

STRATFORD-UPON-AVON TOWN TRUST

Annual Report and Accounts 2019



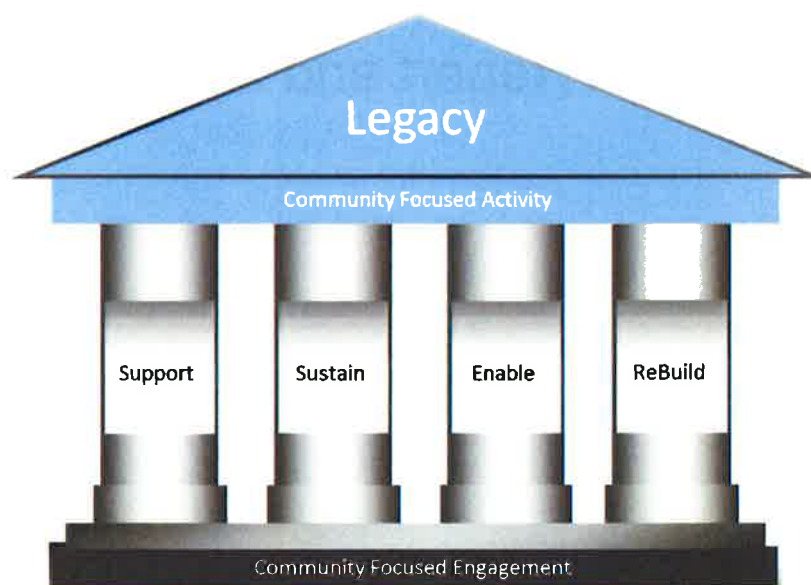
Stratford
Town Trust

at the heart of our community

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

VISION STATEMENT

Investing in the community for the benefit of all.



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STRATFORD-UPON-AVON TOWN TRUST MESSAGE FROM OUR CHAIR OF THE BOARD

As I write, Stratford is in Coronavirus lock down and looking back, 2019 feels like a golden age in comparison. 2020 will be remembered as one of the most difficult times in the Trust's history. We face an enormously challenging short-term future with much lower investment returns, reduced funds for discretionary grant giving and a wider community that now needs our help and support more than ever before. Everybody at the Trust has been working enormously hard to protect and preserve our remarkable charity and I'm confident we can survive 2020 and 2021 and look forward to brighter and less difficult times long-term.

But in 2019 we did great things. A strong financial performance enabled us to give over £2m to deserving local causes and charities, Foundation House, our bustling charity hub, now has 12 permanent groups and the Play House enjoyed a record year of sparkling performances and some sell-out shows. Our heritage asset, the Guild Chapel, continues to attract international attention and we're looking to partnering with the Building's Archaeology team at the University of York and world-class conservators to reveal and restore more of its unique mediaeval wall paintings. We launched our plan for the Rowley Community Orchard and the fields are now registered as a biodiversity offsetting site which affords protection from development for the next thirty years. Our public consultation revealed warm approval for the Trust's work, and I was delighted to note a real desire for the membership to become more involved, an improved public profile and more Stratford residents becoming members. We've now made joining the Trust much easier with a digital link on our website www.stratfordtowntrust.co.uk/joinus. If you know someone who hasn't yet joined the Trust, do tell them how easy it is now for residents of the town to join. I'd like to make 2020 a year where we see many more in our community join the Trust as engaged members.

We were delighted that our very able Chair of the Finance Investment and Property Committee, Clive Snowdon, was elected to stay with us for another term of office. Clive's accounting experience and financial insights have proved enormously invaluable over the years. One of our Trustees, Ian Andrew, sadly resigned in November due to personal reasons and I'd like to thank Ian for his hard work and support, not least in helping us create an improved risk register. In 2020 we will say goodbye to Charles Bates when his term comes to an end. Charles has been an advocate of the Trust since 2001 when he served his first term as a trustee. Tessa Bates will also step down in 2020 after a term as a Town Council nominated trustee and I'd like to thank them both for all their tremendous support. We look forward to welcoming their replacements from the Town Council soon. In 2019 all our trustees gave up a significant amount of their time, unpaid, to help the Trust in what has been a very successful year.

Finally, I'd like to commend our permanent staff and our CEO, Sara Aspley, for their tireless work this year. For me its always remarkable that so much is achieved by so few and 2019 has been no exception – my heartfelt thanks to you all. Hopefully, when I write next year's introduction to the 2020 accounts Stratford, and the world, will be in a better place. Until then, rest assured that our acclaimed, historic, 500-year-old charity is in safe hands for the benefit of the future generations of our wonderful town.

Quentin Willson
Chair of the Board
20 May 2020

STRATFORD-UPON-AVON TOWN TRUST CHIEF EXECUTIVE'S REPORT

Whilst this is an introduction to the 2019 Report and Accounts it would be remiss of me to ignore the impact of the Covid-19 pandemic across the world and within our own communities. Overnight the Trust's operation underwent a profound change and the same was true for the groups and charities that we support. Many of them having to rapidly rethink how to deliver specialist services to the most vulnerable and disadvantaged members of our community. A large part of the Trust's income is derived from our commercial property portfolio and it is clear that, despite government aid, some businesses simply will not survive this crisis. We have no way of knowing what our town centre will be like in the future but as I write we find ourselves in a perfect storm of reduced income and increased need.

In 2019 the Trust's income was £3.6 million which enabled us to deliver £2.0m in discretionary and non-discretionary grants to the town. We were delighted to make first time awards to Acorns Children's Hospice who provide specialist support to children and young people with life-limiting and life-threatening conditions; and in contrast, to Shottery FC, a newly formed football team, to help buy training kits for young players. Along with our support for local schools and grants for people in crisis, we continue to strive to make a positive impact on the town and bring communities together. Recognising that the Trust funds a truly diverse range of charities we continue to work towards a method of impact assessment that goes beyond simply measuring numbers. We will do this by understanding better the constraints and challenges that comes with assessing impact, along with rewards like an iterative improvement in service. We want to work in partnership with charities and organisational bodies to share best practice and add value rather than creating additional work. Our Annual Review for 2019 tells some more detailed stories of where our funding has made a difference for the charities and the people that they serve.

As ever, we remain keen to hear from groups and charities that haven't connected with us before and would like to support initiatives that promote, and champion partnership working or bring like-minded groups together to strengthen ambition.

We started 2019 with a commitment to writing our strategic plan to set out our objectives from 2021 to 2025 beginning with the largest public consultation ever undertaken by the Trust. We spoke to almost 1000 people through our focus groups, workshops and member's event; and we received 384 responses to our written questionnaire. You told us what mattered to you, where you would like us to focus our grant making and helped us to select our vision statement, *Creating a Vibrant and Connected Community*. Our Strategic Plan will be launched in autumn 2020 and will set our direction to 2025.

As a grant making charity Stratford Town Trust is unique in being a membership organisation. With over 2000 members lending their support already you told us through our consultation that you want an opportunity to be more involved. Our members event in September was just the start of a programme of activities that will bring you closer to our work and give you an opportunity to make decisions on grant awards that will directly benefit the community.

Foundation House, our community hub continued to gain support across the town welcoming new regular groups like Warwickshire Pride, holding Stratford's first eco market in November and continuing to host our hugely popular Community Café each month. I am so proud of this dynamic and creative building that manages to be a warm, welcoming and supportive space for so many.

Finally, none of this would be possible without the hard work and dedication of the Town Trust staff whose positive commitment to the town is evident in all that they do. It is clear that in the months and maybe years ahead we will need to find new, collaborative and creative ways to support and unite our community. We look forward to the challenge.

Sara Aspley
Chief Executive
20 May 2020

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity'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.

An Environment of Change

The year saw much change both within the Town Trust and the wider world. The Town Trust began its community consultation in August 2019, with residents of Stratford invited to share their views about Stratford and the Trust. Almost 1,500 people participated 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.

The consultation results will help shape the Trust's strategy for 2021 -2025, which will be launched later in 2020. The strategy will focus on four pillars of activity: grant making, community engagement, place making, finance and the endowed investment portfolio.

The Trust is aware of the impact of climate change and the need for environmental sustainability. Together with local stakeholders including Stratford District Council, Stratford-upon-Avon Town Council, businesses and environmental groups we will work to achieve carbon neutral targets. The first small steps were taken in autumn 2019 when a planting scheme was drawn up for a community orchard at Rowley Fields. The orchard of 40 heritage variety fruit trees was planted in early 2020.

Community Strategy: 2017-2020

In 2019 the Trust continued with the delivery of the integrated Community Strategy. A key corner stone of which is Foundation House, that has quickly established itself as a vibrant community hub for the town. The Trust continues to fund the programme of community activity at the Play House. This busy community arts venue which reopened in 2018, plays a key role in delivering the Trust's strategic aims and contributing to the vibrancy of the town.

