charitable expenditure, of which £450,303 (2020: £574,962) was given as grants.

Income

The 2021 total income of £928,488 represented an increase of 2.0% on last year (2020: £910,492) as a result of slightly increased investment property income and a small increase in quoted investment income. Investment income remains the main source of income, being 99.9% of total income.

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

Balance Sheet

The charity has investments of £18.51m (2020: £17.63m) (note 8), an increase of £0.88m on last year, 94.9% of these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds must always be reinvested in other investment assets.

The increase in the investments was due to investment gains on quoted investments of £0.8m and property valuation increases of £0.05m.

Reserves Policy

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

The permanently endowed reserve in College Estate will always be fully investment and cash backed. To recognise the small operational risk in College an unrestricted reserve of at least £30k is held. The reserves policy was reviewed in June 2021. As at December 2021 the endowed reserves are £17.4m (2020: £16.9m) and the unrestricted reserves are £606k (2020: £30.9k) of which £200k are classified as designated to fund the Riverside project and £300k have been transferred from the endowed reserves following the reclassification of Rowley Fields land and Warwick Road lands from endowed investments to unrestricted investments.

INVESTMENT POLICY AND PERFORMANCE

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. A target was set for reducing physical property investments held by the College Estate to between 70% and 80% of the total investment portfolio, the percentage currently held is 46.4 % (2020: 48.4%).

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 charitable spending 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 has 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; the majority of College 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 COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2021 (continued)

INVESTMENT POLICY AND PERFORMANCE (continued)

Investment	2021 £M	2020 £M	2021 Actual %	2020 Actual %	Future Target %
Endowed:					
Physical Property	8.3	8.5	44.8	48.3	70-80
Equity Funds	7.8	7.2	42.4	40.9	30-50
Property Funds	1.3	1.1	6.9	6.2	0-20
Cash equivalent	-	0.1	0.0	0.6	0
Total endowed investments	17.4	16.9	94.1	96.0	100.0
Non Endowed:					
Physical Property**	0.3	-	1.6	-	-
Property funds*	0.8	0.7	4.3	4.0	-
Total non-endowed investments	1.1	0.7	5.9	4.0	-
Total investments	18.5	17.6	100.0	100.0	100.0

*These funds were invested during 2016. They relate to a premium which was received in relation to Fordham House.

**On 23 June 2021 the Charity Commission ratified the trustees' resolution under S282 of Charities Act 2011, that the permanent endowment restriction be released on Rowley Fields Grazing Land. On 26 October 2021 the Charity Commission also ratified the trustees' resolution under S282 of Charities Act 2011, that the permanent endowment restrictions be released on Warwick Road lands owned by College Estate Endowment Charity.

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

Independently Managed Funds Performance

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

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.3%	8.7%	12.0%	9.3%	13.2%

The benchmark for the College Estate is the weighted average of the benchmark for the property funds (19.1%), which is based on AREF / MSCI All Balanced Funds Property Index 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 £8.6m (2020: £8.5m), within the College Estate has increased in value by £0.05m during the year, which represents an average capital return of 0.6.% (2020: -0.1%). The rental yield for the property portfolio was 7.2% (2020: 7.2%), giving a total return of 7.8% (2020: 7.1%). In 2021 there were no disposals nor acquisitions.

A full property valuation was carried out by Colliers International in December 2020. It is a regulatory requirement that a full valuation is performed every 5 years.

Public Benefit

The Public Benefit of the College 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.

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

Public Benefit (continued)

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 and impact across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

In the same way the Town Trust and College 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 how 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 via a Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees review the College Estate's risks on a regular basis throughout the year and consider that there are two major risks facing the College Estate at the year end.

- 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.
- The Riverside project has been closely scrutinised by some Stratford groups and townspeople, and the Trust has worked hard to allay these concerns so that the project and its funding from CWLEP has not been subject to unnecessary delays or the withdrawal of funding. The project team has regular project meetings which monitor progress, budgets and feedback from townspeople and local stakeholders.

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

Internal Controls (continued)

- 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

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

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

The Board has reviewed the effectiveness of the Trust's system of internal financial controls that require disclosure in the financial statements.

Volunteers

There are no volunteers involved in the College Estate's activities.

