

STRATFORD-UPON-AVON TOWN TRUST

Annual Report and Accounts 2022



Registered Charity No. 1088521
Registered Company No. 04222949
(A Company Limited by Guarantee)

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Definitions

Stratford-upon-Avon Town Trust "The Town Trust"
College Estate Endowment "The College Estate"
Guild Estate Endowment "The Guild Estate"
The Board of Trustees "The Board"

STRATFORD-UPON-AVON TOWN TRUST JOINT MESSAGE FROM OUR CHAIR OF THE BOARD AND CHIEF EXECUTIVE

Despite the continuing economic challenges, the Report and Accounts for 2022 show a year of continued recovery and stabilisation with income reaching near 2019 pre-pandemic levels for the second year in a row. This result bears out our quiet confidence in our ability to return our grant making to the £2 million level. Nevertheless, we must remain alert to the continued challenges presented to us, not least by global economic uncertainty and the rise in the cost of living nationally.

Our total income in 2022 was comparable with 2021 (£3.6m), with a strong performance from commercial property income and a recovery in car park usage as people returned in greater numbers to the town centre for work and leisure.

We are pleased to say that, during the year, we have had a relatively small number of void properties and a level of rent arrears no worse, given the current economic climate, than those experienced by other property portfolios of our magnitude and mix. It is, of course, inevitable that the age and listed status of some properties will present us with challenges. Regrettably, some businesses occupying Town Trust properties closed and went into administration during the pandemic which meant additional building maintenance and repair costs within this year to ensure that rental yield is maintained and the ability to award grants is protected.

Across the year we awarded grants to 111 local individuals, groups and charities. This is a total discretionary grant spend of £1 million which included funding of £160k to support the running of Foundation House, our community hub that benefits so many people in many different ways.

At the end of the year the future of our community hub was dealt a disappointment when the landlord exercised the break clause meaning that we will need to vacate the building in June 2023. As we write the team are actively looking for a new long term home for this valuable community facility.

Now in its second year, the simplified grants application process and a single longer application window has been well received by applicants. It appears to us that the charitable sector has taken longer to recover and adapt from the effect of the pandemic, but we are encouraged to see applications increasing and approaches from some new groups under our three priority themes of Positive Mental Health for Men and Boys; Greener Stratford; and Stronger Organisations. As a grant maker we understand the value of funding for core costs and that for charities living "hand to mouth", building new approaches thoughtfully and sustainably requires investment of time and money. As well as running costs we welcomed applications for funding to explore and develop such areas as organisational capacity, skills-building, resilience, and succession planning.

As part of our non-discretionary commitments, the entitlement to King Edward VI School Trustees from the Guild Estate was £585k (2021: £550k); the Church Street Almshouses received £48k (2021: £46k) and from the College Estate a stipend to Holy Trinity Church of £7k (2021: £7k).

As ever, our costs have been closely controlled through exceptionally careful management of the organisation by our senior management team. As a result, we were able to close the year with a cost base of £1.3m - an increase of £0.3m on the previous year, which related directly to maintenance of the property portfolio.

Our member elections for Trustees were held in the spring and we were delighted to see a record number of our membership stepping forward for nomination and so many members exercising their right to vote. As a result, we welcomed Marion Homer, Michael Rolfe and Henry Lu as new member elected Trustees with Josie Stevens and Tim Bailey achieving re-election for a further term. During the year Simon Littlejohns and Jonathan Smith were co-opted to the board and we welcomed them to the Finance Investment and Property Committee as Chair and Deputy Chair respectively. In our staff team Charlotte Summerskill joined us in the role of Volunteer Coordinator. Penny Butler and Sarah Plowright joined as part of our Foundation House team, and Michelle Avon was appointed as Guild Chapel caretaker.

We would also like to take this opportunity to thank our retiring Trustees: Lindsay MacDonald, David Taylor, Stephen Parker and Matt Macdonald for serving a full term; Quentin Willson who served two terms as Trustee and three years as Chair; and Clive Snowdon who served two terms as trustee and Chair of the Finance Investment and Property Committee. We would like to thank them all for their hard work, commitment and enthusiasm.

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

STRATFORD-UPON-AVON TOWN TRUST
JOINT MESSAGE FROM OUR CHAIR OF THE BOARD AND CHIEF EXECUTIVE

Finally, we must recognise the work of our dedicated staff. As a small team they routinely go over and above to deliver our vision of creating a vibrant and connected community. Together with our Trustees, they have shown great resilience and commitment throughout 2022, finding new ways to collaborate, demonstrate creativity, flexibility, and a determination to do the best for our town.

Please do join us at our AGM which will be held in The Play House on Wednesday 13 September 2023.

Sara Aspley
Chief Executive

Tony Jackson
Chairman

17 May 2023

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

The Trustees present their annual report and financial statements of the Town Trust for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Town Trust's governing documents, the Charities Act 2011, the Companies Act 2006, and the Statement of Recommended Practice: Accounting and Reporting by Charities published in 2015.

Objects

The Town Trust's Objects are to be applied for the benefit of those living in the town of Stratford-upon-Avon; and are as set out in the Memorandum and Articles of Association (also those studying or working in the town may incidentally benefit):

- to relieve need, hardship and distress among beneficiaries
- to relieve sickness, disability, old age and infirmity among beneficiaries
- to provide or support the provision of facilities for education of beneficiaries, including the advancement of learning and knowledge
- to provide or support (with the object of improving the conditions of life for beneficiaries in the interests of social welfare) facilities for recreation and other leisure-time occupation
- to advance the Christian religion for the benefit of beneficiaries
- to further any other charitable purposes for the general benefit of the beneficiaries

Principal Activities

The principal activity of Stratford-upon-Avon Town Trust (Town Trust) is the giving of grants, discretionary and non-discretionary, to beneficiaries that are based in Stratford-upon-Avon, for the benefit of town residents. This is facilitated by the careful management of the investment portfolios held by the Guild Estate Endowment Charity (Guild Estate) and College Estate Endowment Charity (College Estate). The Town Trust is the corporate trustee of the Guild Estate and the College Estate.

The Town Trust endeavours to maximise the return on all classes of investments, in order that the grant-making programme can continue to provide a reliable source of funds. However, there is also an element of present value versus long term strategic value in terms of asset management and value optimisation. The Town Trust, with a history dating back more than 500 years, takes a very long-term view on income generation.

Climate Change and the Environment

The Town Trust is very conscious of the impact of climate change and the need to achieve environmental sustainability. Together with local stakeholders including Stratford-on-Avon District Council, Stratford-upon-Avon Town Council, businesses, and local environmental groups, we are working to achieve carbon neutral targets.

As a medium to small organisation working within the town boundary our carbon footprint is not large. However, we recognise that even small organisations have a moral responsibility to embrace the goal to be carbon neutral and our focus is on limiting our use of energy and water. Many of the buildings within our commercial portfolio are listed or were built in an era where insulation was not factored into their construction. Nevertheless, we work hard to make changes that will have a positive impact on their Energy Performance Certificate ratings. Separately we have introduced waste stream separation at our community hub and administrative office with our chosen contractor using non-recyclable waste as an energy source.

At Foundation House our monthly Repair Café in partnership with local group Net Zero has a high success rate in repairing items that would have been destined for waste.

Rowley Fields, now a Town Green and protected in perpetuity, will soon see a thirty-year management plan initiated to improve the biodiversity of this impoverished grassland under the Bio-Diversity Net Gain Funding Scheme. Volunteers have planted trees to form a coppice, maintained the community orchard, and installed a kissing gate.

The Lench Meadows, part of the Riverside Project, a joint initiative with Stratford District Council is well on its way to securing Local Nature Reserve Status. As well as the developments that this will bring to the biodiversity, the improvements to accessibility with a fully circular route, new timber bridge and welcome point from the Leisure Centre car park means that this green space can be enjoyed by all.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Strategic Plan 2021 – 2025

We launched our current strategic plan in November 2020 following community consultation with residents of Stratford. Almost 1,500 people took part in the consultation and 91% of respondents told us that Stratford was a good place to live; whilst 80% said the Town Trust was important to them and the town. Our members told us that they valued our work and wanted more opportunities to connect with one another in support of the community.

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

The strategy for 2021-2025 was strengthened by a review of, and recommendations for, the Town Trust's endowed property estate by an independent third party. Having a clear and robust Financial Investment Policy has enabled the Board to make sound, strategically led decisions and we will continue to work in this way through to 2025.

Our Grant Making Strategy has evolved with a shift towards a model of participatory grant making, that sees the Town Trust working with and alongside charities to co-create projects. We have used an impact assessment model in a proportionate way with all our grantees, and refining our commitment to this will be a key focus of our Grant Making Strategy to 2025.

Listening to the community and our members is an active part of the Town Trust's work. By making ourselves open to new ideas, by asking questions and building networks we have started to understand what really matters to people in relation to the place where they live. This led to the formation of our Community Engagement and Place Making Strategies.

The progress of our key aims in 2022, year two, can be summarised below:

Aim	Progress 2022
To restore gross income to 2019 levels	Income in 2022 was £0.05m less than 2019. This shortfall is due to a small reduction in investment income.
To develop a property strategy with a more focused approach	Began to deliver a focused property strategy, to minimise void periods in properties, and recommence some planned repair and maintenance work.
To engage in conversations in order to act as a connector to share learning and drive change	In addition to regular communication with members a series of events were held in 2022 <ul style="list-style-type: none"> • Help Your Community Grow Family Funday at the Ken Kennett Centre • A guided walk of Rowley Fields • A volunteer session at the community orchard • A guided walk of The Lench Meadows by Dr Nick Steggall • <i>Pride or The Whore of Babylon</i>: an online lecture by Dr Miriam Gill for Guild Chapel supporters • <i>Death Revealed – Secrets of the Guild Chapel</i>: by Dr Kate Giles, Mark Perry and Rodger Palmer • <i>Where Does the Money Come From?</i>: a session led by the Town Trust's Head of Finance • <i>Grant Making: Making an Impact in Stratford</i>: by the Town Trust's Grants Manager <p>Our 2022 AGM was again delivered through a hybrid approach with members able to join via a live stream of the meeting. Our Chief Executive Chairs the Stratford Town Centre Strategic Partnership.</p>
An ongoing commitment to the environment and sustainability	An environmental action plan was initiated to reduce the carbon footprint of the Town Trust. Two staff members undertook Carbon Literacy training. Tree planting was undertaken at Rowley Fields. The biodiversity net gain application for Rowley Fields continued. The groundworks and planting at the Lench Meadows were completed and preparation was made to initiate the application process for Local Nature Reserve status. Repair Café at Foundation House commenced as a monthly event.
To move to a model of participatory grant making	The pilot of our first participatory grant making award continued in 2022 for a project that supports young people. This will be delivered in 2023.
To develop additional income through external funding streams	The first steps to developing a fundraising strategy were taken in 2022 with a review and feasibility study undertaken by an independent fundraising specialist.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Foundation House

Foundation House is our community hub - a place that enables a diverse range of individuals, groups, charities, artists, makers, and social enterprises to work together in an inclusive, open and welcoming environment; providing an affordable, accessible space for members of the local community. The net cost of operating Foundation House in 2022 was £116k (2021: £146k) the main driver of the lower net cost was an accounting adjustment to the rent charged as a result of the landlord serving a break notice on the Town Trust in December 2022, to end the lease early in June 2023.