STT Plan and Future Direction

The Town Trust has continued in its commitment to becoming a more visible and accessible source of funding within Stratford-upon-Avon. A refreshed grant application process has seen the Trust work proactively with applicants from the earliest stage and deliver a programme that is open and available to the widest pool of potential beneficiaries. Instead of being a funder of choice for a limited number of recipients being a funder whose aims and intentions are known across Stratford-upon-Avon.

As described last year there is a layered plan in place to achieve this, but at a high level the direction is as follows:

1. Community Strategy

A community-led strategy focused on investing in the community for the benefit of all. All activities and initiatives of the Town Trust must align to a framework-based approach using the key words: Support, Enable, Sustain, ReBuild and Legacy. All grants are scored according to a multi-component matrix, community need and the impact they will make. In 2019 the Trust supported the many groups and charities through subsidised use of Foundation House and awarded grants of £2.0m to beneficiaries in Stratford upon Avon (for more detail see pages 43 to 44) enabling these organisations to provide a wealth of programmes and activities.

2. Development of Community Facilities

2019 was Foundation House's first full year of operation. There continues to be high demand from a wide range of groups, charities and individuals for community facilities within Stratford-upon-Avon where they can deliver services in a reliable and suitable setting. The demand is present across all sectors from sporting groups to community support organisations. The Town Trust will look at ways of leveraging Foundation House's capacity and that of other community facilities to provide the capacity to fulfil this need.

The Town Trust ReBuild programme (launched in 2017) saw the completion of two projects this year. A refurbishment and modernisation of facilities at Bishopton Community Centre has made the building fit for purpose in the future. The Centre held an open day in May 2019 to celebrate and relaunch the centre, which was well attended by the local residents. The second project in the ReBuild programme saw the extension and adaption to a domestic dwelling to provide a fully accessible bathroom. The project was completed in 2020 with the residents benefiting from more independent living. The total commitment on ReBuild projects was £76k.

3. Proactive Funding Strategy

Providing sufficient funds to enable a community grant-making programme is the prime activity of the Town Trust. A refreshed grant application process has seen the Trust work more proactively with applicants from the earliest stage and deliver a programme that is open and available to the widest pool of potential beneficiaries. This is a step in a move towards a participatory approach to some of our grant making, a method that cedes decision-making power about grants to the very communities impacted by funding decisions. In 2019 the Trust had two rounds of grants, including multi year grants, these have continued to be mostly reactive, but it is hoped that the proactive funding model can be developed in the medium term.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Grant awards during 2019 were based on the Town Trust's funding priorities, as detailed in the Community Investment Policy, these were developed after consultation with the community and with the aim of maximising impact in one or more of the following:

- Improve Health and Wellbeing
- Create Positive Activities for Young People
- Reduce Loneliness and Social Isolation
- Protect and Support Vulnerable Communities
- Develop Community Capacity and Resilience
- Support During Times of Crisis

Multi year grants – grants awarded which cover up to a period of three years.

Stratford upon Avon Hockey Club: £65,000 over 3 years

Year 3: £13,159. Project running 2016 - 2019

Stratford upon Avon Hockey Club continue to provide training, equipment and support to increase opportunities for the Stratford community to play hockey through:

- Schools outreach activities
- A 'Back to Hockey' scheme to encourage adults who have stopped playing to get back into the sport
- A 'Hockey Tots' scheme for children aged 3-7 years.

The project aims to increase access and participation to physical activity and sport through structured Hockey Programmes for people in the town.

Citizens Advice South Warwickshire: £182,755 over 3 years

Year 2: £39,925. Project running 2018 - 2021

Frontline service of advice and support to the people of Stratford town, support around 1,000 town residents per annum with a range of issues most commonly - debt, benefits and housing.

ILEAP: £54,111 over 3 years

Year 2: £18,037. Project co-ordinator 2018 - 2021

This project funding will enable ILEAP to be sustainable and provide long term stability to its members. The project co-ordinator will increase the number of participants and volunteers assist with other services e.g. peer mentoring, assisted holidays and festival friends.

The Myton Hospices: £60,000 over 3 years

Year 2: £20,000. Specialist care and support to adults who have a terminal condition and emotional support for their families

The purpose of the grant is to contribute towards the cost of care of residents of Stratford town who have a terminal condition such as heart failure, cancer, motor neurone disease, Parkinson's disease or COPD. The care is provided free of charge and the Hospice aims to meet patients' physical, psychological, spiritual and social needs plus support for families at a challenging time.

The Shakespeare Hospice: £150,000 over 3 years

Year 2: £50,000. Hospice at Home

Hospice at Home cares for and supports on average 30 patients and their families per month in their homes. The choice to be cared for at home remains the preference and with the belief that people with a life limiting illness should be able to choose with confidence where they spend their final days. Without this service patients would have less choice in their preferred place of care and may be admitted to residential homes or hospital.

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

Multi year grants – grants awarded which cover up to a period of three years (continued)

VASA: £105,000 over 3 years

Year 2 £35,000. Community transport and running costs

This project enables VASA to operate a community transport service so that local residents can attend medical and social appointments.

Young People First: £60,000 over 3 years

Year 2 £20,000. Sharp Minds

Sharp Minds gives young people experiencing mild to complex mental health issues a place to go where they can access confidence building social opportunities and support from qualified and knowledgeable youth workers. This includes 1:1 mentoring, advocacy and family mediation with additional support provided by a range of specialist counsellors.

Insight Counselling & Support Services (previously known as DACS): £99,000 over 3 years

Year 2 £33,000. Domestic abuse counselling & intervention for Stratford

To deliver specialist intervention counselling service for victims of domestic violence, which in turn reduces risk of domestic violence and increases the safety of victims and their children.

Entrust Care Partnership: £32,000 over 3 years

Year 1 £10,666. Family support worker

This project will enable a key worker to support families with disabled children to increase resilience, improve wellbeing and help to maintain stability through a holistic approach.

Foundation House

Foundation House is a building that allows a diverse range of individuals, groups, charities, artists, makers and social enterprise to work together in an inclusive, open and welcoming environment, providing an affordable, accessible space for existing and potential community members - temporary, short and longer-term. The net running costs of Foundation House in 2019 were £189k.

There are 12 groups who have an allocated space and call Foundation House their home. The cost of the space which each group occupies is treated as a benefit in kind and is summarised in the table below:

Name of organisation	Benefit in kind value £
Change Grow Live (formerly operating as Addaction)	6,368
Escape Arts	7,923
Safeline	9,525
Heart of England Woodturners	612
Second Thoughts Drama Group	8,409
Shakespeare Lions	3,425
Stratford Army Cadets*	9,870
Stratford Ambulance Association	6,931
Stratford District Radio Society	2,971
Stratford Men's Shed	12,382
Warwickshire Reminiscence Action Project	10,448
Welcombe Radio	3,157
Total benefit in kind	82,021

*Net of licence fee

The benefit in kind figure is calculated based on the cost of the building per metre square. Foundation House has three meeting rooms that can be hired by other groups, businesses and individuals for a variety of events. During 2019 these included adult community learning courses, antenatal classes, employment advice, classes teaching English as a second language, Girl Guiding activities, and a pop up Eco Market.

The monthly community café event hosted by a local group, is open to everyone and has grown in success during the year. In October 2019 Foundation House joined with other organisations across the country in hosting its first 'Fun Palace', with groups running fun activities for families such as: young people's takeover of a live community radio broadcast, woodturning, craft making, first aid demonstrations and practice.