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 Town Trust trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the Board of Trustees



Tony Jackson
Chair of Board
18 May 2022

**THE COLLEGE 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)	Sara Aspley	
SENIOR MANAGEMENT TEAM (of corporate trustee)	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	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ	Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB
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	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU
	Charities Property Fund Cordea Savills 33 Margaret Street London W1G 0JD	Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE COLLEGE ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
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 COLLEGE ESTATE ENDOWMENT CHARITY INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of College 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 COLLEGE ESTATE ENDOWMENT CHARITY INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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

**THE COLLEGE ESTATE ENDOWMENT CHARITY
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES**

business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the 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

St Johns Court
Easton Street
High Wycombe
HP11 1JX

Chartered Accountants
Statutory Auditors
Date: 7 June 2022

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

THE COLLEGE ESTATE ENDOWMENT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

	Notes	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	928,450	-	928,450	909,783	-	909,783
Other income	4	38	-	38	709	-	709
Total Income		928,488	-	928,488	910,492	-	910,492
Expenditure on:							
Raising funds	5	273,794	-	273,794	324,121	-	324,121
Charitable activities	6	454,692	-	454,692	578,944	-	578,944
Total expenditure		728,486	-	728,486	903,065	-	903,065
Net gains / (losses) on investments	11	75,434	801,136	876,570	(18,794)	(17,633)	(36,427)
Reclassification of reserves		300,000	(300,000)	-	-	-	-
Net movement in funds		575,436	501,136	1,076,572	(11,367)	(17,633)	(29,000)
Reconciliation of funds							
Total funds brought forward		30,868	16,876,852	16,907,720	42,235	16,894,485	16,936,720
Total funds carried forward	11	606,304	17,377,988	17,984,292	30,868	16,876,852	16,907,720

The notes on pages 15 to 23 form part of these financial statements.
All of the charity's activities are continuing.

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

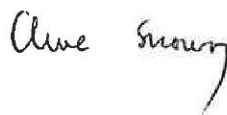
	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investments	8		18,510,947		17,634,377
Current assets					
Debtors	9	196,687		87,203	
Cash at bank and in hand		294,125		306,984	
		490,812		394,187	
Creditors: amounts falling due within one year	10	(1,017,467)		(1,120,844)	
Net current liabilities			(526,655)		(726,657)
Net assets			17,984,292		16,907,720
Funds					
Capital funds					
Endowment funds	11		17,377,988		16,876,852
Unrestricted funds					
Other charitable funds	11		606,304		30,868
Total funds	11		17,984,292		16,907,720

The financial statements on pages 12 to 23 were approved by the trustees and authorised for issue on 18 May 2022.
The notes on pages 15 to 23 form part of these financial statements.

Tony Jackson



Clive Snowdon



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

	2021 Total funds £	2020 Total funds £
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(941,309)</u>	<u>(968,489)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	928,450	909,783
Proceeds from sale of investments	-	388,264
Purchase of investments	<u>(19,616)</u>	<u>(431,440)</u>
<i>Net cash provided by investing activities</i>	908,834	866,607
Change in cash and cash equivalents in the reporting period	(32,475)	(101,882)
Cash and cash equivalents at 31 December 2020	<u>330,147</u>	<u>432,029</u>
Cash and cash equivalents at 31 December 2021	<u>297,672</u>	<u>330,147</u>

	2021 Total funds £	2020 Total funds £
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	1,076,572	(29,000)
Adjustments for:		
(Gains) / losses on investments	(876,570)	36,427
Dividends, interest, and rent from investments	(928,450)	(909,783)
Increase in debtors	(109,484)	(24,481)
Decrease in creditors	<u>(103,377)</u>	<u>(41,652)</u>
<i>Net cash used in operating activities</i>	<u>(941,309)</u>	<u>(968,489)</u>

	2021 Total funds £	2020 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	294,125	306,984
Cash awaiting deposit*	<u>3,547</u>	<u>23,163</u>
Total cash and cash equivalents	<u>297,672</u>	<u>330,147</u>

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

Analysis of change in net debt

	At 1 January 2021 £	Cashflow £	At 31 December 2021 £
Cash and equivalents			
Cash in hand	306,984	(12,859)	294,125
Cash awaiting deposit	23,163	(19,616)	3,547
Total	<u>330,147</u>	<u>(32,475)</u>	<u>297,672</u>

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for the 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.

College 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. Grant making is its sole charitable activity.

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.

e) Grants payable

Grants payable are shown in the Statement of Financial Activities as they are paid or approved by the trustees. 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. The value of such grants unpaid at the year end is accrued.

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 Vicar of Holy Trinity Church.

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2021 (continued)

1 Statement of accounting policies (continued)

f) 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.

g) 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.

h) Costs of Generating Funds

These costs consist of investment and property management costs.