There are 15 groups who each have an allocated space and call Foundation House their home. The benefit in kind cost of the space which each group occupies is summarised in the table below:

Name of organisation	Benefit in kind value £*
Army Cadets	-
Babybank	1,866
Change Grow Live	109
Diabetic Eye screening	-
Escape Arts	4,249
Heart of England Woodturners	397
Safeline	5,565
Second Thoughts Drama Group	3,467
Shakespeare Lions	2,111
Stratford District Radio Society	1,781
Stratford Men's Shed	8,047
Stratford Youth Theatre	1,524
WCAVA	762
Warwickshire Reminiscence Action Project	5,590
Welcombe Radio	1,626
Total benefit in kind	37,094

*Net of contributions to running costs or licensee fees

The benefit in kind figure is calculated based on the cost of the building per metre square. Foundation House has six meeting rooms that can be hired by other groups, businesses, and individuals for a variety of uses and activities. Hirers included local drama and music groups, adult community learning courses, first aid courses, chess club, Warwickshire Pride meetings, youth groups, baby and toddler groups, counselling and sensory sessions, dementia group, Polish Saturday School, Stratford calling, Heart of England Mencap, the diabetic eye screening clinic and a rock choir.

The monthly community café programme restarted in 2022, with each café hosted by a different voluntary organisation. All were well attended, providing great opportunities for local community networking.

At the beginning of October, Foundation House was one of the venues of Stratford-upon-Avon's Fun Palace - a national event where communities have an active role in culture, where everyone's brilliance is celebrated. Foundation House was part of the Fun Palace trail around the town which included the Shakespeare Birthplace Trust, the Library and the Royal Shakespeare Company.

We were proud to have started Stratford's first Repair Café in partnership with local group, Net Zero. The monthly Repair Café is supported by 43 enthusiastic and skilled volunteers who bring their expertise in mending, repairing, and hosting this amazing community meet up. In 2022 the Repair Café received over 198 items with 82% successfully repaired. This equates to a total carbon saving of 5718.2kg CO2e, 674 kilos of mass saved from landfill or the equivalent of 10,789 car miles.

In November, with grant funding from the Warwickshire Rural Community Council, Foundation House opened its doors as a Warm Hub on Thursday mornings. As well as a warm welcome and refreshments, the Warm Hub volunteers delivered a range of craft making activities alongside information on staying warm whilst saving energy and staying safe in the home.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Grant Making

Grant awards during 2022 were based on the Town Trust’s funding priorities, as detailed in the Grants Strategy. These were developed after consultation with the community with the aim of maximising impact in one or more of the following:

- **Mental Health – Men and/or Boys:** We encouraged ideas from organisations working with men and/or boys and those who identify as male, around positive mental health and wellbeing. We identified through conversations with partners that there are added barriers to engaging and supporting men and boys. We hoped that by providing funding we could support them to narrow and overcome these barriers.
- **Stronger Organisations:** We understand that to build in new approaches thoughtfully and sustainably requires investment of time and money. Our funding could be used to explore and develop such areas as organisational capacity, skill-building, resilience, and succession planning etc.
- **Greener Stratford:** Focusing on smaller, grassroot projects, we aspired to support activities and ideas that educated and engaged the community, supporting both big and small changes to lifestyles and approaches that were focused on sustainability.

Summary of Discretionary Grants awarded in 2022 (net of grants cancelled)

Community benefit	Awarded £	Examples of Beneficiaries
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	384,404	<ul style="list-style-type: none"> • Citizens Advice South Warwickshire: core funding and management support £120,937 • The Parenting Project: Family Wellbeing Pathway £44,803 • The Myton Hospice: core costs for Stratford residents £35,000 • The Shakespeare Hospice: core costs for Stratford residents £35,000 • Refuge: Stratford Refuge support £32,000 • Spring Housing Association: Stratford Housing Plus Centre, year 2 £25,000 • Home-Start South Warwickshire: Core costs £18,542 • Time 4 Hope: Time2Connect £18,322 • Stratford-upon-Avon Deaf Group: Stratford meeting costs £1,000 • Hardship fund for individuals: administered by CASW £10,000
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	212,215	<ul style="list-style-type: none"> • Grants to all town state schools, plus two out of town state schools with a large number of Stratford-upon-Avon resident pupils: £156,667 in total - 12 grants • Young Minds Matter: 1:1 Mentoring in Stratford schools £29,896 • Stratford St Andrew’s C of E Primary School: Playground shelter £5,000 • 2nd Stratford Brownies: Brownie PGL trip 2022 £1,000 • 1st Tiddington Scout Group: new leaders’ uniform £962
To provide or support facilities for recreation and other leisure-time occupation	213,123	<ul style="list-style-type: none"> • Play House: community events support £125,000 • Orchestra of the Swan: Café Muse £21,405 • Street Arts Project: song writing sessions & guitar lessons £15,850 • Stratford Sports Club: Stratford Sporting memories club £16,040 • Royal Shakespeare Company: Like I Care £10,000 • Stratford & District Boxing Academy: Core costs £9,000 • The Bear Pit: Community Cinema £5,000 • Stratford Town Girls Football Club: Growth Plan £4,828 • Stratford upon Avon Table Tennis Club: Table Tennis legacy £1,000
To support citizenship and community	24,985	<ul style="list-style-type: none"> • Team Springboard CIC: Core costs in support of Baker Avenue Community Garden £14,000 • Clopton Community Action Group: Ken Kennett Fun Day £1,000 • Stratford-on-Avon Friends of the Earth: Stratford Great Big Green Week 2022 £785

Continued...

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Summary of Discretionary Grants awarded in 2022 (net of grants cancelled) continued

To support Civic Pride	24,132	<ul style="list-style-type: none"> • Stratford upon Avon Christmas Lights Co Ltd: Christmas & Jubilee lights £12,000 • Stratford in Bloom: floral displays £5,000 • Funding to various community groups for Platinum Jubilee Parties £6,147
Other charitable purposes	985	<ul style="list-style-type: none"> • Accessible Stratford: My Accessible Stratford-upon-Avon £985

Multiyear grants – grants awarded which cover multiple years.

Spring Housing: £185,000 over 3 plus years

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

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

Refuge: £90,000 over 3 years

This project supports the Refuge Stratford-upon-Avon, for women and children who have experienced domestic violence.

Year 1 was committed in 2022 - £32,000 to fund Refuge residents who access affordable family centred recreational activities such as after school swimming lessons, baby and toddler groups.

Citizens Advice South Warwickshire (CASW): £252,871 over 3 years

This project supports CASW to provide a range of advice and guidance in respect of money and debt, housing, disability rights, benefits and claims,

Year 1 was committed in 2022 - £120,937 to fund an operations manager and a part-time volunteer coordinator to focus on rebuilding a strong and dedicated volunteer team.

Non-Discretionary Grants

The King Edward VI Grammar School Trustees (charity number 528769) received an entitlement of £586k (2021: £550k) from the Guild Estate in accordance with the Charity Commission Scheme dated 1st October 2001.

£49k (2021: £46k) was paid towards the maintenance of the Almshouses by the Guild Estate. A stipend of £7k (2021: £7k) was paid to the Vicar of Holy Trinity Church by the College Estate.

Guild Chapel

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

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

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

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

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

FINANCIAL REVIEW (incorporating strategic review)

OVERVIEW

In 2022 total income for the Town Trust was £3.6m (2021: £3.6 m) the majority of which (98.5%) was generated from the its investments. The Town Trust is very fortunate to have such a legacy and to not have to undertake significant fundraising on a regular basis. Investment (both property and equity) management costs amounted to £1.4m meaning that 60% of the total income was available to be spent on charitable purposes, enhancing the lives of the people of Stratford-upon-Avon (2021: 67.9%). Investment management costs were higher in 2022 due to repairs relating to buildings where tenants had gone into administration. We are very aware that the cost of managing the investments must be monitored closely and spent carefully but also it is important that the investments are well managed ensuring income flows for future generations.

£2.2m was spent on charitable expenditure (2021: £1.8m), of which £1.7m was given as grants (2021: £1.4m), of which £1.0.m were discretionary, and the costs of operating Foundation House. For more detail see note 9.

INCOME

Total income of £3.6m was comparable to last year (2021: £3.6m). Investment income, £3.5m, remains our main source being 98.5% of the total. This has improved year on year, driven by improved income from the car park as the restrictions around the pandemic lifted, and commercial property income due to a one off dilapidations settlement. Across the year we also saw a marginal increase in dividend income. In addition, the Town Trust benefited from grant income of £20k, from the Pilgrim Trust for the Guild Chapel.

Our investments produced a yield of 6.1% (2021: 5.7%). The slight increase was due to an improvement in the performance of the property investments compared to last year.

EXPENDITURE

The majority, 86% (2021: 84%), of the expenditure on raising funds, relates to the direct cost of managing the investment portfolio and in the main relate to managing and maintaining the property portfolio. The cost of raising funds was £1.4m (2021: £1.1m). For more detail see note 8.

Statement of financial activities – summary		
	2022	2021
	£k	£k
Investment income	3,498.3	3,317.6
Donations & Legacies	37.5	236.4
Charitable activities	2.1	1.1
Other income	12.7	3.4
Total income	3,550.6	3,558.5
Expenditure on raising funds	1,424.3	1,091.3
Total net income	2,126.1	2,467.2
% of total income available for charitable purposes	59.9%	69.3%
Discretionary grants*	1,019.5	761.1
Non-discretionary grants	641.1	603.7
Other charitable activities**	493.1	427.1
Total charitable activities	2,153.7	1,791.9
Net (outgoing) / incoming resources	(27.6)	675.3

*Includes costs of Foundation House

**Includes support costs

CHARITABLE EXPENDITURE

During 2022 our charitable expenditure was £2.2m, a 20% increase from 2021, £1.8m. The change was primarily driven by an increase in discretionary grants of £0.3m. Of the charitable expenditure 83.6% (2021: 83.5%) was either grants or expenditure directly towards the funding of community facilities.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OVERHEADS

Considering the value of the Town Trust's assets and the range of its activities, our staffing levels are relatively small. We occupy premises owned by the College Estate and have the appropriate standards of technological and systems infrastructure.