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

Summary of Discretionary Grants awarded in 2019

Community benefit	Awarded £	Examples of Beneficiaries
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	565,025	<ul style="list-style-type: none"> • ReBuild project for Stratford resident: for alterations to provide an adapted bathroom £65,252 • VASA: Community Transport Running Costs £35,000 • Citizens Advice South Warwickshire: Core Funding and Advice Service £60,980 • The Shakespeare Hospice: Hospice at Home £50,000 • Citizens South Warwickshire: Reach out to Stratford Town £39,925 • Safeline: Stratford support £36,450 • Domestic Abuse Counselling Service: Domestic abuse counselling & intervention for Stratford £33,000 • Stratford upon Avon Foodbank: Foodbank strategy £30,000 • Warwickshire Reminiscence Action Project: WRAP development plan 2024 £27,000 • Lifespace: Mentoring children & young people £25,970 • Acorns Children's Hospice: care for Stratford town patients £24,570 • Refuge: Stratford refuge £20,0000 • Young People First: Sharp Minds – Stratford £20,000 • The Myton Hospices: Specialist care £20,000 • ILEAP: Project Coordinator £18,037 • Time4Hope: Time4change £12,400 • Entrust Care Partnership: family support service £10,666
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	209,066	<ul style="list-style-type: none"> • Grants to all town state schools and the college plus three out of town state schools with a large number of Stratford-upon-Avon resident pupils: £170,758 in total - 15 grants. • St Gregory's Catholic Primary School: key stage 1 playground project £25,000
To provide or support facilities for recreation and other leisure-time occupation	211,910	<ul style="list-style-type: none"> • Play House: community event support & running costs £150,000 • Welcombe Hills School: Secondary playground project £25,000 • Stratford on Avon Music Festival: community events at 2019 Festival £15,000 • Stratford Arts Project: Access to music £14,180 • Stratford Upon Avon Hockey Club: Training & equipment £13,159 • Stratford Sharks ASC Swimming Club: swimming recruitment & welfare project £5,213
To advance Christian religion	520	<ul style="list-style-type: none"> • 1 small project -songs of praise at the bandstand
To support Civic Pride	18,600	<ul style="list-style-type: none"> • Stratford in Bloom: £15,000 • Bandstand concerts: £3,600
To support citizenship and community	17,008	<ul style="list-style-type: none"> • Orbit heart of England, grassroots fund partnership £15,000 • Plus 4 small projects less than £1,500
Other charitable purposes	33,041	<ul style="list-style-type: none"> • Heart of England Mencap, relocation of Pathway day services £30,000 • Warwickshire Police Safer Neighbourhood, cycle security marking £1,497 • Accessible Stratford, guide to accessible Stratford £816

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Non-Discretionary Grants

The Grammar School of King Edward VI at Stratford-upon-Avon (charity number 528769) received £632k (2018: £695k) from the Guild Estate in accordance with the Charity Commission Scheme dated 1 October 2001. £44k (2018: £42k) was paid towards the maintenance of the Almshouses, by the Guild Estate. £7k (2018: £7k) was paid to the Vicar of Holy Trinity Church, as a stipend, by the College Estate.

Guild Chapel

There are 28 volunteer guides who greet visitors to the Guild Chapel and many of them have been with the Trust since the Chapel reopened after refurbishment and conservation in 2017. Individually and collectively they have a wealth of knowledge that enables visitors to get the most out of a visit to the Chapel. We are so grateful for their time which they have given so generously over the year.

The pupils of King Edwards School use the Chapel each day for assembly, a service is held each Wednesday presided over by a chaplain from Holy Trinity Church and in 2019 the chapel welcomed 63,000 visitors through its doors.

In February, the Volunteer Guides were named Team of the Year at the Pride of Stratford 2019 Awards. In March, the Guild Chapel was presented with the Judges' Discretionary Award at 2019 UK Heritage Awards, where it was praised for the ongoing conservation and interpretation of the medieval wall paintings, which are some of the finest surviving in Europe.

In March the Trust signed a Memorandum of Understanding with the University of York (Department of Archaeology and the Centre for the Study of Christianity and Culture) furthering the relationship that began with the HLF funded conservation project, Death Reawakened with the aim of a second phase of conservation work to these magnificent paintings.

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

FINANCIAL REVIEW *(incorporating strategic review)*

OVERVIEW

In 2019 total income for the Trust was £3.6m (2018: £3.4m) the vast majority of this income (99%) was generated from the charities investments, the Trust is very fortunate to have such a legacy and to not have to undertake fundraising on a regular basis. Investment (both property and equity) management costs amounted to £1.1m, so 69.4% of the total income was available for charitable purposes to be spent on enhancing the lives of the people of Stratford-upon-Avon (2018: 75.9%). We are very aware that the costs of managing the investments must be monitored closely and spent carefully, but also it is important that the investments are managed well thus ensuring income flows for future generations.

£2.4m was spent on charitable expenditure (2018: £2.6m), of which £2.0m was given as grants (2018: £2.2m), £1.2m were discretionary grants and the costs of Foundation House, for more detail see note 9.

INCOME

2019 total income of £3.6m was comparable to last year (2018: £3.4m). Investment income, £3.58m, remains our main source of income being 99% of total income.

Our investments had a yield of 6.0% (2018: 5.8%). The slight increase in yield was due to a marginal improvement in the property portfolio over the year, with the equity income being consistent year on year.

EXPENDITURE

The majority, 86% (2018: 79%), of the expenditure of raising funds, relates to the direct costs of managing the investment portfolio and in the main these costs relate to managing and maintaining the property portfolio. The cost of raising funds was £1.1m (2018: £0.8m). For more detail see note 8.

Statement of financial activities – summary			
	2019	2018	Growth
	£k	£k	%
Investment income	3,579.0	3,366.0	
Donations & Legacies	7.7	19.2	
Charitable activities	7.3	4.9	
Other income	9.2	8.4	
Total income	3,603.2	3,398.5	6.0
Expenditure on raising funds	1,104.3	819.2	34.8
Total net income	2,498.9	2,579.3	(3.1)
% of total income available for charitable purposes	69.4%	75.9%	
Discretionary grants*	1,277.2	1,438.1	(11.2)
Non-discretionary grants	682.8	744.4	(8.3)
Other charitable activities	427.0	405.8	5.2
Total charitable activities	2,387.0	2,588.3	(7.8)
Net incoming / (outgoing) resources	111.9	(9.0)	

*Includes costs of Foundation House

CHARITABLE EXPENDITURE

During 2019 our charitable expenditure was £2.4m, a decrease from 2018, £2.6m. The change was primarily driven by a reduction of £161k in discretionary grants committed and a reduction in the grant to King Edward VI School of £63k.

86.5% (2018: 88.4%) of the charitable expenditure was either grants or direct expenditure on 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. We have the minimum necessary standards of technological and systems infrastructure.

Nonetheless the trustees remain acutely aware that our primary purpose is to deliver much needed financial and other support to the community. To that end we keep our overhead costs under stringent review.

Our present overhead structure continues to be lean. During the year the allocation of support costs was reapportioned, to reflect the workloads and activities undertaken in the year.

BALANCE SHEET

The Town Trust had investments of £59.9m at the end of 2019; these are the investments which generate all the investment income. Of this 95.3% of investments are defined as endowed assets, which means that if any of these assets are ever sold all proceeds from the sale must be reinvested and these assets are also defined as endowed. During the year, the investments increased in value by 2.4% (2018: decreased by 0.5%).

In the year we had one property disposal. A residential property, 7 Benson Road, was sold in November 2019, for £950k. In December 2019, the net proceeds from this sale were invested in equity investments, property funds and passive funds. There were no property acquisitions during the year.

At the end of the year the Town Trust had £0.6m of grants committed to discretionary grant beneficiaries and non-discretionary grant beneficiaries, which will be paid within the next 12 months (2018: £0.7m). This amount is included in creditors.

The Town Trust has a liability of £0.3m (2018: £0.2m), which relates to the deficit of the defined benefit pension scheme (see note 24).

The total reserves at the end of the year were £60.6m, of which £3.6m were unrestricted funds, of these unrestricted funds £1.3m are available to fund future charitable activities.

RESERVES POLICY

The trustees review the reserves policy annually and consider it very important that the three Trusts can pay all their committed grants and have free reserves to cover ongoing administration costs for six months.

Stratford-upon-Avon Town Trust

Unrestricted reserves are held in the Trust to cover six months of administration costs (estimated at £302k), 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 2017 two further designated reserves were set up, one was for the fixed assets relating to Foundation House. The annual depreciation associated with this asset is charged to this designated reserve, the other for future running costs of Foundation House, against which £50k a year of running costs are charged to the reserve. The designated reserves at the end of the 2019 can be summarised as:

	£
Play House (formerly ArtsHouse) building	1,330,597
Foundation House building improvements	27,321
Running costs of Foundation House	50,000

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

RESERVES POLICY (continued)

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.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2019 Town Trust held investments of £59.9m, an increase of £1.4m compared with 2018. Stratford Town Trust has two endowed investment portfolios, which are held by Guild Estate and College Estate, and other investments, which are held by Town Trust and College Estate.

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

The broad thrust of our investment policy in recent years has been to increase portfolio diversification and reduce our exposure to property in Stratford-upon-Avon. The target set for reducing physical property investment, in the Guild and College Estates, to between 70% and 80% of the total investment portfolio value, has been met.