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 Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the law.
- iii Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- iv Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

j) Operating leases

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

k) 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 College Estate is connected to the Guild Estate Endowment Charity (Registered Charity Number 217484) due to there being common, parallel objectives and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949 and Registered Charity Number 1088521) and their financial statements for the year ended 31 December 2021 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

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

	2021 £	2020 £
3 Investment income from:		
Investment Properties	619,635	613,005
Quoted Investments	308,815	296,778
	<u>928,450</u>	<u>909,783</u>
Income and expenditure relating to the Rother Street Car Park is split 86.09% to Guild and 13.91% to College in accordance with land ownership arrangements.		
	2021 £	2020 £
4 Other Income from:		
Interest receivable on cash at bank	38	709
	<u>38</u>	<u>709</u>
	2021 £	2020 £
5 Expenditure on raising funds:		
Investment property management costs	166,672	225,217
Investment fund managers fees	36,901	35,197
Support costs (note 7)	70,221	63,707
	<u>273,794</u>	<u>324,121</u>
	2021 £	2020 £
6 Expenditure on charitable activities:		
Grant to Stratford-upon-Avon Town Trust	443,303	567,962
Payment to the vicar of Holy Trinity	7,000	7,000
Support costs (note 7)	4,389	3,982
	<u>454,692</u>	<u>578,944</u>

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

7 Allocation of support costs

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2021 £
Staff costs	Time	2,688	8,063	43,001	53,752
Office costs	Time	814	2,442	13,029	16,285
External audit	Direct	-	4,573	-	4,573
Governance costs	Cost	887	(15,078)	14,191	-
		<u>4,389</u>	<u>-</u>	<u>70,221</u>	<u>74,610</u>
		(note 6)		(note 5)	

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2020 £
Staff costs	Time	2,520	7,559	40,314	50,393
Office costs	Time	635	1,904	10,153	12,692
External audit	Direct	-	4,604	-	4,604
Governance costs	Cost	827	(14,067)	13,240	-
		<u>3,982</u>	<u>-</u>	<u>63,707</u>	<u>67,689</u>
		(note 6)		(note 5)	

The College Estate pays a management charge to the Town Trust to cover staff costs, office costs and property facility costs which for 2021 was £63,715 (2020: £62,158). This forms the main part of the support costs.

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

	2021 £	2020 £
8 Fixed asset investments		
Investment properties	8,586,000	8,536,000
Quoted investments	9,921,400	9,075,214
Cash awaiting investment	3,547	23,163
	<u>18,510,947</u>	<u>17,634,377</u>
Investment properties:		
Valuation at 31 December 2020	8,536,000	8,544,500
Revaluation gains / (losses)	50,000	(8,500)
Valuation at 31 December 2021	<u>8,586,000</u>	<u>8,536,000</u>
Cost or donated value at 31 December 2021	<u>1,626,119</u>	<u>1,626,119</u>
Quoted investments:		
Market value at 31 December 2020	9,075,214	9,060,032
Additions at cost	19,616	431,440
Sale Proceeds	-	(388,264)
Investment gains / (losses)	826,570	(27,994)
Market value at 31 December 2021	<u>9,921,400</u>	<u>9,075,214</u>
Historical cost at 31 December 2021	<u>6,625,925</u>	<u>6,606,309</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were valued at 31 December 2021 and are shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in property in Stratford-upon-Avon and of these classes of property.

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

	2021	2020
	£	£
9 Debtors: amounts falling due within one year		
Trade debtors	62,808	61,512
Prepayments and accrued income	29,696	24,013
Amount owed by Guild Estate	9,093	1,678
Amount owed by Stratford-upon-Avon Town Trust	95,090	-
	<u>196,687</u>	<u>87,203</u>
	<u>196,687</u>	<u>87,203</u>
	2021	2020
	£	£
10 Creditors: amounts falling due within one year		
Trade creditors	10,905	9,428
Accruals and deferred income	854,275	862,953
Other creditors	120,000	97,500
Taxation and social security	32,287	39,716
Amount due to Stratford-upon-Avon Town Trust	-	111,247
	<u>1,017,467</u>	<u>1,120,844</u>
	<u>1,017,467</u>	<u>1,120,844</u>

Deferred income £817,873 (2020: £823,949) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £155,673, deferred income relating to one to five years £22,400 and the value relating to over five years £639,800.

	2021	2020
	£	£
Reconciliation of deferred income:		
At 1 January 2021	823,949	811,861
Released during the year	(156,149)	(139,861)
Deferred in current year	150,073	151,949
	<u>817,873</u>	<u>823,949</u>
At 31 December 2021	<u>817,873</u>	<u>823,949</u>

	2021	2020
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	4,600	4,304
	<u>4,600</u>	<u>4,304</u>