The Board continues to be acutely aware that our primary purpose is to deliver much needed financial and other support to the community and our discretionary grant beneficiaries. To that end we keep our overhead costs under regular review.

Our present overhead structure is comparable to 2021. During the year the allocation of support costs was reapportioned, to reflect the workloads and activities undertaken in the year.

BALANCE SHEET

At the end of 2022 the Town Trust had investments totalling £56.5m (excluding cash deposits). These are the investments from which we generate the majority of our income. Of these investments, 94.4% are defined as endowed assets, which means that if any of these assets are ever sold all proceeds must be reinvested and the resulting assets would also be defined as endowed. During the year, the investments decreased in value by 4.2% after adjusting for net additions (2021: increased by 3.0%).

There were no property acquisitions and one disposal during the year. The Guild Estate sold 35/36 Rother Street in September 2022 for £0.4m.

At the end of the year the Town Trust had committed £0.6m of grants to discretionary grant beneficiaries, to be paid within the next 12 months (2021: £0.5m). This amount is included in creditors.

The total funds at the end of the year were £57.6m, of which £53.0m were endowed funds and £4.6m were unrestricted funds. Of these unrestricted funds £2.7m are available to fund future charitable activities.

RESERVES POLICY

The Board reviews the reserves policy annually and considers it very important that the three charities can pay all their committed grants and have free reserves to cover ongoing administration costs for at least six months.

Stratford-upon-Avon Town Trust

Unrestricted reserves are held in the Town Trust to cover six months of administration costs (estimated at £0.3m), the balance being available to pay future grants. The level of this reserve is reviewed annually.

In 2015 a designated reserve was set up to match the net book value of the Play House building, which is a tangible fixed asset. The annual depreciation associated with this asset is charged to this designated reserve. In 2021 designated reserves were set up to fund the running costs of Foundation House, the Foundation House future proofing project, the Riverside Project and participatory grant making. The designated reserves at the end of 2022 are summarised below.

Designated funds	2022	2021
	£m	£m
Play House building	1.2	1.3
Foundation House leasehold improvements	0.0	0.0
Foundation House ongoing costs	0.1	0.2
Foundation House future proofing	0.1	0.1
Participatory grant making	0.1	0.1
Riverside project	-	0.2
Total designated funds	1.5	1.9

Guild Estate and College Estate

The permanently endowed reserve in each of Guild Estate and College Estate will always be fully investment and cash backed. To recognise the small operational risk in both charities an unrestricted reserve of at least £30k will be held in College Estate and £100k in Guild Estate. The level of reserves is reviewed annually. For more detail of the individual charities' reserves see note 20.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

INVESTMENT POLICY AND PERFORMANCE

At the end of 2022 the Town Trust held investments of £56.5m (excluding cash deposits), a decrease of £1.8m compared with 2021. The Town Trust has two endowed investment portfolios, which are held by the Guild Estate and the College Estate, and other investments, which are held by the Town Trust and the College Estate.

The objective of the investment policy is to create sufficient income and capital growth to enable the Town Trust to deliver its charitable objects consistently year on year. In the medium to long term the Town Trust aims to generate an average annual income yield of 4.4% and for the capital value of the portfolio to grow at least in line with inflation.

The broad thrust of our investment policy in recent years has been to increase portfolio diversification and reduce our exposure to property in Stratford-upon-Avon. The target range set for both physical property and property fund investments is 50% - 70%, at the end of December 2022 the proportion was 69.9% of which 62.4% was physical property.

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

- **Short Term (less than three years) Objective**
The short-term investment objective is to ensure that the Town Trust has sufficient liquidity to enable it to fund its planned spending on good causes and meet its overhead costs as they fall due.
- **Medium to Long Term Objective**
The medium to long-term investment objectives, as measured over a 10-year rolling period, are to achieve a balanced return from the overall portfolio such that: for the combined portfolio of the three charities there is an expectation of net income yield being not less than 4.4% p.a. and that the capital value grows at least in line with inflation (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**
Endowment investments are expected to exist in perpetuity and should be managed to meet the charities' investment objectives and ensure their sustainability.

The Town Trust 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 Town 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 Town Trust does not have any social investments; all Guild Estate and the majority of College Estate investments are endowed.

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

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

INVESTMENT POLICY AND PERFORMANCE continued

Investment	2022 £m	2021 £m	2022 %	2021 %
Endowed:				
Physical Property	35.0	35.2	61.9	60.3
Equity Funds	14.9	16.9	26.4	28.9
Property Funds	3.0	3.0	5.3	5.1
Cash equivalent	0.1	0.0	0.2	0.0
Total endowed investments	53.0	55.1	93.8	94.3
Non-Endowed:				
Physical Property	0.3	0.3	0.5	0.5
Equity Funds	2.0	2.2	3.5	3.8
Property funds	1.2	0.8	2.2	1.4
Total non-endowed investments	3.5	3.3	6.2	5.7
Total investments*	56.5	58.4	100.0	100.0

*Excludes cash deposits

Independently Managed Funds Performance

As at December 2022 the equity investments were held with the following fund managers: Sarasin & Partners, and Cazenove Capital Management. The property funds are held with either the Charities Property Fund or Schroder UK Property Fund. The investment returns during the year are shown in the table below:

	Income	Capital	Total Return	Target	Benchmark
Town Trust	3.4%	-15.9%	-12.5%	13.6%	-8.8%
Guild Estate	3.3%	-12.4%	-9.1%	13.6%	-7.4%
College Estate	3.4%	-10.7%	-7.3%	13.6%	-7.4%

The benchmark for the Guild Estate and 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 benchmark for the Town Trust 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 Sarasin investment funds (-8.8%) (which is calculated based on ICE BofAML Sterling Corporate (13.13%), ICE BofAML UK Gilts All Stocks (14.38%), MSCI AC World ex UK (Local Currency) (GBP) (7.5%), MSCI AC World ex UK (Net Total Return) (32.5%), MSCI All Balanced Property Funds – One Quarter Lagged (3.75%), MSCI UK IMI (Net Return) GBP (17.5%), SONIA (1.25%), 2% per annum above SONIA (alternative assets) (10%)).

The underperformance of the actual total return for the independent managed funds was due to both a poor performance for property funds in quarter 4 of 2022, which followed capital injections by both Guild Estate and Town Trust in summer 2022; and a poor performance by both Sarasin & Partners and Cazenove Capital Management due to the funds mix being underweight in bonds and energy companies.

Property Investment Performance

The combined property portfolio is valued at £35.3 m (2021: £35.5m). The property agents, Colliers International Property Consultants Limited, performed a full valuation of properties as at 31 December 2020. It is a regulatory requirement that a full valuation is performed every five years.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

The income yield during the year continued to be acceptable, however the capital return was impacted by the war in Ukraine, the pandemic, and the economic challenges being faced by high street retailers and landlords.

	Income	Capital	Total Return	Target	Benchmark
Guild Estate	7.7%	1.1%	8.8%	14.2%	-9.5%
College Estate	7.2%	-0.6%	6.6%	14.2%	-9.5%

The benchmark for the Guild Estate and College Estate is the AREF/MSCI All Balanced Funds Property Index.

The Group property portfolio had an average capital return of 0.7% (2021: -0.3%). The rental yield for the combined portfolio was 7.6% (2021: 7.3%), giving a total return of 8.3% (2021: 7.0%).

In 2022 the Town Trust’s commercial property portfolio in Stratford-upon-Avon continued to suffer due to the economic challenges, the age and listed status of some properties and the change to retail shopping habits. During the year we have had a small number of void properties and a level of rent arrears that was no worse than those experienced by other property portfolios of our magnitude and mix in the current economic climate.

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

Investment criteria

The Board has considered carefully the requirements of the SORP and the Charity Commission’s revised guidance note CC14 (issued in October 2011) and continue to conclude that they do not believe there is any listed investment adverse to the purpose of the charity.

Public Benefit

The Public Benefit of the Town Trust is primarily achieved through its grant-making that aims to benefit the “inhabitants of Stratford-upon-Avon” (as defined by the administrative boundary of the parish).

In order to measure where and how our grants demonstrate the most impact, applicants must outline how many local residents will benefit from their work and services, identifying beneficiaries with a town postcode. They are also required to outline how residents will benefit and how the organisation will track and measure success and outcomes. This information helps the Town Trust to understand how its discretionary grant-making achieves a spread of benefit across the community it serves. Through close links and a deep engagement with local voluntary sector groups and charities the Town Trust ensures that the net of benefit is cast as widely as possible, focusing on supporting organisations able to demonstrate sustainable and long-lasting positive outcomes.

In 2022 our community hub, Foundation House, continued to be enjoyed, valued and recognised as a community destination, providing an enormous benefit to so many. There are 15 groups who have been granted benefit in kind space, alongside many others who continue to utilise and enjoy the various meeting spaces on a regular basis.

Our 107 allotment plots in Church Lane, Shottery, have become an active community of growers, sharing seeds, knowledge and produce during the last 12 months. We hold a waiting list for people interested in having an allotment and as larger plots become available, we divide them to enable more people to become involved.

During 2022 the Town Trust continued to support the operators of the Play House by providing the premises to them rent free and with a grant of £0.1m to support community events.

The Board, 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.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Governance

The Stratford-upon-Avon Town Trust (Town Trust) is the corporate Trustee of the Guild Estate Endowment Charity (Guild Estate) and the College Estate Endowment Charity (College Estate) (referred to as "the Group").

CHARITY REGISTRATION NUMBER 1088521
COMPANY REGISTRATION NUMBER 04222949, registered in England & Wales

The Town Trust is a charitable company limited by guarantee, incorporated on 24 May 2001, and was registered as a charity on 1 October 2001. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and it is governed under its Articles of Association. The Town Trust is the corporate Trustee of the Guild Estate Endowment and the College Estate Endowment Charities (referred to as "the Group"). Although the Guild and College Estates are not companies under company law, the Charity Commission recognises that the three entities operate as a group and as such allow the statutory accounts to be prepared on a consolidation basis.