The Board reviewed and updated the investment policy in September 2019. 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 all the charities there is an expectation of net income yield being not less than 4.5% p.a. and that the capital value grows at least in line with inflation (RPI). Net income is defined as gross income less all direct costs (i.e., fees, repair costs, legal/advisor fees). ***(4.5% is the weighted average of the yield of property (4.98%) plus the yield of the quoted investments 3.5%).***
- **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 Trusts Capital and Income Act 2013 proposed that endowed charities may adopt a total return approach, without having to seek Charity Commission approval. As such the Trust has considered this point in relation to its endowed investments but decided it was an approach it would not adopt at this time.

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

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

INVESTMENT POLICY AND PERFORMANCE (cont'd)

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.

Investment	2019 £m	2018 £m	2019 %	2018 %
Endowed:				
Physical Property	38.9	40.0	64.9	68.4
Equity Funds	15.3	13.4	25.5	22.9
Property Funds	2.8	2.3	4.7	3.9
Cash equivalent	0.1	0.2	0.2	0.3
Total endowed investments	57.1	55.9	95.3	95.5
Non Endowed:				
Equity Funds	2.1	1.8	3.5	3.1
Property funds	0.7	0.8	1.2	1.4
Total non endowed investments	2.8	2.6	4.7	4.5
Total investments	59.9	58.5	100.0	100.0

Independently Managed Funds Performance

The equity investments are held with the following fund managers: Sarasin & Partners, Cazenove Capital Management and Legal & General. 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
Trust	4.0%	12.8%	16.8%	7.0%	14.9%
Guild	3.9%	8.3%	12.2%	7.0%	14.9%
College	3.6%	8.2%	11.8%	7.0%	14.7%

The benchmark for the Guild Estate and College Estate is the weighted average of the benchmark for the property funds (1.6%), which is based on AREF / MSCI All Balanced Funds Property Index, and the benchmark for the Common Investments Funds (18.5%) (which is calculated based on FTSE All-share 5% capped (Total Return) (UK) (20.0%), ICE BofAML Sterling Corporate (8.5%), ICE BofAML UK Gilts All Stocks (9%), MSCI AC World ex UK (local currency – GBP) (25%), MSCI AC World ex UK (Net total return) (25%), MSCI All Balanced Property Funds – One Quarter Lagged (4%), S&P Developed Property Net TR (3.5%), UK cash LIBOR 1 month (Total Return) (5%).

The benchmark for the Town Trust is based on FTSE All-share 5% capped (Total Return) (UK) (21.6%), FTSE Gilts All Stocks (Total Return) (20.97%), ICE BofAML Sterling Corporate (20.68%), MSCI AC World ex UK (local currency – GBP) (8.7%), MSCI AC World ex UK (Net total return) (18.7%), MSCI All Balanced Property Funds – ONE Quarter Lagged (2.32%), S&P Developed Property Net TR (2.03%), UK cash LIBOR 1 month (Total Return) (5%).

The actual total return performances were better than the targets due to the strong performance of the financial markets in relation to capital values in 2019, following their poor performance in the last quarter of 2018. The Trust's returns were better than the benchmark as the actual portfolio had a smaller proportion of gilts than that of the benchmark portfolio. Guild and College's returns were below to those of their benchmarks.

In December 2019 £470k was invested in Legal & General passive funds and £470k in Schroder UK property funds, the majority of these funds were the net proceeds from the sale of 7 Benson Road.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Property Investment Performance

The combined property portfolio is valued at £38.9m (2018: £40.0m). The property agents, Colliers International, performed a full valuation of properties as at 31 December 2015, so at the end of 2019 there was only a need to value properties which had had a change of tenancy or change in lease agreement.

The performance during the year continued to be acceptable, despite the impact of the BREXIT decision in summer 2016 and the economic challenges being faced by High Street retailers and landlords. Property valuations decreased by £0.5m as a result of the impact of new tenancies, rent reviews and renewals. Also, the total property value reduced as 7 Benson Road was sold and the proceeds from this sale were reinvested into equity investments.

	Income	Capital	Total Return	Target	Benchmark
Guild	7.4%	(1.9)%	5.5%	7.2%	1.6%
College	7.1%	1.0%	8.1%	7.2%	1.6%

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 -1.3% (2018: 0.9%). The rental yield for the combined portfolio was 7.2% (2018: 6.8%), giving a total return of 5.9% (2018: 7.8%).

In 2019 the health of our commercial property portfolio in Stratford-upon-Avon continued to hold up remarkably well, despite the challenges we faced both economically and due to the age and listed status of some properties. During the year we have had few voids and a level of rent arrears that were no worse than would normally be expected with a portfolio of its magnitude and mix.

The underlying annual property income has remained consistent with the previous year. At the year-end there were four void offices and four void retail units.

Investment criteria

The trustees have 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 to benefit the "inhabitants of Stratford-upon-Avon" (as defined by the administrative boundary of the parish).

All grant applicants are required to provide information on the numbers, the section of the community intended to benefit and their ability to evidence a Stratford upon Avon postcode address. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. 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.

In the same way the Town Trust ensures that access to all its directly managed facilities is available to all sections of the community. In 2019 Foundation House has gone from strength to strength, providing an enormous benefit to the community. There are 12 community groups who have been granted benefit in kind space, alongside many community groups who continue to utilise and enjoy the various meeting spaces on a regular basis.

The trustees in exercising their powers and duties, have complied with their 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 the 24 May 2001, and registered as a charity on the 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 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 Trust can have a maximum of eleven trustees. Five are elected by the Trust’s members, three are nominated by the 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 all committees are reviewed and updated as required, on an annual basis.

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

The committees are: Audit & Governance Committee; Grants & Communication Committee; and Finance, Investment and Property Committee.

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 corporate and Charity Commission regulations and laws
Grants & Communication	<ul style="list-style-type: none"> • Review and recommend a Communication Strategy and Community Investment Policy in relation to grant funding • Recommend and oversee delivery of Communication and Grants Plan • Approve and review grant awards
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 and a Board strategy day, at these meetings the trustees agreed the broad strategy of the Trust and discussed the key areas of activity of the Trust, including grant giving, investment, reserves and risk management. The various committee minutes are reported at the subsequent Board meetings.

In 2019 Ian Andrew, an elected trustee, resigned. The Trust’s Memorandum & Articles of Association state that an unplanned vacancy may be filled by resolution of the remaining trustees. As such the trustees have unanimously voted to advertise the post and interview interested candidates in 2020. The newly appointed trustee will then hold office for the remaining term of the departed trustee, which is until July 2022. The Town Trust is most appreciative of the time and effort which all its trustees give so freely to the Trust but particularly thank Ian for all his time and contribution to the Trust during his term as a trustee (for full details of trustees see page 18).

**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 the Town Trust 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 (incorporating strategic review)

The Town Trust's risk policy was reviewed in autumn 2019, 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, the Town Trust's policy states that this is done by reviewing and discussing the Risk Register. The whole process is monitored by the Audit & Governance Committee.

The trustees consider that the major risks facing the Group at the end of the year were:

Description of Risk	Mitigation of Risk
On-going unresolved matter with non-discretionary beneficiary	Legal advice has been sought as to how matter should be resolved to protect all parties involved. Guidance was requested and has been received from Charity Commission.
Tenants with full repairing leases not fulfilling their responsibilities	All properties are inspected on a regular basis by the Trust's property manager and a report on repairs required by tenant is prepared and a dialogue occurs with tenant, any actions are followed up on an ongoing basis. At the end of leases, a proactive approach is adopted in terms of dilapidation negotiations and settlements.
Commercial tenants become insolvent or go into administration	Property manager's monitor the condition of the buildings and highlight any significant arrears. New tenant's with weak credit ratings are required to provide a deposit.

Health and Safety

In 2019 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. Audits are carried out and recorded by external Health and Safety experts who act as the Competent Person. 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 will show respect for all our employees and volunteers, valuing each individual'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 providing equal opportunities for all employees and volunteers.

Contacting our Members and the Community

The Town Trust prides itself on a high standard of professional conduct especially when it comes to the use of membership information. The Town Trust continually reviews how we contact the public to ask for support and then tightly controls not only the data that is provided but also any identifying information. In 2019 the Town Trust's communication practices continued to be on an opt-in basis. While we do work with specialist people and organisations to advise and support our activities, we do not fundraise or canvas our members for fundraising on our behalf of any other organisation.

Openness, Transparency and Accountability

The Town Trust works hard to minimise overheads and maximise the funds flowing into the grant-making programme. The CEO is available every Friday to meet Trust members or community members to discuss any issue. In September 2019 the Trust held a member's focus group event where members were consulted on their experience of membership and on aspects of the Trust's 2021-2025 strategy. In the autumn, a public consultation survey sought a deeper engagement with the community to gain a clear understanding of what really matters to the people of Stratford-upon-Avon.