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

11 Analysis of net assets between funds	Unrestricted Funds 2021 £	Endowment funds 2021 £	Total 2021 £
Investments	1,098,774	17,412,173	18,510,947
Current assets	490,812	-	490,812
Current liabilities	(983,282)	(34,185)	(1,017,467)
	<u>606,304</u>	<u>17,377,988</u>	<u>17,984,292</u>
	Unrestricted Funds 2020 £	Endowment funds 2020 £	Total 2020 £
Investments	723,342	16,911,035	17,634,377
Current assets	394,187	-	394,187
Current liabilities	(1,086,661)	(34,183)	(1,120,844)
	<u>30,868</u>	<u>16,876,852</u>	<u>16,907,720</u>

Summary of Fund Movements

Fund Name	Fund Balances 31 December 2020 £	Income £	Expenditure £	Gains and Losses £	Transfer between funds £	Fund Balances 31 December 2021 £
Unrestricted Funds	30,868	928,488	(728,486)	75,434	300,000	606,304
Permanent Endowment Funds	16,876,852	-	-	801,136	(300,000)	17,377,988
Total Funds	<u>16,907,720</u>	<u>928,488</u>	<u>(728,486)</u>	<u>876,570</u>	<u>-</u>	<u>17,984,292</u>

Fund Name	Fund Balances 31 December 2019 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2020 £
Unrestricted Funds	42,235	910,492	(903,065)	(18,794)	30,868
Permanent Endowment Funds	16,894,485	-	-	(17,633)	16,876,852
Total Funds	<u>16,936,720</u>	<u>910,492</u>	<u>(903,065)</u>	<u>(36,427)</u>	<u>16,907,720</u>

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

12 Commitments

In accordance with the governing document each year the charity is committed to pay an annual sum, which is currently £7,000 per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon (pro-rated if there is no vicar for part of the year).

13 Related party transactions

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

Transactions: During the year 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 £	Guild Estate 31 December 2021 £	Guild Estate 31 December 2020 £
Rental/Service Charge income	40,140	42,957	-	-
Expenditure				
Grant	443,303	567,962	-	-
Management charge	63,715	62,158	-	-
Balances outstanding at 31 December 2021				
Debtors	95,090	-	9,093	1,678
Creditors	-	111,247	-	-

14 Trustee remuneration and benefits

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

15 Trustee Expenses

No trustee expenses have been incurred (2020: £nil).

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

16 Grant Making

	Grants to Institutions 2021 £	Grants to Individuals 2021 £	Support Costs 2021 £	Grants to Institutions 2020 £	Grants to Individuals 2020 £	Support Costs 2020 £
Discretionary Grants	443,303	-	4,039	567,962	-	3,682
Non-Discretionary Grants	-	7,000	350	-	7,000	300
	<u>443,303</u>	<u>7,000</u>	<u>4,389</u>	<u>567,962</u>	<u>7,000</u>	<u>3,982</u>

17 Lease Commitments

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

	2021 £	2020 £
Not later than 1 year	476,994	497,467
Later than 1 year but not later than 5 years	1,707,241	1,759,361
Later than 5 years	26,675,816	26,722,884

19 Contingent Liabilities

Stratford on Avon District Council (SDC) has entered into an agreement with Coventry & Warwickshire Local Enterprise Partnership (CWLEP), in connection with the Getting Building Fund, which was signed in March 2021. This agreement will result in £1.5m of funding for the enhancement of the Riverside area in Stratford-upon-Avon. SDC owns the majority of the land in the Riverside area with a small area, known as Warwick Road lands, owned by the College Estate. This funding was predicated on the basis that SDC would commit funding of £0.3m and College Estate would commit a maximum of £0.2m. College Estate's financial commitment was conditionally approved on 15 December 2021, subject to the management agreement with SDC being drawn up, agreed and signed. As at 18 May 2022 the management agreement had not been signed.

COLLEGE ESTATE ENDOWMENT

England & Wales - Charity number 217485

Accounts

THE COLLEGE ESTATE ENDOWMENT CHARITY
ANNUAL REPORT AND ACCOUNTS 2020

Charity Registered No: 217485

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

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

Overview

The College Estate Endowment Charity ("College 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 College Estate is, after defrayment of costs and expenses, transferred to the 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 to the Vicar of Holy Trinity Church who receives £7,000 each year before the transfer to the Town Trust is made.

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

College Estate generates virtually all its income from its permanent endowed funds, which are invested in quoted investments and physical property. If one of these investments is disposed of, the College Estate has a legal duty to reinvest the net proceeds in another form of investment. The sale proceeds can never be used to fund general activities and costs; such costs are covered by the income generated by the investments. The College Estate does not perform fundraising to generate income.

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

Strategic Review

The College 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 Grants

The College Estate paid £567,962 (2019: £594,036) in grants to the Town Trust. The Town Trust, after defraying costs, used this grant to fund its discretionary grant making strategy.