The Town Trust can have a maximum of eleven Trustees. Five are elected by the Town Trust's members, three are nominated by Stratford-upon-Avon Town Council (but do not need to be Town Councillors) and three are co-opted, chosen by the other Trustees via an open recruitment process. The Trustees serve an initial term of four years, after which they may put themselves forward for re-selection or re-election for another four-year term.

Within the Town Trust, all Trustees (elected, nominated, and co-opted) form the Board as equal members. There are three committees, the terms of reference of which are reviewed and updated as required, on an annual basis.

The committees are: Audit & Governance; Grants & Community Engagement; and Finance, Investment and Property. The Remuneration sub-committee, sits within the Finance, Investment and Property Committee and is responsible for recommending any staff remuneration and benefit changes to the Board, which in turn is responsible for the approval of such amendments.

The Audit & Governance Committee also has two non-executive members, who ensure the Committee operates in an independent and impartial manner.

The key responsibilities of the committees are shown in the table below.

Committee	Responsibilities
Audit & Governance	<ul style="list-style-type: none"> Ensuring risk management, governance and internal control systems are functioning effectively and report when attention is required to improve Interface with external auditors Review and oversight of constitution, regulations and non-operational decision making Review, adoption, and implementation of policies relating to legal and Charity Commission regulations
Grants & Community Engagement Committee	<ul style="list-style-type: none"> Approve and review grant awards Review and recommend the Communication Strategy and Grant Making Policy Recommend and oversee delivery of Communication and Grants Plan
Finance, Investment and Property	<ul style="list-style-type: none"> Review of quarterly management accounts, annual budgets, 3 year rolling plans and the annual report and financial statements Review and updating of investment and reserve policies Review and oversight of all property & investment related matters

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

The Town Trust is most appreciative of the time and effort which all its Trustees give so freely (for full details of Trustees see page 17).

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Governance (continued)

A comprehensive induction process is provided to each Trustee on joining the Town Trust. All conflicts of interests are registered when a Trustee joins and updates are requested at every committee and Board meeting. In meetings where a conflict of interest arises the Trustee withdraws from that section of the meeting.

All Trustees are volunteers, and no Trustee received any remuneration during the year. Details of Trustee expenses are disclosed in note 21 and Trustee related party transactions are disclosed in note 28.

The Town Trust employs a number of staff, details of staff costs and numbers are disclosed in note 11. All new staff are inducted and trained when they join the Town Trust, so that they can perform their responsibilities efficiently and effectively within the guidelines set out by the Town Trust’s policies, processes and procedures. There is a staff appraisal process and staff training requirements are reviewed annually. The staff, who have delegated powers set by the Board, undertake the administration for all three entities and as such a management charge is passed on to Guild Estate and College Estate to reflect this.

Risk Management

The Town Trust’s risk policy was reviewed in autumn 2022, when the Town Trust assessed its risk appetite to be low to moderate. The Town Trust continually reviews its risks, which are maintained on a risk register. Risk is a standing agenda item for all Board and Committee Meetings.

The risk policy explains the process for identifying, assessing, mitigating and managing the risks. Once the risk has been identified and categorised, it is then assessed based on the impact and the likelihood of the risk occurring. Then, if possible, measures are taken to mitigate the risk. The policy requires that the risks be monitored and assessed on a regular basis, and states that this is done by reviewing and discussing the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The Board considers that the major risks facing the Group at the end of the year were:

Description of Risk	Mitigation of Risk
The Riverside Project fails to meet expectations of STT, SDC, CWLEP and public	Regular project team meetings which monitor progress, budgets and feedback from townspeople and local stakeholders. Commissioned independent report by geo-environmental and geotechnical delivery expert to gain independent view of project activity and findings.
Loss of Community Hub Facility as break notice served by landlord	Actively considering all options for future facility for both short and longer term. Steering Group overseeing project. Working closely with all stakeholders.
Change in town centres and the retail market across the UK, resulting in a higher level of voids, arrears	Property managers have increased liaison with tenants, monitoring of arrears by property, proactively marketing void properties.
Commercial tenants fail to maintain their property under the terms of their lease	All properties are inspected on a regular basis by the property manager and a report on repairs required by the tenant is prepared and a dialogue occurs with the tenant. Any actions are followed up on an ongoing basis. At the end of leases, a proactive approach is adopted in terms of dilapidation negotiations and settlements.

Health and Safety

In 2022 the Town Trust continued its programme of Health and Safety site audits which is driven by keeping our people, the community, properties, and environment safe. This strengthens the Town Trust's approach to keeping all our staff and visitors safe. The Health and Safety Group meets quarterly with representatives from across the organisation. A regular inspection programme is carried out by Town Trust staff alongside a suite of Risk Assessments. Health and Safety is a standing Board agenda item.

Inclusion and Diversity

The Town Trust shows respect for all our employees and volunteers, valuing everyone's contribution, regardless of their age, gender, gender identity, sexual orientation, marital status, civil partnership status, disability, nationality, race, religion, or belief. We are committed to ensuring that we are an inclusive and equal organisation.

Safeguarding

Whilst the Town Trust does not work directly with children, young people or vulnerable adults, we recognise many of the groups that we support do, particularly in Foundation House. Therefore, we place considerable focus on safeguarding governance with mechanisms in place for regular review of policy and procedures including a Designated Safeguarding Lead within the staff team and a Safeguarding Champion at Trustee level.

GDPR Policy

The Town Trust prides itself on a high standard of professional conduct to ensure GDPR compliance, and has a Data Lead within the staff team to ensure compliance is understood across the organisation. Whilst we do work with specialist consultants and organisations to advise and support our activities, we do not fundraise or canvas our members for fundraising on behalf of any other organisation.

Openness, Transparency and Accountability

The Town Trust works hard to manage overheads and maximise the funds flowing into the grant-making programme. The Chief Executive holds an open-door session each Friday morning to meet with members of the community or Town Trust members.

In 2022 five events were held to bring people closer to the work of the Town Trust. In February, Help Your Community Grow family fun day was held as part of Random Acts of Kindness Week at the Ken Kennett Centre, followed in April by a guided walk of Rowley Fields with a representative from the Friends of the Earth. In May, the Guild Chapel conservators held an "in conversation" event about their work during the Death Revealed project. In the autumn two events were hosted by our staff – one entitled 'So, where does the money come from?' and the other covered Participatory Grant Making through *The Community Collective – Making a difference for young people*.

Grant Making Policy

Information about how to apply for grants is available on the Town Trust's website: www.stratfordtowntrust.co.uk. Applications can be made to the Town Trust using the appropriate form. The Town Trust accepted grant applications from April to September in 2022 and continued to offer its Fast-Track grant scheme whereby organisations could apply for grants of up to £1,000 and receive a decision in ten working days. We continue to offer small value grants to individuals experiencing financial hardship; this scheme is administered on our behalf by Citizens Advice South Warwickshire.

The organisations in receipt of multi-year grants continue to report during the year. Once the first year's grant is awarded, subsequent years of the project are awarded in principle only. These grants are dependent upon the organisation meeting agreed targets and the Board approving the report and a budget for the coming year.

Each grant is allocated to one of our charitable objects, but many awards meet two or more.

Monitoring of all grants takes place through visits, grant utilisation reports and grant audits.

Control Environment

Internal Controls

The Board is responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the strategic and operational risks which the 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
- The safeguarding of personnel

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

Information Systems

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

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

The Town Trust has outsourced its IT contract, thus ensuring that it has the best cyber security and backup processes to protect the Town Trust's network and data.

Our Staff and Volunteers

None of the Town Trust's work would be possible without the commitment and hard work of our staff, volunteers, and supporters. The Town Trust is most grateful to all of them for their continued support and hard work.

In December 2022 the Town Trust had 14 paid members of staff (12.5 FTE). Their wealth of experience, skills and commitment has enabled the Town Trust to deliver another year of grants and investment management. It is important that the Town Trust continues to attract, recruit and retain talented and committed individuals. The Board is responsible for the approval of the annual remuneration review, which is recommended by the Remuneration Sub-committee.

The Town Trust's employment policies follow best practice. It confirms its commitment to equality of opportunity in all areas of employment. All employees are treated in a fair and equal manner and in accordance with the law regardless of gender, marital status, race, religion or belief, age, disability, or sexual orientation.

The Town Trust's volunteers are also key to our success and our long-standing team of volunteers at the Guild Chapel are crucial to unlocking its hidden secrets. As well offering a knowledgeable and warm welcome, they lead on events and activities throughout the year that help bring the Chapel to life.

There was a change in direction in volunteering this year with the appointment of a new coordinator and as a result we were able to launch three new opportunities for people to get involved with our work. We recruited 43 volunteers to support our Repair Café, launched in August in partnership with local group Net Zero. Six volunteers joined to deliver our weekly warm hub at Foundation House and a further six were recruited to assist with ecology and habitat management at Rowley Fields and the Lench Meadows.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OFFICERS, CONTACTS AND ADVISORS

TRUSTEE BOARD

Tim Bailey (Deputy Chair of Board from November 2021)
Gill Cleeve (Chair of Grants & Community Engagement to June 2022)
Liz Coles
Marion Homer (elected 26 May 2022)
Tony Jackson (Chair of Board from November 2021)
Simon Littlejohns (appointed 1 September 2022)
Henry Lu (elected 26 May 2022)
Lindsay MacDonald (to 25 May 2022)
Matthew Macdonald (to 31 January 2022)
Stephen Parker (to 31 August 2022)
Michael Rolfe (elected 26 May 2022)
Jonathan Smith (appointed 1 April 2022)
Clive Snowdon (Chair of Finance Investment & Property Committee, to 31 January 2023)
Josie Stevens (Chair of Grants & Community Engagement Committee from June 2022)
Mark Tailby (appointed 1 February 2023)
David Taylor (to 25 May 2022)
Quentin Willson (to 25 May 2022)

NON-EXECUTIVE AUDIT & GOVERNANCE COMMITTEE MEMBERS

Sundash Jassi Deputy Chair from 1 January 2022 to 31 December 2022, Chair from 1 January 2023
Mark Tailby Chair from 1 January 2022 to 31 December 2022, resigned 31 January 2023

CHIEF EXECUTIVE	Sara Aspley	SENIOR MANAGEMENT TEAM	Sara Aspley, Rebecca Hampson, James McHugh, Paul Fitzpatrick, Frances Nibbs (appointed 1.7.22), Lynn Perkins
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	Cazenove Capital (part of Schrodgers & Co Limited) 1 London Wall Place London EC2Y 5AU		Schrodgers & Co Limited 1 London Wall Place London EC2Y 5AU
	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU		Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD
SOLICITORS	Robert Lunn & Lowth LLP 2 Sheep Street Stratford-upon-Avon CV37 6EJ	BANKERS	Barclays Bank plc Market Cross Stratford-Upon-Avon Warwickshire CV37 6AP
	Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB		

Stratford-upon-Avon Town Trust is a private company limited by guarantee (company number 04222949) incorporated in England and Wales. It is also a registered charity (charity number 1088521). The registered office is at 14 Rother Street, Stratford-upon-Avon, CV37 6LU.