Grant Making Policy

Details of how to apply for grants are available on the Town Trust's website: www.stratfordtowntrust.co.uk. Applications are made to the Town Trust, using the application form. The Town Trust operated two main grants rounds in 2019. The Town Trust also offered a Fast Track grant scheme whereby organisations could apply for grants up to £1,500 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 trustees 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 of the Town Trust's objects.

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

- Risk Policy and process
- Review of internal controls and processes by Audit & Governance Committee and Compliance Advisor where appropriate
- All major programmes and projects are scrutinised by Senior Management and monitored through an appropriate Committee
- The safeguarding of assets against unauthorised use or disposition
- The maintenance of proper accounting records
- The reliability of the financial information used within the Trust or for publication
- The safeguarding of personnel

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

Information Systems

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

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 Trust.

The Board has reviewed the effectiveness of the Trust's system of internal financial controls that require disclosure in the financial statements and believes them to be adequate.

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

Our Staff and Volunteers

None of the Trust's work would be possible without the commitment and hard work of our volunteers, supporters and staff.

At December 2019 the Trust had 14 paid members of staff, the majority being part-time. Their wealth of experience, skills and commitment has enabled the Trust to deliver another amazing year of grants and investment management. It is important that the Trust continues to attract, recruit and retain talented and committed individuals. The Board of trustees are responsible for the annual remuneration review.

The Town Trust's volunteers are fundamental to the success of the Town Trust and those related with the Guild Chapel are assisting with the unlocking of this hidden gem. The Town Trust is most grateful to all of them.

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.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OFFICERS, CONTACTS AND ADVISORS

TRUSTEE BOARD

Mr I Andrew (resigned 25 November 2019)
Mr T Bailey
Mr C Bates
Mrs T Bates
Mr A Jackson (Vice Chair of Board & Chair of Grants & Communications Committee)
Mr L MacDonald
Mr M Macdonald
Mr S Parker
Mr C Snowdon (Chair of Finance Investment & Property Committee)
Mr D Taylor
Mr Q Willson (Chair of Board)

NON EXECUTIVE AUDIT & GOVERNANCE COMMITTEE MEMBERS

Mr A Flor Chair from 1 January 2019 to 31 December 2019
Mrs S Jassi Deputy Chair from 1 January 2019 to 31 December 2019

CHIEF EXECUTIVE	Sara Aspley	SENIOR MANAGEMENT TEAM	Sara Aspley, Rebecca Hampson, James McHugh (appointed 11.4.19), Lynn Wilson, Rachel Key (to 30.10.19)
AUDITORS	Saffery Champness LLP St John's Court Easton Street High Wycombe HP11 1JX	PROPERTY MANAGER	Colliers International 12 th Floor Eleven Brindley Place 2 Brunswick Square Brindley Place Birmingham B1 2LP
BANKERS	Barclays Bank plc Barclays House PO Box 1500 Dominus Way Meridian Business Park Leicester LE19 1RP	INVESTMENT MANAGERS	Cazenove Capital (part of Schroders & Co Limited) 1 London Wall Place London EC2Y 5AU Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
SOLICITORS	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB Wiggin Osborne Fullerlove 95 The Promenade Cheltenham GL50 1HH		Schroders & Co Limited 1 London Wall Place London EC2Y 5AU Legal & General Investments Corporate Accounts Team PO Box 6080, Wolverhampton WV1 9RB Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD

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 20 May 2020 and signed on their behalf by Quentin Willson.



Quentin Willson
Chair of Board
20 May 2020

STRATFORD-UPON-AVON 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 for the year ended 31 December 2019 which comprise a statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 2019 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 the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

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 and the Strategic 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 and the Strategic Report has been prepared in accordance with applicable legal requirements.

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 its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic 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:

- the group or parent charitable company has not kept adequate and sufficient accounting records, 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 20, the trustees (who are also the directors of the 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's and 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 that Act.

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

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

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

Use of our report

This report is made solely to the charitable company's members and the trustees, 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 charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work. for this report. or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Saffery Champness LLP', written in a cursive style.

Karen Bartlett (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

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

Statutory Auditors

Date: 3 June 2020

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 2019

	Note	Unrestricted funds 2019 £	Permanent endowment funds 2019 £	Total funds 2019 £	Unrestricted funds 2018 £	Permanent endowment funds 2018 £	Total funds 2018 £
Income from:							
Donations and legacies*	4	7,714	-	7,714	19,184	-	19,184
Investment income	5	3,578,983	-	3,578,983	3,365,975	-	3,365,975
Charitable Activities	6	7,322	-	7,322	4,884	-	4,884
Other income	7	9,149	-	9,149	8,493	-	8,493
Total Income		3,603,168	-	3,603,168	3,398,536	-	3,398,536
Expenditure on:							
Raising funds	8	1,104,276	-	1,104,276	819,254	-	819,254
Charitable activities**	9	2,386,950	-	2,386,950	2,588,271	-	2,588,271
Total expenditure		3,491,226	-	3,491,226	3,407,525	-	3,407,525
Net gains / (losses) on investments	18	222,638	1,211,659	1,434,297	(106,794)	(666,182)	(772,976)
Net income and expenditure		334,580	1,211,659	1,546,239	(115,783)	(666,182)	(781,965)
Other recognised gains and losses							
Actuarial (losses) / gains on defined benefit pension schemes	24	(193,000)	-	(193,000)	37,000	-	37,000
Net movement in funds		141,580	1,211,659	1,353,239	(78,783)	(666,182)	(744,965)
Reconciliation of funds							
Total funds brought forward		3,463,925	55,796,252	59,260,177	3,542,708	56,462,434	60,005,142
Total funds carried forward	18	3,605,505	57,007,911	60,613,416	3,463,925	55,796,252	59,260,177

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 29 to 47 form part of these financial statements.

* Includes restricted funds income of £nil (2018: £10,000)

** Includes restricted funds cost of £nil (2018: £10,000)

STRATFORD-UPON-AVON TOWN TRUST**TRUST STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account
for the year ended 31 December 2019**

	Notes	Total Funds 2019 £	Total Funds 2018 £
Income from:			
Donations and legacies	4	1,673,476	1,739,852
Investment income	5	109,965	95,161
Charitable activities	6	1,048	817
Other	7	183,112	173,351
		<hr/>	<hr/>
Total income		1,967,601	2,009,181
		<hr/>	<hr/>
Expenditure on:			
Raising funds	8	235,570	233,209
Charitable activities:	9	1,619,393	1,784,961
		<hr/>	<hr/>
Total expenditure		1,854,963	2,018,170
		<hr/>	<hr/>
Gains / (losses) on investment assets	15	238,034	(127,329)
		<hr/>	<hr/>
Net income and expenditure		350,672	(136,318)
Other recognised gains and losses			
Actuarial losses / gains on defined benefit pension schemes	24	(193,000)	37,000
		<hr/>	<hr/>
Net movement in funds		157,672	(99,318)
Reconciliation of funds			
Total funds brought forward		3,303,009	3,402,327
		<hr/>	<hr/>
Total funds carried forward	20	3,460,681	3,303,009
		<hr/> <hr/>	<hr/> <hr/>

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 29 to 47 form part of these financial statements.

STRATFORD-UPON-AVON TOWN TRUST
BALANCE SHEETS
As at 31 December 2019

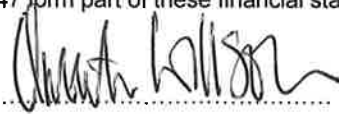
	Notes	Group		Trust	
		2019 £	2018 £	2019 £	2018 £
Fixed assets					
Tangible fixed assets	14	1,756,802	1,862,586	1,756,802	1,862,586
Investments	15	59,896,415	58,464,741	2,079,660	1,841,627
		<u>61,653,217</u>	<u>60,327,327</u>	<u>3,836,462</u>	<u>3,704,213</u>
Current assets					
Debtors	16	368,645	344,376	361,702	141,791
Cash at bank and in hand		1,595,849	1,548,354	349,418	355,216
		<u>1,964,494</u>	<u>1,892,730</u>	<u>711,120</u>	<u>497,007</u>
Current liabilities					
Creditors: amounts falling due within one year	17	(2,671,295)	(2,787,880)	(753,901)	(726,211)
Net current liabilities					
		<u>(706,801)</u>	<u>(895,150)</u>	<u>(42,781)</u>	<u>(229,204)</u>
Total assets less current liabilities					
		<u>60,946,416</u>	<u>59,432,177</u>	<u>3,793,681</u>	<u>3,475,009</u>
Defined benefit pension scheme liability	24	(333,000)	(172,000)	(333,000)	(172,000)
Net assets including pension liability					
		<u>60,613,416</u>	<u>59,260,177</u>	<u>3,460,681</u>	<u>3,303,009</u>
Funds					
Capital funds					
Endowment Funds*	18	57,007,911	55,796,252	-	-
Income funds					
Unrestricted funds					
General fund	20	2,385,763	1,886,907	2,385,763	1,886,906
Designated fund		1,407,918	1,588,103	1,407,918	1,588,103
Other charitable funds (College & Guild)		144,824	160,915	-	-
Pension reserve	24	(333,000)	(172,000)	(333,000)	(172,000)
Total funds					
	20	<u>60,613,416</u>	<u>59,260,177</u>	<u>3,460,681</u>	<u>3,303,009</u>

*Includes revaluation reserves £41,493,035 (2018: £40,281,376)

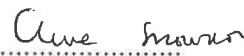
The financial statements on pages 24 to 47 were approved by the trustees and authorised for issue on 20 May 2020.