Non-Discretionary Grants

£7,000 (2019: £7,000) was paid to the Vicar of the Holy Trinity Church in accordance with the 2001 Scheme.

Financial Review

In 2020 total income for the Trust was £910,492 (2019: £927,906), the majority of which was generated by the charity's investments. Investment management costs amounted to £324,121 (2019: £322,450), so 64.4% (2019: 65.2%) was available for charitable purposes, the majority of which was granted to Stratford Town Trust, to be spent on enhancing the lives of the people of Stratford. 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. This has been a particularly challenging year due to the economic impact of the covid-19 pandemic.

£578,944 (2019: £605,456) was spent on charitable expenditure, of which £574,962 (2019: £601,036) was given as grants.

Income

The 2020 total income of £910,492 represented a decrease of 1.9% on last year (2019: £927,906) as a result of decreased investment property income and a small decrease in quoted investment income. Investment income remains the main source of income, being 99.9% of total income.

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

Balance Sheet

The charity has investments of £17.63m (2019: £17.67m), a decrease of £0.04m on last year, 95.9% of these investments are defined as endowed assets, which means that if any of these assets are ever sold, all the proceeds must always be reinvested in other investment assets.

The decrease in the investments was due to investment losses on quoted investments of £28k and property valuation decreases of £8.5k.

Reserves Policy

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

The permanently endowed reserve in College Estate will always be fully investment and cash backed. To recognise the small operational risk in College an unrestricted reserve of at least £30k is held. The reserves policy was reviewed in June 2020. As at December 2020 the endowed reserves are £16.9m (2019: £16.9m) and the unrestricted reserves are £30.9k (2019: £42.2k).

INVESTMENT POLICY AND PERFORMANCE

At the end of 2020 College held investments of £17.63m, a decrease of £0.04m on 2019, this decrease has been driven by a reduction in cash awaiting investment which was £23k at the end of 2020 a decrease of £40k on 2019 holding (note 8).

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. A target was set for reducing physical property investments held by the College Estate to between 70% and 80% of the total investment portfolio, the percentage currently held is 48.4 % (2019: 48.4%).

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 charitable spending 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 has 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; the majority of College 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 COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2020 (continued)

INVESTMENT POLICY AND PERFORMANCE (continued)

Investment	2020 £M	2019 £M	2020 Actual %	2019 Actual %	Future Target %
Endowed:					
Physical Property	8.5	8.5	48.3	48.0	70-80
Equity Funds	7.2	7.2	40.9	40.7	30-50
Property Funds	1.1	1.2	6.2	6.8	0-20
Cash equivalent	0.1	0.1	0.6	0.5	0
Total endowed investments	16.9	17.0	96.0	96.0	100.0
Non Endowed:					
Property funds*	0.7	0.7	4.0	4.0	-
Total investments	17.6	17.7	100.0	100.0	100.0

*These funds were invested during 2016. They relate to a premium which was received in relation to Fordham House.

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

Independently Managed Funds Performance

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

	Income	Capital	Total Return	Target	Benchmark
Managed Funds	3.3%	(0.3)%	3.0%	7.0%	5.0%

The benchmark for the College Estate is the weighted average of the benchmark for the property funds (-1.0%), which is based on AREF / MSCI All Balanced Funds Property Index, the benchmark for the passive funds which is 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 the performance of the investments in the year.

Physical Property

The property portfolio, valued at £8.5m (2019: £8.5m), within the College Estate has decreased in value by £8.5k during the year, which represents an average capital return of -0.1% (2019: 1.0%). The rental yield for the property portfolio was 7.2% (2019: 7.1%), giving a total return of 7.1% (2019: 8.1%). In 2020 there were no disposals nor acquisitions.

A full property valuation was carried out by Colliers International in December 2020. The previous full property valuation was in December 2015. It is a regulatory requirement that a full valuation is performed every 5 years.

The Public Benefit of the College 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.

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

Public Benefit (continued)

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 and impact across the community. The Town Trust sets target allocations to ensure that the net of benefit is cast as widely as possible. These allocations and priorities are influenced by on-going public consultation and information.

In the same way the Town Trust and College 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 how 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 via a Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees review the College Estate's risks on a regular basis throughout the year and consider that there is one major risks facing the College Estate at the year end.

- The coronavirus pandemic has significantly impacted global markets and the economy throughout 2020 and continues 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 closing 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 COLLEGE ESTATE ENDOWMENT CHARITY
REPORT OF THE TRUSTEES OF THE COLLEGE ESTATE
for the year ended 31 December 2020 (continued)

Internal Controls (continued)

- 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

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. Also, a three-year plan is produced annually and this is dovetailed into the Strategic Plan with scenario overlays, where necessary. An annual budget is produced, which is compared with the three year plan and the expected out-turn by the Finance, Investment and Property Committee and then approved by the Board. Cash forecasts are prepared monthly to aid investment decisions and cash management. 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.