**STRATFORD-UPON-AVON TOWN TRUST
REPORT OF THE TRUSTEES**

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor. The Trustee Report (including the Strategic Report) was approved by the Board of Trustees on 17 May 2023 and signed on their behalf by Tony Jackson.



Tony Jackson
Chair of Board
17 May 2023

STRATFORD-UPON-AVON TOWN TRUST STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Stratford-upon-Avon Town Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

STRATFORD-UPON-AVON TOWN TRUST INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Stratford-upon-Avon Town Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise statement of financial activities, Group and Charity Balance Sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

STRATFORD-UPON-AVON TOWN TRUST INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
the parent charitable company financial statements are not in agreement with the accounting records and returns; or
certain disclosures of trustees' remuneration specified by law are not made; or
we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

STRATFORD-UPON-AVON TOWN TRUST INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Andrew Watkinson (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

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

Statutory Auditors

Date: 1 June 2023

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

STRATFORD-UPON-AVON TOWN TRUST
CONSOLIDATED GROUP STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account for the year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Permanent endowment funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Permanent endowment funds 2021 £	Total funds 2021 £
Income from:							
Donations and legacies*	4	37,330	-	37,330	236,374	-	236,374
Investment income	5	3,498,320	-	3,498,320	3,317,632	-	3,317,632
Charitable Activities	6	2,068	-	2,068	1,080	-	1,080
Other income	7	12,652	-	12,652	3,394	-	3,394
Total Income		3,550,370	-	3,550,370	3,558,480	-	3,558,480
Expenditure on:							
Raising funds	8	1,424,262	-	1,424,262	1,091,320	-	1,091,320
Charitable activities**	9	2,153,662	-	2,153,662	1,791,902	-	1,791,902
Total expenditure		3,577,924	-	3,577,924	2,883,222	-	2,883,222
Net (losses) / gains on investments	15/18	(438,110)	(2,008,786)	(2,446,896)	184,408	1,500,644	1,685,052
Net income and expenditure		(465,664)	(2,008,786)	(2,474,450)	859,666	1,500,644	2,360,310
Other recognised gains and losses							
Actuarial gains on defined benefit pension schemes	24	286,000	-	286,000	358,000	-	358,000
Reclassification of reserves		-	-	-	300,000	(300,000)	-
Net movement in funds		(179,664)	(2,008,786)	(2,188,450)	1,517,666	1,200,644	2,718,310
Reconciliation of funds							
Total funds brought forward	18	4,800,072	54,956,635	59,756,707	3,282,406	53,755,991	57,038,397
Total funds carried forward	18	4,620,408	52,947,849	57,568,257	4,800,072	54,956,635	59,756,707

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 28 to 46 form part of these financial statements.

* Includes restricted funds income of £20,000 received from The Pilgrim Trust ((2021: £207,410) received from The National Lottery Fund and the National Lottery Heritage Fund)

** Includes restricted funds cost of £20,000 (2021: £111,210) funded by the above grants

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account
for the year ended 31 December 2022

	Notes	Total Funds 2022 £	Total Funds 2021 £
Income from:			
Donations and legacies*	4	1,516,704	1,510,112
Investment income	5	124,414	109,473
Charitable activities	6	180	-
Other	7	204,671	162,308
Total income		1,845,969	1,781,893
Expenditure on:			
Raising funds	8	264,155	221,226
Charitable activities**	9	1,409,694	1,085,411
Total expenditure		1,673,849	1,306,637
(Losses) / gains on investment assets	15	(375,230)	108,975
Net income and expenditure		(203,110)	584,231
Other recognised gains			
Actuarial gains on defined benefit pension schemes	24	286,000	358,000
Net movement in funds		82,890	942,231
Reconciliation of funds			
Total funds brought forward		4,090,915	3,148,684
Total funds carried forward	20	4,173,805	4,090,915

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. All funds are unrestricted. The notes on pages 28 to 46 form part of these financial statements.

* Includes restricted funds income of £nil (2021: £68,410)

** Includes restricted funds cost of £nil (2021: £68,410)

STRATFORD-UPON-AVON TOWN TRUST
BALANCE SHEETS
As at 31 December 2022

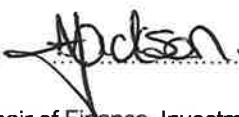
	Notes	Group		Town Trust	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible fixed assets	14	1,580,673	1,629,711	1,580,673	1,629,711
Investments	15	56,924,126	58,366,023	2,668,743	2,243,973
		<u>58,504,799</u>	<u>59,995,734</u>	<u>4,249,416</u>	<u>3,873,684</u>
Current assets					
Debtors	16	477,225	490,180	141,059	213,634
Cash at bank and in hand		2,111,774	2,719,338	562,849	1,031,059
		<u>2,588,999</u>	<u>3,209,518</u>	<u>703,908</u>	<u>1,244,693</u>
Current liabilities					
Creditors: amounts falling due within one year	17	(3,525,541)	(3,146,545)	(779,519)	(725,462)
Net current (liabilities) / assets		<u>(936,542)</u>	<u>62,973</u>	<u>(75,611)</u>	<u>519,231</u>
Total assets less current liabilities		<u>57,568,257</u>	<u>60,058,707</u>	<u>4,173,805</u>	<u>4,392,915</u>
Defined benefit pension scheme liability	24	-	(302,000)	-	(302,000)
Net assets including pension liability		<u>57,568,257</u>	<u>59,756,707</u>	<u>4,173,805</u>	<u>4,090,915</u>
Funds					
Capital funds					
Endowment Funds*	18	52,947,849	54,956,635	-	-
Income funds					
Unrestricted funds	20				
General fund		2,655,072	2,736,741	2,655,072	2,736,741
Designated fund		1,518,733	1,856,174	1,518,733	1,656,174
Other charitable funds (College & Guild)		446,603	509,157	-	-
Pension reserve	24	-	(302,000)	-	(302,000)
Total funds	20	<u>57,568,257</u>	<u>59,756,707</u>	<u>4,173,805</u>	<u>4,090,915</u>

*Includes revaluation reserves £33,853,430 (2021: £35,840,289)

The financial statements on pages 23 to 46 were approved by the Trustees and authorised for issue on 17 May 2023.

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

Tony Jackson, Chair



Simon Littlejohns, Chair of Finance, Investment & Property Committee



Registered company number 04222949

STRATFORD-UPON-AVON TOWN TRUST
CONSOLIDATED GROUP STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022 Total funds £	2021 Total funds £
Cash flows from operating activities:		
Net cash used in operating activities	(3,112,555)	(2,427,306)
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,510,972	3,352,004
Purchase of property, plant and equipment	(982)	(8,367)
Proceeds from sale of investments	487,777	-
Purchase of investments	(1,383,000)	(53,789)
Net cash provided by investing activities	2,614,767	3,289,848
Cash flows from financing activities:		
Repayment of borrowings	-	(900,000)
Net cash used by financing activities	-	(900,000)
Change in cash and cash equivalents in the reporting period	(497,788)	(37,458)
Cash and cash equivalents at 31 December 2021	2,725,406	2,762,864
Cash and cash equivalents at 31 December 2022	2,227,618	2,725,406

	2022 Total funds £	2021 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(2,188,450)	2,718,310
Adjustments for:		
Depreciation	50,021	55,437
Losses / (gains) on investments	2,446,896	(1,685,053)
Dividends, interest, and rent from investments	(3,510,972)	(3,352,004)
Increase) / (decrease) in debtors	12,955	(5,418)
(Decrease) / increase in creditors	76,995	(158,578)
Net cash used in operating activities	(3,112,555)	(2,427,306)

	2022 Total funds £	2021 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	2,111,774	2,719,338
Cash awaiting investment *	115,844	6,068
Total cash and cash equivalents	2,227,618	2,725,406

* £110,841 (2021: £6,044) of cash awaiting investment is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2022	Cashflow £	At 31 December 2022 £
Cash and equivalents			
Cash	2,719,338	(607,564)	2,111,774
Cash awaiting deposit	6,068	109,776	115,844
Total	2,725,406	(497,788)	2,227,618

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022 Total funds £	2021 Total funds £
Cash flows from operating activities:		
<i>Net cash (used in) / provided by operating activities</i>	<u>3,687</u>	<u>(26,373)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	329,085	260,173
Purchase of property, plant and equipment	(982)	(8,367)
Proceeds from sale of investments	4,979	-
Purchase of investments	<u>(800,000)</u>	<u>(17,972)</u>
Net cash provided by investing activities	<u>(466,918)</u>	<u>233,834</u>
Cash flows from financing activities:		
Repayment of borrowings	-	<u>(900,000)</u>
Net cash used in financing activities	-	<u>(900,000)</u>
Change in cash and cash equivalents in the reporting period	(463,231)	(692,539)
Cash and cash equivalents at 31 December 2021	<u>1,031,083</u>	<u>1,723,622</u>
Cash and cash equivalents at 31 December 2022	<u>567,852</u>	<u>1,031,083</u>

	2022 Total funds £	2021 Total funds £
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net income for the reporting period (as per the statement of financial activities)</i>	82,890	942,232
Adjustments for:		
Depreciation	50,020	55,437
Losses / (gains) on investments	375,230	(108,975)
Dividends, interest, and rent from investments	(329,085)	(260,173)
Decrease / (increase) in debtors	72,575	(62,392)
Decrease in creditors	<u>(247,943)</u>	<u>(592,502)</u>
Net cash provided / (used in) by operating activities	<u>3,687</u>	<u>(26,373)</u>

	2022 Total funds £	2021 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	562,849	1,031,059
Cash awaiting investment	<u>5,003</u>	<u>24</u>
Total cash and cash equivalents	<u>567,852</u>	<u>1,031,083</u>

Analysis of change in net debt

	At 1 January 2022 £	Cashflow £	At 31 December 2022 £
Cash and equivalents			
Cash	1,031,059	(468,210)	562,849
Cash awaiting deposit	24	4,979	5,003
Total	<u>1,031,083</u>	<u>(463,231)</u>	<u>567,852</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022

1 Statement of accounting policies

Stratford-upon-Avon Town Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is at 14 Rother Street, Stratford-upon-Avon, CV37 6LU.

a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS102) – (Charities SORP (FRS 102)) and the Companies Act 2006. Stratford-upon-Avon Town Trust meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are prepared in Sterling which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

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

On 4 July 2003 the Charity Commissioners issued a direction under Section 96(5) of the Charities Act 1993 that the following charities shall be treated as forming part of the charity called the Stratford-upon-Avon Town Trust for the purposes of Part VII of the Charities Act 1993:

The Guild Estate Endowment - registered number 217484.