The notes on pages 29 to 47 form part of these financial statements.

Quentin Willson, Chair



Clive Snowdon, 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 2019

	2019 Total funds £	2018 Total funds £
Cash flows from operating activities:		
<i>Net cash used in operating activities</i>	<u>(3,537,521)</u>	<u>(3,009,026)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,588,131	3,365,975
Purchase of property, plant and equipment	(5,735)	(45,658)
Proceeds from sale of investments	969,850	35,330
Purchase of investments	<u>(963,931)</u>	<u>(451,105)</u>
Net cash provided by investing activities	3,588,315	2,904,542
Change in cash and cash equivalents in the reporting period	50,794	(104,484)
Cash and cash equivalents at 31 December 2018	<u>1,699,772</u>	<u>1,804,256</u>
Cash and cash equivalents at 31 December 2019	<u>1,750,566</u>	<u>1,699,772</u>

	2019 Total funds £	2018 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	1,353,239	(744,965)
Adjustments for:		
Depreciation	111,522	111,467
Gains / losses on investments	(1,434,297)	772,976
Dividends, interest, and rent from investments	(3,588,132)	(3,365,975)
Increase in debtors	(24,269)	(49,408)
Increase in creditors	<u>44,416</u>	<u>266,873</u>
Net cash used in operating activities	<u>(3,537,521)</u>	<u>(3,009,026)</u>

	2019 Total funds £	2018 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	1,595,850	1,548,354
Cash awaiting investment *	<u>154,716</u>	<u>151,418</u>
Total cash and cash equivalents	<u>1,750,566</u>	<u>1,699,772</u>

* £140,377 (2018: £140,464) of cash awaiting investment is unavailable for general expenditure as it is an endowed asset.

Analysis of change in net debt

	At 1 January 2019 £	Cashflow £	At 31 December 2019 £
Cash and equivalents			
Cash	1,548,354	47,496	1,595,850
Cash awaiting deposit	151,418	3,298	154,716
Total	<u>1,699,772</u>	<u>50,794</u>	<u>1,750,566</u>

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF CASH FLOWS
For the year ended 31 December 2019

	2019 Total funds £	2018 Total funds £
Cash flows from operating activities:		
Net cash used in operating activities	<u>(293,134)</u>	<u>(519,907)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	293,070	268,512
Purchase of property, plant and equipment	(5,735)	(45,658)
Proceeds from sale of investments	3,387	3,420
Purchase of investments	-	<u>(330,000)</u>
Net cash provided by / (used in investing activities)	<u>290,721</u>	<u>(103,726)</u>
Change in cash and cash equivalents in the reporting period	(2,412)	(623,633)
Cash and cash equivalents at 31 December 2018	<u>366,170</u>	<u>989,803</u>
Cash and cash equivalents at 31 December 2019	<u>363,758</u>	<u>366,170</u>

	2019 Total funds £	2018 Total funds £
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</i>	157,672	(99,318)
Adjustments for:		
Depreciation	111,522	111,467
(Gains) / losses on investments	(238,034)	127,329
Dividends, interest, and rent from investments	(293,077)	(268,512)
Increase in debtors	(219,911)	(111,428)
Increase / (decrease) in creditors	<u>188,694</u>	<u>(279,445)</u>
Net cash used in operating activities	<u>(293,134)</u>	<u>(519,907)</u>

	2019 Total funds £	2018 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	349,418	355,216
Cash awaiting investment	<u>14,340</u>	<u>10,954</u>
Total cash and cash equivalents	<u>363,758</u>	<u>366,170</u>

Analysis of change in net debt

	At 1 January 2019 £	Cashflow £	At 31 December 2019 £
Cash and equivalents			
Cash	355,216	(5,798)	349,418
Cash awaiting deposit	10,954	3,386	14,340
Total	<u>366,170</u>	<u>(2,412)</u>	<u>363,758</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019

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 charity'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 charity 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 charitable company has entitlement to the resources, it is probable that the resources will be received and their amount can be measured with sufficient reliability. Property and investment income is recognised as it falls due.

d) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis 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 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 2019 (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 very unique historic asset and is maintained by the Guild Estate for its cultural benefit. In the opinion of the trustees, the cost of professionally valuing this asset to show a value in the financial statements outweighs the benefits to the users of the financial statements, as such no value is assigned to the Chapel in the balance sheet. The charity was assigned the Guild Chapel in 1553, it is not expected that any other heritage assets will be acquired. Also the charity intends to remain the custodian of the Guild Chapel in perpetuity.

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 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 2019 (continued)

1 Statement of accounting policies (continued)

p) Financial instruments

The Charity has only financial assets and liabilities that would qualify as basic financial instruments.

Basic financial assets, which include cash and debtors, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

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

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

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are 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 2019 £	Guild Estate 2018 £	College Estate 2019 £	College Estate 2018 £
Total Assets	41,288,051	41,082,898	18,099,283	17,035,376
Total Liabilities	<u>(1,072,035)</u>	<u>(1,051,176)</u>	<u>(1,162,563)</u>	<u>(1,109,931)</u>
Total Funds	<u>40,216,016</u>	<u>40,031,722</u>	<u>16,936,720</u>	<u>15,925,445</u>
			2019 £	2018 £
Guild Estate Endowment				
Total incoming resources			2,614,928	2,445,128
			-----	-----
Net incoming / (outgoing) resources			184,985	(324,044)
			-----	-----
College Estate Endowment				
Total incoming resources			927,906	905,898
			-----	-----
Net incoming / (outgoing) resources			1,011,275	(321,603)
			-----	-----

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (continued)

4	Donations and legacies	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2019	2018	2019	2018
		£	£	£	£
	Annual gift from Guild Estate	-	-	1,079,440	1,196,483
	Annual gift from College Estate	-	-	594,036	543,369
	Donations to Guild Chapel*	7,714	19,184	-	-
		<u>7,714</u>	<u>19,184</u>	<u>1,673,476</u>	<u>1,739,852</u>

*This source of income includes £nil (2018: £10,000) from the Heritage Lottery Fund which is classified as restricted funds.

5	Investment income	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2019	2018	2019	2018
		£	£	£	£
	Property income	2,839,059	2,699,171	32,850	26,795
	Dividends receivable	739,924	666,804	77,115	68,366
		<u>3,578,983</u>	<u>3,365,975</u>	<u>109,965</u>	<u>95,161</u>

6	Income from Charitable Activities	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2019	2018	2019	2018
		£	£	£	£
	Guild Chapel	6,274	4,067	-	-
	Bandstand	1,048	817	1,048	817
		<u>7,322</u>	<u>4,884</u>	<u>1,048</u>	<u>817</u>

7	Other Income	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2019	2018	2019	2018
		£	£	£	£
	Interest receivable on cash & bank	9,149	4,819	2,919	1,458
	Services to Guild Estate	-	-	110,585	100,273
	Services to College Estate	-	-	69,608	67,946
	Services to ArtsHouse	-	3,674	-	3,674
		<u>9,149</u>	<u>8,493</u>	<u>183,112</u>	<u>173,351</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (continued)