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


The Board has reviewed the effectiveness of the Trust's system of internal financial controls that require disclosure in the financial statements.

Volunteers

There are no volunteers involved in the College Estate's activities.

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 Town Trust 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 COLLEGE 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)	Matthew Macdonald Stephen Parker Clive Snowdon Josie Stevens (from 2.11.20) David Taylor Quentin Willson
	Tony Jackson Lindsay MacDonald	
CHIEF EXECUTIVE (of corporate trustee)	Sara Aspley	
SENIOR MANAGEMENT TEAM (of corporate trustee)	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	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ
		Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB
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	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU
	Charities Property Fund Cordea Savills 33 Margaret Street London W1G 0JD	Schroders & Co Limited 1 London Wall Place London EC2Y 5AU

THE COLLEGE ESTATE ENDOWMENT CHARITY
STATEMENT OF TRUSTEES' RESPONSIBILITIES
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 COLLEGE ESTATE ENDOWMENT CHARITY INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of College Estate Endowment Charity 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 COLLEGE 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 8, 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 COLLEGE 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: 1 June 2021

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

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

	Notes	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	909,783	-	909,783	925,725	-	925,725
Other income	4	709	-	709	2,181	-	2,181
Total Income		910,492	-	910,492	927,906	-	927,906
Expenditure on:							
Raising funds	5	324,121	-	324,121	322,450	-	322,450
Charitable activities	6	578,944	-	578,944	605,456	-	605,456
Total expenditure		903,065	-	903,065	927,906	-	927,906
Net (losses) / gains on investments	11	(18,794)	(17,633)	(36,427)	(15,400)	1,026,675	1,011,275
Net movement in funds		(11,367)	(17,633)	(29,000)	(15,400)	1,026,675	1,011,275
Reconciliation of funds							
Total funds brought forward		42,235	16,894,485	16,936,720	57,635	15,867,810	15,925,445
Total funds carried forward	11	30,868	16,876,852	16,907,720	42,235	16,894,485	16,936,720

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

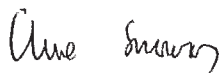
THE COLLEGE ESTATE ENDOWMENT CHARITY
BALANCE SHEET
as at 31 December 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Investments	8		17,634,377		17,670,871
Current assets					
Debtors	9	87,203		62,722	
Cash at bank and in hand		306,984		365,690	
		394,187		428,412	
Creditors: amounts					
falling due within one year	10	(1,120,844)		(1,162,563)	
Net current liabilities			(726,657)		(734,151)
Net assets			16,907,720		16,936,720
Funds					
Capital funds					
Endowment funds	11		16,876,852		16,894,485
Unrestricted funds					
Other charitable funds	11		30,868		42,235
Total funds	11		16,907,720		16,936,720

The financial statements on pages 12 to 23 were approved by the trustees and authorised for issue on 19 May 2021.
The notes on pages 14 to 23 form part of these financial statements.



Quentin Willson



Clive Snowdon

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

	2020	2019
	Total funds	Total funds
	£	£
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	(968,489)	(854,651)
Cash flows from investing activities:		
Dividends, interest and rents from investments	909,783	925,725
Proceeds from sale of investments	388,264	937,625
Purchase of investments	(431,440)	(960,645)
<i>Net cash provided by investing activities</i>	866,607	902,705
Change in cash and cash equivalents in the reporting period	(101,882)	48,054
Cash and cash equivalents at 31 December 2019	<u>432,029</u>	<u>383,975</u>
Cash and cash equivalents at 31 December 2020	<u>330,147</u>	<u>432,029</u>

	2020	2019
	Total funds	Total funds
	£	£
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(29,000)	1,011,275
Adjustments for:		
Losses / (gains) on investments	36,494	(996,875)
Dividends, interest, and rent from investments	(909,783)	(925,725)
(Increase) / decrease in debtors	(24,481)	4,042
(Decrease) / increase in creditors	(41,719)	52,632
<i>Net cash used in operating activities</i>	<u>(968,489)</u>	<u>(854,651)</u>

	2020	2019
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	306,984	365,690
Cash awaiting deposit*	<u>23,163</u>	<u>66,339</u>
Total cash and cash equivalents	<u>330,147</u>	<u>432,029</u>

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

Analysis of change in net debt

	At	Cashflow	At
	1 January 2020		31 December 2020
	£	£	£
Cash and equivalents			
Cash	365,690	(58,706)	306,984
Cash awaiting deposit	66,339	(43,176)	23,163
Total	<u>432,029</u>	<u>(101,882)</u>	<u>330,147</u>

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
for the 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.