The College Estate Endowment - registered number 217485.

As a consequence of the direction, group financial statements have been prepared. The group financial statements consolidate those of Stratford-upon-Avon Town Trust and its related charities, The College Estate Endowment and The Guild Estate Endowment under the merger accounting rules. Intra-group transactions are eliminated on consolidation.

b) Charitable Activities

The Trustees consider that the Town Trust is a public benefit entity as it makes grants to beneficiaries within the town of Stratford-upon-Avon. Costs of charitable activities include grants made and an apportionment of overhead and support costs as shown in note 10.

c) Income

All incoming resources are recognised once the Town Trust 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 Town Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis e.g., estimated usage.

e) Grants payable

Grants payable are grants payable to third parties in furtherance of the charitable objectives of the Town Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant, or the Trustees have agreed to pay the grant without condition.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Costs of generating funds

These costs consist of investment and property management costs.

h) Governance costs

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

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

1 Statement of accounting policies (continued)

i) Investments

- (i) Investments are included in the accounts at the market value at the balance sheet date.
- (ii) Gains and losses arising on disposal are charged to the relevant fund immediately on disposal. Gains and losses arising on revaluation are disclosed as unrealised.

j) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	- over 3 years
Office equipment	- over 2 to 4 years
Play House plant and equipment	- over 5 years
Play House refurbishment	- over 3 to 50 years
Play House building	- over 50 years
Bandstand	- over 50 years
800 th Anniversary Commemorative Fountain	- over 50 years
Long leasehold property	- over life of lease or break option

Heritage Asset

Heritage assets are defined as tangible or intangible assets with historic, artistic, scientific, technological, geophysical or environmental qualities, which are held principally for its contribution to knowledge and culture. The Guild Chapel is recognised as a heritage asset by the Guild Estate as it is a unique historic asset and is maintained by the Guild Estate for its cultural benefit. In the opinion of the Trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements, as such no value is assigned to the Chapel in the balance sheet. The Guild Estate was assigned the Guild Chapel in 1553, it is not expected that any other heritage assets will be acquired. Also the Guild Estate intends to remain the custodian of the Guild Chapel in perpetuity.

m) Fund accounting

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

n) Operating leases

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

o) Retirement benefits

Contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the company. The regular cost is attributed to the individual years using the projected unit method. Variations in cost which are identified as a result of actuarial valuations are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs.

Defined benefit schemes are funded with the assets held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by the reduced future contributions or to the extent that the Trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the group has a legal or constructive obligation to settle the liability.

The defined benefit scheme was closed to new members as from May 2010. The Town Trust operates a defined contribution personal pension scheme for employees who joined after May 2010.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

1 Statement of accounting policies (continued)

p) Financial instruments

The Town Trust 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 Town Trust after deducting all of its liabilities.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Town Trust's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 Connected charities

Stratford-upon-Avon Town Trust controls The Guild Estate Endowment (charity number: 217484) and The College Estate Endowment (charity number: 217485) Charities. All three charities have common, parallel objects and activities and unity of administration. Set out below are the results of the Guild Estate and College Estate:

	Guild Estate 2022 £	Guild Estate 2021 £	College Estate 2022 £	College Estate 2021 £
Total Assets	38,147,322	39,360,064	18,077,510	19,001,759
Total Liabilities	<u>(1,480,760)</u>	<u>(1,678,564)</u>	<u>(1,349,620)</u>	<u>(1,017,467)</u>
Total Funds	<u>36,666,562</u>	<u>37,681,500</u>	<u>16,727,890</u>	<u>17,984,292</u>
			2022 £	2021 £
Guild Estate Endowment				
Total incoming resources			2,453,104	2,476,400
			-----	-----
Net (outgoing) / incoming resources			(1,014,938)	699,508
			-----	-----
College Estate Endowment				
Total incoming resources			1,005,024	928,488
			-----	-----
Net (outgoing) / incoming resources			(1,256,402)	1,076,570
			=====	=====

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

4	Donations and legacies	Group		Town Trust	
		Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
	Annual gift from Guild Estate	-	-	979,386	983,226
	Annual gift from College Estate	-	-	535,097	443,303
	Donations	17,330	11,734	2,221	-
	Furlough - grant	-	17,230	-	15,173
	Grants	20,000	207,410	-	68,410
		<u>37,330</u>	<u>236,374</u>	<u>1,516,704</u>	<u>1,510,112</u>
5	Investment income	Group		Town Trust	
		Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
	Property income	2,757,244	2,596,188	44,158	34,495
	Dividends receivable	741,076	721,444	80,256	74,978
		<u>3,498,320</u>	<u>3,317,632</u>	<u>124,414</u>	<u>109,473</u>
6	Income from Charitable Activities	Group		Town Trust	
		Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
	Guild Chapel	1,888	1,080	-	-
	Bandstand	180	-	180	-
		<u>2,068</u>	<u>1,080</u>	<u>180</u>	<u>-</u>
7	Other Income	Group		Town Trust	
		Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
	Interest receivable on cash & bank	12,652	286	4,900	150
	Miscellaneous income	-	3,108	-	3,108
	Services to Guild Estate	-	-	123,003	95,335
	Services to College Estate	-	-	76,768	63,715
		<u>12,652</u>	<u>3,394</u>	<u>204,671</u>	<u>162,308</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

8 Expenditure on raising funds	Group		Town Trust	
	Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
Investment Fund Managers' Fees	86,968	91,018	10,533	11,351
Property expenses	1,133,660	825,741	-	-
Support costs (note 10)	203,634	174,561	-	-
Services to Guild Estate (note 10)	-	-	156,160	130,621
Services to College Estate (note 10)	-	-	97,462	79,254
	<u>1,424,262</u>	<u>1,091,320</u>	<u>264,155</u>	<u>221,226</u>
9 Expenditure on charitable activities	Group		Town Trust	
	Total funds 2022 £	Total funds 2021 £	Total funds 2022 £	Total funds 2021 £
Grant Making				
Discretionary Grants				
Foundation House	159,674	180,371	159,674	180,371
Non-Discretionary Grants				
King Edward VI School	585,598	550,454	-	-
Almshouses Maintenance	48,554	46,239	-	-
Holy Trinity Church	7,000	7,000	-	-
Grant Making Support Costs (note 10)	286,286	239,915	293,719	249,198
	<u>1,946,956</u>	<u>1,604,728</u>	<u>1,313,237</u>	<u>1,010,318</u>
Play House				
Direct venue costs	37,288	42,288	37,288	42,288
Support costs (note 10)	17,974	13,530	17,983	13,548
	<u>55,262</u>	<u>55,818</u>	<u>55,271</u>	<u>55,836</u>
Other activities				
Bandstand	1,664	(1,528)	1,664	(1,528)
800 th Anniversary Fountain	25,977	9,528	25,977	9,528
Guild Chapel	74,209	81,482	-	-
Support Costs (note 10)	49,594	41,874	13,545	11,257
	<u>151,444</u>	<u>131,356</u>	<u>41,186</u>	<u>19,257</u>
Total	<u>2,153,662</u>	<u>1,791,902</u>	<u>1,409,694</u>	<u>1,085,411</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

9 Expenditure on charitable activities (Continued)

Analysis of expenditure on charitable activities	Activities undertaken directly	Activities undertaken directly	Grant funding of activities	Grant funding of activities	Support Costs	Support Costs	Total	Total
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Discretionary grants	-	-	859,844	580,749	177,691	168,899	1,037,535	749,648
Foundation House	-	-	159,674	180,371	94,819	57,924	254,493	238,295
Entitlement to King Edward VI School	-	-	585,598	550,454	12,776	12,217	598,374	562,671
Grant to Almshouses Maintenance	-	-	48,554	46,239	700	625	49,254	46,864
Grant to Vicar of Holy Trinity Church	-	-	7,000	7,000	300	250	7,300	7,250
Play House – venue	37,288	42,288	-	-	17,974	13,530	55,262	55,818
Guild Chapel	74,209	81,482	-	-	37,169	32,078	111,378	113,560
Bandstand & 800 th Anniversary Fountain	27,641	8,000	-	-	12,425	9,796	40,066	17,796
	<u>139,138</u>	<u>131,770</u>	<u>1,660,670</u>	<u>1,364,813</u>	<u>353,854</u>	<u>295,319</u>	<u>2,153,662</u>	<u>1,791,902</u>

STRATFORD-JPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

	Basis of allocation	Play House facility	*Grant Making	Governance	Charitable Activities	Property Support	Total 2022
		£	£	£	£	£	£
10	Allocation of support costs						
	Group 2022						
	Staff costs	10,368	186,682	89,682	33,619	96,318	416,669
	Office costs	2,846	25,544	26,140	8,106	21,674	84,310
	Membership administration	-	3,402	7,894	-	-	11,296
	AGM and annual report	-	-	6,960	-	-	6,960
	Trustee meetings and training	-	-	6,585	-	-	6,585
	Auditor's remuneration	-	-	23,659	-	-	23,659
	Professional fees	717	-	7,292	-	-	8,009
	Governance costs	4,043	70,658	(168,212)	7,869	85,642	-
		<u>17,974</u>	<u>286,286</u>	<u>-</u>	<u>49,594</u>	<u>203,634</u>	<u>557,488</u>
		(note 9)	(note 9)		(note 9)	(note 8)	
	Group 2021						
	Staff costs	5,338	164,954	95,033	29,962	91,063	386,350
	Office costs	969	2,460	19,090	4,267	9,525	36,311
	Membership administration	-	2,421	2,548	-	-	4,969
	AGM and annual report	-	-	4,011	-	-	4,011
	Trustee meetings and training	-	-	5,703	-	-	5,703
	Auditor's remuneration	-	-	20,441	-	-	20,441
	Professional fees	5,000	3,083	3,353	659	-	12,095
	Governance costs	2,223	66,997	(150,179)	6,986	73,973	-
		<u>13,530</u>	<u>239,915</u>	<u>-</u>	<u>41,874</u>	<u>174,561</u>	<u>469,880</u>
		(note 9)	(note 9)		(note 9)	(note 8)	