8 Expenditure on raising funds	Group		Trust	
	Total funds	Total funds	Total funds	Total funds
	2019	2018	2019	2018
	£	£	£	£
Investment Fund Managers' Fees	77,229	25,151	8,806	800
Property expenses	869,913	620,744	4,034	4,124
Support costs (note 10)	157,134	162,262	-	-
Services to Guild Estate (note 10)	-	-	136,684	128,489
Services to College Estate (note 10)	-	-	86,046	87,065
Services to Stratford ArtsHouse (note 10)	-	11,097	-	12,731
	<u>1,104,276</u>	<u>819,254</u>	<u>235,570</u>	<u>233,209</u>
	<u><u>1,104,276</u></u>	<u><u>819,254</u></u>	<u><u>235,570</u></u>	<u><u>233,209</u></u>
9 Expenditure on charitable activities	Group		Trust	
	Total funds	Total funds	Total funds	Total funds
	2019	2018	2019	2018
	£	£	£	£
Grant Making				
Discretionary Grants	1,055,170	1,202,703	1,055,170	1,202,703
Foundation House	222,005	235,389	222,005	235,389
Non-Discretionary Grants				
King Edward VI School	632,228	695,041	-	-
Almshouses Maintenance	43,617	42,357	-	-
Holy Trinity Church	7,000	7,000	-	-
Grant Making Support Costs (note 10)	274,534	231,583	266,546	248,506
	<u>2,234,554</u>	<u>2,414,073</u>	<u>1,543,721</u>	<u>1,686,598</u>
Play House				
Direct venue costs	47,288	42,239	47,288	42,239
Support costs (note 10)	3,009	21,462	3,375	24,026
	<u>50,297</u>	<u>63,701</u>	<u>50,663</u>	<u>66,265</u>
Other activities				
Bandstand	2,999	4,203	2,999	4,203
800 th Anniversary Fountain	14,628	11,374	14,628	11,374
Guild Chapel	39,945	47,227	-	-
Support Costs (note 10)	44,527	47,693	7,382	16,521
	<u>102,099</u>	<u>110,497</u>	<u>25,009</u>	<u>32,098</u>
Total	<u><u>2,386,950</u></u>	<u><u>2,588,271</u></u>	<u><u>1,619,393</u></u>	<u><u>1,784,961</u></u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (continued)

9 Expenditure on charitable activities (Cont'd)

Analysis of expenditure on charitable activities

	Activities undertaken directly 2019 £	Activities undertaken directly 2018	Grant funding of activities 2019 £	Grant funding of activities 2018	Support Costs 2019 £	Support Costs 2018	Total 2019 £	Total 2018
Discretionary grants	-	-	1,055,170	1,202,703	165,192	143,267	1,220,362	1,345,970
Foundation House	-	-	222,005	235,389	79,005	77,781	301,010	313,170
Grant to King Edward VI School	-	-	632,228	695,041	29,647	6,365	661,875	701,406
Grant to Almshouses Maintenance	-	-	43,617	42,357	400	3,970	44,017	46,327
Grant to Vicar of Holy Trinity Church	-	-	7,000	7,000	290	200	7,290	7,200
Play House – venue	47,288	42,239	-	-	3,009	21,462	50,297	63,701
Guild Chapel	39,945	47,227	-	-	37,947	32,556	77,892	79,783
Bandstand & 800 th Anniversary Fountain	17,627	15,577	-	-	6,580	15,137	24,207	30,714
	104,860	105,043	1,960,020	2,182,490	322,070	300,738	2,386,950	2,588,271

STRATFORD-JUPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (continued)

10	Allocation of support costs Group 2019	Basis of allocation	**Play House facility		ArtsHouse shared services £	*Grant Making £	Governance £	Charitable Activities £	Property Support £	Total 2019 £
			£	£						
	Staff costs	Time	1,941	-	-	160,686	84,818	29,685	75,889	353,019
	Office costs	Time	317	-	-	27,786	16,369	8,062	8,441	60,975
	Membership administration	Cost	-	-	-	-	9,527	-	-	9,527
	AGM and annual report	Cost	-	-	-	-	1,480	-	-	1,480
	Trustee meetings and training	Direct	-	-	-	-	4,621	-	-	4,621
	Auditor's remuneration	Direct	-	-	-	-	18,994	-	-	18,994
	Professional fees	Direct	-	-	-	25,599	4,989	-	-	30,588
	Governance costs	Cost	751	-	-	60,463	(140,798)	6,780	72,804	-
			<u>3,009</u>	<u>-</u>	<u>-</u>	<u>274,534</u>	<u>-</u>	<u>44,527</u>	<u>157,134</u>	<u>479,204</u>
			(note 9)	(note 8)	(note 8)	(note 9)	(note 9)	(note 9)	(note 8)	
Allocation of support costs Group 2018										
Basis of allocation										
	Staff costs	Time	12,383	7,057	-	138,087	87,010	31,350	74,057	349,944
	Office costs	Time	3,055	607	-	33,363	26,130	8,361	10,334	81,850
	Membership administration	Cost	-	-	-	-	9,366	-	-	9,366
	AGM and annual report	Cost	-	-	-	-	1,844	-	-	1,844
	Trustee meetings and training	Direct	-	-	-	-	4,762	-	-	4,762
	Auditor's remuneration	Direct	-	-	-	-	17,546	-	-	17,546
	Professional fees	Direct	-	-	-	(4,000)	12,785	-	-	8,785
	Governance costs	Cost	6,024	3,433	-	64,133	(159,443)	7,982	77,871	-
			<u>21,462</u>	<u>11,097</u>	<u>-</u>	<u>231,583</u>	<u>-</u>	<u>47,693</u>	<u>162,262</u>	<u>474,097</u>
			(note 9)	(note 8)	(note 8)	(note 9)	(note 9)	(note 9)	(note 8)	

* Includes Foundation House
** formerly known as ArtsHouse

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (continued)

	Basis of allocation	**Play House facility	ArtsHouse shared services	Support for Related Charities	*Grant Making	Governance	Charitable Activities	Total 2019
		£	£	£	£	£	£	£
10	Allocation of support costs continued – Trust 2019							
	Staff costs	1,940	-	128,030	149,349	67,761	4,245	351,325
	Office costs	613	-	40,450	47,190	21,410	1,338	111,001
	Auditor's Remuneration	-	-	-	-	10,366	-	10,366
	Professional Fees	-	-	-	6,724	4,989	-	11,713
	Membership Administration	-	-	-	-	9,527	-	9,527
	AGM and Annual Report	-	-	-	-	1,480	-	1,480
	Trustee Meetings and Training	-	-	-	-	4,621	-	4,621
	Governance costs	822	-	54,250	63,283	(120,154)	1,799	-
		<u>3,375</u>	<u>-</u>	<u>222,730</u>	<u>266,546</u>	<u>-</u>	<u>7,382</u>	<u>500,033</u>
		(note 9)	(note 8)	(note 8)	(note 9)		(note 9)	
	*Includes Foundation House ** formerly known as ArtsHouse							
	Allocation of support costs – Trust 2018							
	Staff costs	12,383	7,057	118,612	127,560	72,866	9,158	347,636
	Office costs	5,619	2,241	39,246	58,897	21,286	2,909	130,198
	Auditor's Remuneration	-	-	-	-	10,750	-	10,750
	Professional Fees	-	-	-	-	12,785	-	12,785
	Membership Administration	-	-	-	-	9,366	-	9,366
	AGM and Annual Report	-	-	-	-	1,843	-	1,843
	Trustee Meetings and Training	-	-	-	-	4,760	-	4,760
	Governance costs	6,024	3,433	57,696	62,049	(133,656)	4,454	-
		<u>24,026</u>	<u>12,731</u>	<u>215,554</u>	<u>248,506</u>	<u>-</u>	<u>16,521</u>	<u>517,338</u>
		(note 9)	(note 8)	(note 8)	(note 9)		(note 9)	

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2019 (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		Trust	
	2019	2018	2019	2018
Saffery Champness LLP non-audit fee	460	450	460	450

11 Employees and staff costs

	Group 2019 Number	Group 2018 Number
The average number of employees throughout the year, calculated on a role basis was:		
Stratford Town Trust	12.0	11.0
Guild Estate Endowment	2.0	2.0
	14.0	13.0

On a full-time equivalent basis the total head count was: 7.6 6.7

	Group 2019 £	Group 2018 £	Trust 2019 £	Trust 2018 £
The cost of employing all staff was:				
Salaries and Wages	308,274	305,533	297,444	294,835
National Insurance	24,748	24,436	24,635	24,304
Pensions – Current service cost	77,634	76,283	77,070	75,724
	410,656	406,252	399,149	394,863

In 2019 one member of staff was remunerated between £70,001 and £80,000 (2018 one member of staff was remunerated between £60,001 and £70,000). Total remuneration for the senior management team was £202,009 (2018: £219,911).