College 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. Grant making is its sole charitable activity.

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.

e) Grants payable

Grants payable are shown in the Statement of Financial Activities as they are paid or approved by the trustees. 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. The value of such grants unpaid at the year end is accrued.

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 Vicar of Holy Trinity Church.

THE COLLEGE ESTATE ENDOWMENT CHARITY
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2020 (continued)

1 Statement of accounting policies (continued)

f) 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.

g) 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.

h) Costs of Generating Funds

These costs consist of investment and property management costs.

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 Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the law.
- iii Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- iv Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

j) Operating leases

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

k) 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 College Estate is connected to the Guild Estate Endowment Charity (Registered Charity Number 217484) due to there being common, parallel objectives and activities, common control and unity of administration. Both charities are controlled by Stratford-upon-Avon Town Trust (Registered Company Number 04222949 and Registered Charity Number 1088521) and their financial statements for the year ended 31 December 2020 have been consolidated. Copies of the consolidated financial statements are available from the Registrar of Companies.

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

	2020 £	2019 £
3 Investment income from:		
Investment Properties	613,005	626,847
Quoted Investments	296,778	298,878
	<u>909,783</u>	<u>925,725</u>
Income and expenditure relating to the Rother Street Car Park is split 86.09% to Guild and 13.91% to College in accordance with land ownership arrangements.		
	2020 £	2019 £
4 Other Income from:		
Interest receivable on cash at bank	709	2,181
	<u>709</u>	<u>2,181</u>
	2020 £	2019 £
5 Expenditure on raising funds:		
Investment property management costs	225,217	220,284
Investment fund managers fees	35,197	31,453
Support costs (note 7)	63,707	70,713
	<u>324,121</u>	<u>322,450</u>
	2020 £	2019 £
6 Expenditure on charitable activities:		
Grant to Stratford-upon-Avon Town Trust	567,962	594,036
Payment to the vicar of Holy Trinity	7,000	7,000
Support costs (note 7)	3,982	4,420
	<u>578,944</u>	<u>605,456</u>

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

7 Allocation of support costs

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2020 £
Staff costs	Time	2,520	7,559	40,314	50,393
Office costs	Time	635	1,904	10,153	12,692
External audit	Direct	-	4,604	-	4,604
Governance costs	Cost	827	(14,067)	13,240	-
		<u>3,982</u>	<u>-</u>	<u>63,707</u>	<u>67,689</u>
		(note 6)		(note 5)	

	Basis of allocation	Charitable Activities £	Governance £	Raising Funds £	Total funds 2019 £
Staff costs	Time	2,658	7,971	42,514	53,143
Office costs	Time	887	2,661	14,192	17,740
External audit	Direct	-	4,250	-	4,250
Governance costs	Cost	875	(14,882)	14,007	-
		<u>4,420</u>	<u>-</u>	<u>70,713</u>	<u>75,133</u>
		(note 6)		(note 5)	

The College Estate pays a management charge to the Town Trust to cover staff costs, office costs and property facility costs which for 2020 was £62,158 (2019: £69,608). This forms the main part of the support costs.

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

	2020 £	2019 £
8 Fixed asset investments		
Investment properties	8,536,000	8,544,500
Quoted investments	9,075,214	9,060,032
Cash awaiting investment	23,163	66,339
	<u>17,634,377</u>	<u>17,670,871</u>
Investment properties:		
Valuation at 31 December 2019	8,544,500	9,110,500
Net sale proceeds	-	(924,619)
Gain on disposal	-	273,619
Revaluation gains	(8,500)	85,000
	<u>8,536,000</u>	<u>8,544,500</u>
Valuation at 31 December 2020	8,536,000	8,544,500
Cost or donated value at 31 December 2020	<u>1,626,119</u>	<u>1,626,119</u>
Quoted investments:		
Market value at 31 December 2019	9,060,032	7,474,137
Additions at cost	431,440	960,645
Sale Proceeds	(388,264)	(9,406)
Investment (losses)/gains	(27,994)	634,656
	<u>9,075,214</u>	<u>9,060,032</u>
Market value at 31 December 2020	9,075,214	9,060,032
Historical cost at 31 December 2020	<u>6,606,309</u>	<u>6,667,054</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were valued at 31 December 2020 and are shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors. The valuer was RICS qualified and is experienced in property in Stratford-upon-Avon and of these classes of property.