* Includes Foundation House

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

	Basis of allocation	Play House facility	Support for Related Charities		*Grant Making	Governance	Charitable Activities	Total 2022
			£	£				
10 Allocation of support costs continued								
Town Trust 2022								
Staff costs	Time	10,368	151,847	173,885	71,622	8,113	415,835	
Office costs	Time	2,855	42,550	48,611	20,244	2,267	116,527	
Auditor's Remuneration	Direct	-	-	-	13,657	-	13,657	
Professional Fees	Direct	717	-	-	7,292	-	8,009	
Membership Administration	Cost	-	-	3,402	7,894	-	11,296	
AGM and Annual Report	Cost	-	-	-	6,960	-	6,960	
Trustee Meetings and Training	Direct	-	-	-	6,585	-	6,585	
Governance costs	Cost	4,043	59,225	67,821	(134,254)	3,165	-	
		<u>17,983</u>	<u>253,622</u>	<u>293,719</u>	<u>-</u>	<u>13,545</u>	<u>578,869</u>	
		(note 9)	(note 8)	(note 9)		(note 9)		
Allocation of support costs								
Town Trust 2021								
Staff costs	Time	5,338	130,621	153,480	82,668	7,030	379,137	
Office costs	Time	978	24,648	29,136	15,152	1,288	71,202	
Auditor's Remuneration	Direct	-	-	-	10,502	-	10,502	
Professional Fees	Direct	5,000	-	-	3,353	-	8,353	
Membership Administration	Cost	-	-	2,421	2,548	-	4,969	
AGM and Annual Report	Cost	-	-	-	4,011	-	4,011	
Trustee Meetings and Training	Direct	-	-	-	5,704	-	5,704	
Governance costs	Cost	2,232	54,606	64,161	(123,938)	2,939	-	
		<u>13,548</u>	<u>209,875</u>	<u>249,198</u>	<u>-</u>	<u>11,257</u>	<u>483,878</u>	
		(note 9)	(note 8)	(note 9)		(note 9)		

*Includes Foundation House

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2022 (continued)

10 Allocation of support costs Group (continued)

Costs are allocated directly where possible or on a staff time basis where applicable.

Included within professional fees are:

	Group		Town Trust	
	2022	2021	2022	2021
Saffery Champness LLP non-audit fee	595	525	595	525

11 Employees and staff costs

The average number of employees throughout the year, calculated on a role basis was:

	Group 2022 Number	Group 2021 Number
Stratford Town Trust	12.9	12.3
Guild Estate Endowment	1.0	2.0
	<u>13.9</u>	<u>14.3</u>

On a full-time equivalent basis the total head count was:

	Group 2022 £	Group 2021 £	Town Trust 2022 £	Town Trust 2021 £
The cost of employing all staff was:				
Salaries and Wages	365,856	338,093	352,845	326,870
National Insurance	31,879	27,278	31,081	27,169
Pensions – Current service cost	91,897	91,667	91,455	91,089
	<u>489,632</u>	<u>457,038</u>	<u>475,381</u>	<u>445,128</u>

In 2022 one member of staff was remunerated between £80,001 and £90,000 and one member of staff was remunerated between £60,001 and £70,000 (2021: one member of staff was remunerated between £70,001 and £80,000). Total remuneration for the senior management team was £269,025 (2021: £241,662).

12 Rother Street Car Park

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

13 Heritage Asset

The Guild Chapel in Stratford-upon-Avon is not included in the balance sheet as it is regarded as a heritage asset. The Guild Chapel dates from around 1269 and was the main building of the Guild of the Holy Cross. In 1553 it was gifted to the Guild Estate, whereby the charity took over the responsibility of maintaining the Chapel for its purposes. In 1954 the Friends of the Guild Chapel, an organisation independent of the Town Trust, were set up. They fundraise towards the maintenance of the fabric of the Chapel, including the organ, but are not part of the charity.

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

In the opinion of the Trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements. The building and contents are insured for £7.2m.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

14	Tangible fixed assets	Group and Town Trust	Play House	Play House	Waterside	Foundation	Bandstand and	Computer	Office	Total
			Building	Equipment	Theatre*	House Leasehold Improvements	Fountain	Equipment	Equipment	
			£	£	£	£	£	£	£	£
	Cost									
	1 January 2022		1,864,372	30,000	356,444	152,212	121,077	63,024	48,089	2,635,218
	Additions		-	-	-	-	-	-	982	982
	Disposals		-	-	-	-	-	(27,438)	(12,648)	(40,086)
	31 December 2022		1,864,372	30,000	356,444	152,212	121,077	35,586	36,423	2,596,114
	Depreciation									
	1 January 2022		608,351	30,000	56,121	150,615	57,520	57,287	45,613	1,005,507
	Charge for the period		37,289	-	4,406	875	2,424	3,304	1,722	50,020
	Disposals		-	-	-	-	-	(27,438)	(12,648)	(40,086)
	31 December 2022		645,640	30,000	60,527	151,490	59,944	33,153	34,687	1,015,441
	Net book values									
	31 December 2022		1,218,732	-	295,917	722	61,133	2,433	1,736	1,580,673
	31 December 2021		1,256,021	-	300,323	1,597	63,557	5,737	2,476	1,629,711

*Clare Learning Centre

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

	Group		Town Trust	
	2022	2021	2022	2021
	£	£	£	£
15 Fixed asset investments				
Investment properties	35,306,100	35,456,100	-	-
Quoted investments	21,102,182	22,903,855	2,463,740	2,243,949
Short term deposits	400,000	-	200,000	-
Cash awaiting investment	115,844	6,068	5,003	24
	<u>56,924,126</u>	<u>58,366,023</u>	<u>2,668,743</u>	<u>2,243,973</u>
Investment properties:				
Market value at 1 January 2022	35,456,100	35,556,100	-	-
Net sale proceeds	(378,002)	-	-	-
Gain on disposal	(21,998)	-	-	-
Revaluation gains / (losses)	250,000	(100,000)	-	-
	<u>35,306,100</u>	<u>35,456,100</u>	<u>-</u>	<u>-</u>
Market value at 31 December 2022	35,306,100	35,456,100	-	-
	<u>6,188,209</u>	<u>6,588,209</u>	<u>-</u>	<u>-</u>
Cost or donated value at 31 December 2022	6,188,209	6,588,209	-	-
	<u>6,188,209</u>	<u>6,588,209</u>	<u>-</u>	<u>-</u>
Quoted investments:				
Market value at 1 January 2022	22,903,855	21,065,012	2,243,949	2,117,002
Additions at cost	983,000	53,789	600,000	17,972
Sale proceeds	(109,775)	-	(4,979)	-
Investment (losses) / gains	(2,674,898)	1,785,054	(375,230)	108,975
	<u>21,102,182</u>	<u>22,903,855</u>	<u>2,463,740</u>	<u>2,243,949</u>
Market value at 31 December 2022	21,102,182	22,903,855	2,463,740	2,243,949
	<u>16,092,018</u>	<u>15,219,018</u>	<u>2,225,372</u>	<u>1,630,351</u>
Historical cost at 31 December 2022	16,092,018	15,219,018	2,225,372	1,630,351
	<u>16,092,018</u>	<u>15,219,018</u>	<u>2,225,372</u>	<u>1,630,351</u>

In accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2022 and shown at market value. This valuation was carried out by Colliers International, Chartered Surveyors, who are qualified independent valuers, holding a recognised and relevant professional qualification, with recent experience in Stratford-upon-Avon.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

15	Fixed asset investments (continued)	Group		Town Trust	
		2022 £	2021 £	2022 £	2021 £
	(Losses) / gains on unrestricted funds				
	Quoted investments	(438,110)	184,408	(375,230)	108,975
		<hr/>	<hr/>	<hr/>	<hr/>
16	Debtors: amounts falling due within one year	Group		Town Trust	
		2022 £	2021 £	2022 £	2021 £
	Amounts falling due within one year:				
	Rents	277,767	322,546	12,126	5,864
	Prepayments and accrued income	171,238	140,797	48,664	37,006
	Other debtors	28,220	26,837	-	-
	Amount due from Guild Estate	-	-	76,569	170,764
	Amount due from College Estate	-	-	3,700	-
		<hr/>	<hr/>	<hr/>	<hr/>
		477,225	490,180	141,059	213,634
		<hr/>	<hr/>	<hr/>	<hr/>
17	Creditors: amounts falling due within one year	Group		Town Trust	
		2022 £	2021 £	2022 £	2021 £
	Deferred income	1,234,422	1,181,888	174	3,254
	Trade creditors	85,727	121,742	16,589	23,839
	Grants payable (note 23)	721,074	617,484	630,885	455,985
	Accruals	1,325,008	1,010,447	90,568	79,204
	Other creditors	10,289	42,616	10,290	42,616
	Other taxation and social security	145,432	168,902	27,424	22,008
	Pension	3,589	3,466	3,589	3,466
	Amount owed to Guild Estate	-	-	-	-
	Amount owed to College Estate	-	-	-	95,090
		<hr/>	<hr/>	<hr/>	<hr/>
		3,525,541	3,146,545	779,519	725,462
		<hr/>	<hr/>	<hr/>	<hr/>
		Group			
		2022 £	2021 £		
	Included within accruals are the following fees payable to the auditor for:				
	Statutory audit	<u>22,500</u>	<u>19,600</u>		

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

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

Deferred income of £1,169,422 represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £557,181, deferred income relating to one to five years £23,432 and the value relating to over five years £653,809.