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

	2020	2019
	£	£
9 Debtors: amounts falling due within one year		
Trade debtors	61,512	43,342
Prepayments and accrued income	24,013	15,715
Amount owed by Guild Estate	1,678	3,665
	<u>87,203</u>	<u>62,722</u>
	2020	2019
	£	£
10 Creditors: amounts falling due within one year		
Trade creditors	9,428	2,902
Accruals and deferred income	862,953	839,437
Other creditors	97,500	37,500
Taxation and social security	39,716	30,773
Amount due to Stratford-upon-Avon Town Trust	111,247	251,951
	<u>1,120,844</u>	<u>1,162,563</u>

Deferred income £823,949 (2019: £811,861) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £157,549, deferred income relating to one to five years £22,400 and the value relating to over five years £644,000.

	2020	2019
	£	£
Reconciliation of deferred income:		
At 1 January 2020	811,861	818,452
Released during the year	(139,861)	(140,852)
Deferred in current year	151,949	134,261
	<u>823,949</u>	<u>811,861</u>
At 31 December 2020	823,949	811,861

	2020	2019
	£	£
Included within accruals are the following fees payable to the auditor for:		
Statutory audit	<u>4,304</u>	<u>4,150</u>

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

11 Analysis of net assets between funds	Unrestricted Funds 2020 £	Endowment funds 2020 £	Total 2020 £
Investments	723,342	16,911,035	17,634,377
Current assets	394,187	-	394,187
Current liabilities	(1,086,661)	(34,183)	(1,120,844)
	<u>30,868</u>	<u>16,876,852</u>	<u>16,907,720</u>
	=====	=====	=====
	Unrestricted Funds 2019 £	Endowment funds 2019 £	Total 2019 £
Investments	757,535	16,913,336	17,670,871
Current assets	-	428,412	428,412
Current liabilities	(715,300)	(447,263)	(1,162,563)
	<u>42,235</u>	<u>16,894,485</u>	<u>16,936,720</u>
	=====	=====	=====

Summary of Fund Movements

Fund Name	Fund Balances 31 December 2019 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2020 £
Unrestricted Funds	42,235	910,492	(903,065)	(18,794)	30,868
Permanent Endowment Funds	16,894,485	-	-	(17,633)	16,876,852
Total Funds	<u>16,936,720</u>	<u>910,492</u>	<u>(903,065)</u>	<u>(36,427)</u>	<u>16,907,720</u>
	=====	=====	=====	=====	=====

Fund Name	Fund Balances 31 December 2018 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2019 £
Unrestricted Funds	57,635	927,906	(927,906)	(15,400)	42,235
Permanent Endowment Funds	15,867,810	-	-	1,026,675	16,894,485
Total Funds	<u>15,925,445</u>	<u>927,906</u>	<u>(927,906)</u>	<u>1,011,275</u>	<u>16,936,720</u>
	=====	=====	=====	=====	=====

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

12 Commitments

In accordance with the governing document each year the charity is committed to pay an annual sum, which is currently £7,000 per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon (pro-rated if there is no vicar for part of the year).

13 Related party transactions

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

Transactions: During the year 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 £	Guild Estate 31 December 2020 £	Guild Estate 31 December 2019 £
Rental/Service Charge income	42,957	49,942	-	-
Expenditure				
Grant	567,962	594,036	-	-
Management charge	62,158	69,608	-	-
Balances outstanding at 31 December 20				
Debtors	-	-	1,678	3,665
Creditors	111,247	251,951	-	-

14 Trustee remuneration and benefits

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

15 Trustee Expenses

No trustee expenses have been incurred (2019: £nil).

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

16 Grant Making

	Grants to Institutions 2020 £	Grants to Individuals 2020 £	Support Costs 2020 £	Grants to Institutions 2019 £	Grants to Individuals 2019 £	Support Costs 2019 £
Discretionary Grants	567,962	-	3,682	594,036	-	4,130
Non-Discretionary Grants	-	7,000	300	-	7,000	290
	<u>567,962</u>	<u>7,000</u>	<u>3,982</u>	<u>594,036</u>	<u>7,000</u>	<u>4,420</u>

17 Lease Commitments

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

	2020 £	2019 £
Not later than 1 year	497,467	533,512
Later than 1 year but not later than 5 years	1,759,361	1,800,131
Later than 5 years	26,722,884	27,134,692

19 Contingent Liabilities

Stratford on Avon District Council (SDC) has entered into an agreement with Coventry & Warwickshire Local Enterprise Partnership (CWLEP), in connection with the Getting Building Fund, which was signed in March 2021. This agreement will result in £1.5m of funding for the enhancement of the Riverside area in Stratford-upon-Avon. SDC owns the majority of the land in the Riverside area with a small area, known as Warwick Road lands, owned by the College Estate. This funding was predicated on the basis that SDC would commit funding of £0.3m and College Estate would commit a maximum of £0.2m. College Estate's financial commitment had not been approved as at 19 May 2021.