Deferred income reconciliation	Group		Town Trust	
	2022	2021	2022	2021
	£	£	£	£
At 1 January 2022	1,181,888	1,298,235	3,254	69,410
Released during the year	(499,047)	(609,536)	(3,254)	(69,410)
Deferred in the current year	486,581	493,189	174	3,254
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	1,169,422	1,181,888	174	3,254
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Summary of Fund Movements

Fund Name 2022	Fund Balances 31 December 2021 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2022 £
Unrestricted Funds	4,800,072	3,550,370	(3,577,924)	(152,110)	4,620,408
Permanent Endowment Funds	54,956,635	-	-	(2,008,786)	52,947,849
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	59,756,707	3,550,370	(3,577,924)	(2,160,896)	57,568,257
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

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

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

19 Analysis of group net assets between funds	Unrestricted Funds 2022	Unrestricted Funds 2021	Endowment funds 2022	Endowment funds 2021	Total 2022	Total 2021
	£	£	£	£	£	£
Fixed assets						
Fixed asset	1,580,673	1,629,711	-	-	1,580,673	1,629,711
Investments	3,904,638	3,342,747	53,019,488	55,023,276	56,924,126	58,366,023
Current assets	2,588,999	3,209,518	-	-	2,588,999	3,209,518
Current liabilities	(3,453,902)	(3,079,904)	(71,639)	(66,641)	(3,525,541)	(3,146,545)
Defined benefit pension scheme asset / liability	-	(302,000)	-	-	-	(302,000)
	<u>4,620,408</u>	<u>4,800,072</u>	<u>52,947,849</u>	<u>54,956,635</u>	<u>57,568,257</u>	<u>59,756,707</u>

20 Analysis of group funds between charities 2022	Guild Endowment	College Endowment	Town Trust	Total
	£	£	£	£
Capital funds				
Endowment funds	36,563,709	16,384,140	-	52,947,849
Unrestricted funds				
General funds	-	-	2,655,072	2,655,072
Designated Funds*	-	-	1,518,733	1,518,733
Other charitable funds	102,853	343,750	-	446,603
Pension reserve	-	-	-	-
	<u>36,666,562</u>	<u>16,727,890</u>	<u>4,173,805</u>	<u>57,568,257</u>

Analysis of group funds between charities 2021	Guild Endowment	College Endowment	Town Trust	Total
	£	£	£	£
Capital funds				
Endowment funds	37,578,647	17,377,988	-	54,956,635
Unrestricted funds				
General funds	-	-	2,736,741	2,736,741
Designated Funds*	-	200,000	1,656,174	1,856,174
Other charitable funds	102,853	406,304	-	509,157
Pension reserve	-	-	(302,000)	(302,000)
	<u>37,681,500</u>	<u>17,984,292</u>	<u>4,090,915</u>	<u>59,756,707</u>

*Designated funds are classified over page

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

20 Analysis of group funds (continued)

Designated funds	2022	2021
	£	£
Play House building	1,218,733	1,256,021
Foundation House leasehold improvements	-	153
Foundation House ongoing costs	100,000	200,000
Foundation House future proofing	100,000	100,000
Participatory grant making	100,000	100,000
Riverside project	-	200,000
	<u>1,518,733</u>	<u>1,856,174</u>

21 Trustee expenses (Group and Trust)

Expenditure reimbursed to Trustees during the period amounted to £nil (2021: £nil).

22 Commitments

In accordance with its constitution each year the College Estate is committed to pay an annual sum, which is currently £7k per annum, to the Vicar of Holy Trinity Church at Stratford-upon-Avon.

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

In accordance with its constitution each year the Guild Estate has an on-going commitment to contribute to the Church Street Almshouses' (Municipal Charities) running costs in relation to general rates, water rates and sewerage charges, also funds for the respective yearly amounts (recommended by the National Association of Almshouses) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund.

The Town Trust has entered into a grant arrangement with the operators of Stratford Play House (Stratford Play House Limited) for a five-year period (1 July 2021 to 30 June 2026). The level of grants for the years 3-5 will be confirmed 6 months prior to the start of the new grant's year, for year 1 July 2023 to 30 June 2024 the commitment is £100,000.

23 Grant making

A total of 111 (2021: 117) discretionary grants were awarded to beneficiaries during the year, of which 44 (2021: 56) were hardship grants, to individuals, which amounted to £10,651 (2021: £11,960).

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

23 Grant making (continued)

Total Discretionary Grants	Group & Town Trust	
	2022	2021
	£	£
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	384,404	233,660
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	212,215	184,435
To provide or support facilities for recreation and other leisure-time occupation	213,123	134,908
To support civic pride	24,132	7,240
To support citizenship and community	24,985	20,230
Other charitable purposes	985	276
	<u>859,844</u>	<u>580,749</u>

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

Discretionary Grants £20,000 or greater	Group & Town Trust	2022
		£
Beneficiary	Purpose of grant	
Play House*	Running costs & support of community events	125,000
Citizens Advice South Warwickshire*	Core funding & management support	120,937
The Parenting Project	Family wellbeing pathway delivery with families	44,803
Stratford upon Avon School	Schools grant	38,849
The Myton Hospices	Core costs for Stratford residents	35,000
The Shakespeare Hospice	Core costs for Stratford residents	35,000
Refuge (Stratford)*	Support for survivors of domestic abuse	32,000
Young Minds Matter	1:1 Mentoring in schools for young people	29,896
Spring Housing Association*	Stratford Housing Plus Centre	25,000
VASA	Core costs for community transport and activities to reduce isolation	22,000
Orchestra of the Swan	Café Muse	21,405
Domestic Abuse Counselling Service	Support for Dads' of children with special needs	20,000

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

Reconciliation of grants payable

	Group	Group
	2022	2021
	£	£
Commitments 31 December 2021	617,484	539,190
Commitments made in the period and payable	1,500,326	1,184,442
Grants paid during the period	(1,396,736)	(1,106,148)
	<u>721,074</u>	<u>617,484</u>

It is anticipated that all the committed grants will be payable during 2023.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

24 Pensions and similar obligations

As at 31 December 2022, 2 (2021: 2) of the Town Trust's employees were members of the Warwickshire County Council Pension Fund.

The pensions cost is assessed every three years in accordance with the advice of the Warwickshire County Council Pension Fund actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2019
Actuarial method	Projected Unit credit method
Investment returns per annum	3.7%
Pension increases per annum	2.3%
Salary increases per annum	2.3%
Market value of assets at date of last valuation	£1,574,000

The following information is based upon a full actuarial valuation of the Warwickshire County Council Pension Fund at 31 March 2019 updated to 31 December 2022 by a qualified actuary.

On 1st April 2014 the Town Trust transferred four employees, who were members of the Warwickshire County Council Pension Scheme (Pension Scheme), to the employment of the ArtsHouse. The Pension Scheme recognised the ArtsHouse as the new employer and admitted it as a fully funded member of the Scheme as from 1st April 2014. Any deficit that existed as at 1st April 2014, which was attributable to the four employees, was assumed to remain with the Town Trust. As at 31st March 2016 all four employees who transferred to the employment of the ArtsHouse, were no longer in the employment of the ArtsHouse. From a pension scheme perspective, they are defined as deferred pensioners. The Town Trust, with the agreement of the Warwickshire County Council Pension Scheme, has taken over the full ongoing deficit relating to these former ArtsHouse employees. From an FRS17 perspective this deficit was £67,000 as at March 2016.

Financial assumptions

	2022	2021	2020
Rate of CPI	10.1%	2.9%	2.5%
Rate of increase in salaries	3.85%	3.7%	3.3%
Rate of increase in pensions	3.05%	2.9%	2.5%
Discount rate for liabilities	4.75%	1.9%	1.3%

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

	Rate of Return	2022 £'000	Rate of Return	2021 £'000
Equities	5.8%	1,181	5.9%	1,246
Bonds	1.6%	518	2.7%	559
Property	4.2%	332	7.0%	301
Cash/liquidity	2.0%	41	-	43
Total		<u>2,072</u>		<u>2,149</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

24 Pensions and similar obligations (continued)

	2022 £'000	2021 £'000
Market value of assets	2,072	2,149
Liabilities	(1,516)	(2,451)
	<hr/>	<hr/>
Surplus / (deficit)*	556	(302)
	<hr/>	<hr/>

*As per the Town Trust's accounting policies the surplus has not been recognised on the balance sheet as the surplus is not recoverable.

Analysis of amounts charged to the statement of financial activities	2022 £'000	2021 £'000
Current service cost	48	49
	<hr/>	<hr/>
Operating charge	(48)	(49)
	<hr/>	<hr/>

Analysis of net return on pension assets

Expected return on pension scheme assets	41	24
Interest on pension liabilities	(47)	(33)
	<hr/>	<hr/>
Net return	(6)	(9)
	<hr/>	<hr/>

Actuarial gains and losses

Asset (loss) / gain	(160)	326
Liability gain	1,002	43
	<hr/>	<hr/>
Net gain*	842	369
	<hr/>	<hr/>

*Only recognised gain of £286,000 in the accounts as surplus not recognised.

Movement in deficit during the year	2022 £'000	2021 £'000
Deficit at beginning of year	(302)	(671)
Current service cost	(48)	(49)
Employer contributions	70	69
Net returns on assets	(6)	(9)
Actuarial gain	842	358
	<hr/>	<hr/>
Surplus / (deficit) at end of year*	556	(302)
	<hr/>	<hr/>

*Not recognised surplus on balance sheet

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2022 (continued)

25 Going Concern

The Town Trust has prepared its accounts on the basis of it being a going concern. There are no significant doubts about the charity's ability to continue as a going concern.

26 Lease Commitments

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

	Group		Town Trust	
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	2,125,274	1,878,250	4,086	5,250
Later than 1 year but not later than 5 years	7,163,953	6,729,754	-	21,000
Later than 5 years	50,001,019	51,414,405	-	1,313

No contingent rent was recognised as income 2022 £nil (2021: £nil). The Town Trust leases its property portfolio under lease agreements to tenants (lessees). No contingent rent is recognised as an asset.

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

	Group & Town Trust	
	2022	2021
	£	£
No later than 1 year	34,384	71,519
Later than 1 year but not later than 5 years	-	286,076
Later than 5 years	-	35,760

27 Post Balance Sheet events

On 3 March 2023 the Coach House, 42 Rother Street, was sold to the tenant, Empire Star Limited, for a sale price of £700k and the net proceeds were £679k. On 7 March 2023 Guild Estate Endowment was awarded £90,000 of Shared Prosperity Fund to support work which will be undertaken to two properties to the rear of Henley Street, Stratford-upon-Avon.

28 Related Party Transactions

The Trustees were not involved in any related party transactions in 2022 (2021: none).



Stratford Town Trust

creating a vibrant and
connected community

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A company limited by guarantee, registered in England and Wales (number 04222949) and Registered Charity (number 1088521)

Stratford-upon-Avon Town Trust is Trustee of the Guild Estate Charity (Registered Charity Number 217484)
and The College Estate Charity (Registered Charity Number 217485)