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 Endowment, 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 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, also the Friends of the Guild Chapel attend services on Holy Cross Day (14th September), 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 general 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 £6.5m.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

	Play House Building	Play House Equipment	Waterside Theatre	Foundation House Leasehold Improvements	Bandstand and Fountain	Computer Equipment	Office Equipment	Total
	£	£	£	£	£	£	£	£
14 Tangible fixed assets								
Group and Trust								
Cost								
1 January 2019	1,861,877	30,000	356,444	148,754	121,077	59,259	44,197	2,621,608
Additions	2,495	-	-	1,290	-	956	994	5,735
Disposals	-	-	-	-	-	-	-	-
31 December 2019	1,864,372	30,000	356,444	150,044	121,077	60,215	45,191	2,627,343
Depreciation								
1 January 2019	496,487	5,000	42,921	72,861	50,248	56,153	35,349	759,019
Charge for the period	37,288	10,000	4,400	49,862	2,422	2,468	5,082	111,522
Disposals	-	-	-	-	-	-	-	-
31 December 2019	533,775	15,000	47,321	122,723	52,670	58,621	40,431	870,541
Net book values								
31 December 2019	1,330,597	15,000	309,123	27,321	68,407	1,594	4,760	1,756,802
31 December 2018	1,365,390	25,000	313,523	75,893	70,829	3,106	8,848	1,862,589

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

	Group		Trust	
	2019	2018	2019	2018
	£	£	£	£
15 Fixed asset investments				
Investment properties	38,859,600	40,020,600	-	-
Quoted investments	20,882,099	18,292,723	2,065,320	1,830,673
Cash awaiting investment	154,716	151,418	14,340	10,954
	<u>59,896,415</u>	<u>58,464,741</u>	<u>2,079,660</u>	<u>1,841,627</u>
Investment properties:				
Market value at 1 January 2019	40,020,600	39,650,600	-	-
Net sale proceeds	(928,219)	-	-	-
Gain on disposal	277,219	-	-	-
Revaluation (losses) / gains	(510,000)	370,000	-	-
	<u>38,859,600</u>	<u>40,020,600</u>	<u>-</u>	<u>-</u>
Market value at 31 December 2019	38,859,600	40,020,600	-	-
Cost or donated value at 31 December 2019	6,588,209	7,205,486	-	-
	<u>6,588,209</u>	<u>7,205,486</u>	<u>-</u>	<u>-</u>
Quoted investments:				
Market value at 1 January 2019	18,292,723	19,019,930	1,830,673	1,631,422
Additions at cost	963,931	451,105	-	330,000
Sale proceeds	(27,230)	(35,330)	(3,387)	(3,420)
Investment gains / (losses)	1,652,675	(1,142,982)	238,034	(127,329)
	<u>20,882,099</u>	<u>18,292,723</u>	<u>2,065,320</u>	<u>1,830,673</u>
Market value at 31 December 2019	20,882,099	18,292,723	2,065,320	1,830,673
Historical cost at 31 December 2019	15,296,226	14,359,525	1,656,323	1,659,709
	<u>15,296,226</u>	<u>14,359,525</u>	<u>1,656,323</u>	<u>1,659,709</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2019 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 2019 (continued)

15	Fixed asset investments (continued)	Group		Trust	
		2019 £	2018 £	2019 £	2018 £
	Gains / (losses) on unrestricted funds				
	Quoted investments	222,638	(106,794)	238,034	(127,329)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
16	Debtors: amounts falling due within one year	Group		Trust	
		2019 £	2018 £	2019 £	2018 £
	Amounts falling due within one year:				
	Rents	252,920	232,193	4,671	6,197
	Prepayments and accrued income	102,412	98,566	43,492	39,297
	Other debtors	13,313	13,617	-	-
	Amount due from Guild Estate	-	-	61,588	80,961
	Amount due from College Estate	-	-	251,951	15,336
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		368,645	344,376	361,702	141,791
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
17	Creditors: amounts falling due within one year	Group		Trust	
		2019 £	2018 £	2019 £	2018 £
	Deferred income	1,341,064	1,366,600	2,023	2,958
	Trade creditors	139,974	63,144	51,369	35,089
	Grants payable (note 23)	578,310	670,613	571,619	559,113
	Accruals	372,957	292,863	65,947	61,815
	Other creditors	76,769	191,023	39,272	43,984
	Other taxation and social security	159,234	200,310	20,684	19,924
	Pension	2,987	3,327	2,987	3,327
	Amount owed to Guild Estate	-	-	-	-
	Amount owed to College Estate	-	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		2,671,295	2,787,880	753,901	726,210
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		Group			
		2019 £	2018 £		
	Included within accruals are the following fees payable to the auditor for:				
	Statutory audit	<u>17,700</u>	<u>17,000</u>		

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

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

Deferred income (£1,341,064) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £647,649, deferred income relating to one to five years £24,463 and the value relating to over five years £668,952.

Deferred income reconciliation	Group		Trust	
	2019 £	2018 £	2019 £	2018 £
At 1 January 2019	1,366,600	1,219,408	2,958	-
Released during the year	(667,070)	(513,763)	(2,958)	-
Deferred in the current year	641,534	660,955	2,023	2,958
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	1,341,064	1,366,600	2,023	2,958
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Summary of Fund Movements

Fund Name 2019	Fund Balances 31 December 2018 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2019 £
Unrestricted Funds	3,463,925	3,603,168	(3,491,226)	29,638	3,605,505
Permanent Endowment Funds	55,796,252	-	-	1,211,659	57,007,911
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	59,260,177	3,603,168	(3,491,226)	1,241,297	60,613,416
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Fund Name 2018	Fund Balances 31 December 2017 £	Income £	Expenditure £	Gains and Losses £	Fund Balances 31 December 2018 £
Unrestricted Funds	3,542,708	3,388,536	(3,397,525)	(69,794)	3,463,925
Restricted Funds	-	10,000	(10,000)	-	-
Permanent Endowment Funds	56,462,434	-	-	(666,182)	55,796,252
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds	60,005,142	3,398,536	(3,407,525)	(735,976)	59,260,177
	<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 2019 (continued)

19 Analysis of group net assets between funds	Unrestricted Funds 2019 £	Unrestricted Funds 2018 £	Endowment funds 2019 £	Endowment funds 2018 £	Total 2019 £	Total 2018 £
Fixed assets	1,756,802	1,862,586	-	-	1,756,802	1,862,586
Fixed asset investments	2,837,195	2,599,162	57,059,220	55,865,579	59,896,415	58,464,741
Current assets	1,964,494	1,892,730	-	-	1,964,494	1,892,730
Current liabilities	(2,619,986)	(2,718,553)	(51,309)	(69,327)	(2,671,295)	(2,787,880)
Defined benefit pension scheme liability	(333,000)	(172,000)	-	-	(333,000)	(172,000)
	<u>3,605,505</u>	<u>3,463,925</u>	<u>57,007,911</u>	<u>55,796,252</u>	<u>60,613,416</u>	<u>59,260,177</u>

20 Analysis of group funds between charities 2019	Guild Endowment £	College Endowment £	Trust £	Total £
Capital funds				
Endowment funds	40,113,426	16,894,485	-	57,007,911
Unrestricted funds				
General funds	-	-	2,385,763	2,385,763
Designated Funds*	-	-	1,407,918	1,407,918
Other charitable funds	102,589	42,235	-	144,824
Pension reserve	-	-	(333,000)	(333,000)
	<u>40,216,015</u>	<u>16,936,720</u>	<u>3,460,681</u>	<u>60,613,416</u>
Analysis of group funds between charities 2018				
Capital funds				
Endowment funds	39,928,442	15,867,810	-	55,796,252
Unrestricted funds				
General funds	-	-	1,886,907	1,886,907
Designated Funds*	-	-	1,588,103	1,588,103
Other charitable funds	103,280	57,635	-	160,915
Pension reserve	-	-	(172,000)	(172,000)
	<u>40,031,722</u>	<u>15,925,445</u>	<u>3,303,009</u>	<u>59,260,177</u>

*Designated funds relate to the Play House building (fixed asset), Foundation House leasehold improvements (fixed asset) and a reserve for running costs of Foundation House.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

21 Trustee expenses (Group and Trust)

Expenditure reimbursed to trustees during the period amounted to £nil (2018: £nil).

22 Commitments

In accordance with the College Estate's constitution each year the charity 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 the Guild Estate's 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 Stratford Town Trust for distribution in line with the objectives of that Trust.

In accordance with the Guild Estate's constitution each year the charity 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, with the approval of the Charities Commissioners for Almshouses of similar age and situation) to cover routine maintenance, payments to an extraordinary repair fund and a cyclical maintenance fund.

Stratford Town Trust has committed to provide funding, in principle, to the Stratford Play House to 30 June 2021, to a value of £225,000, contingent on a set of key performance indicators, which include community activity deliverables and financial reporting requirements.

23 Grant making

A total of 122 (2018: 137) discretionary grants were awarded to beneficiaries during the year, of which 37 (2018: 38) were hardship grants, to individuals, which amounted to £10,067 (2018: £12,906).

Total Discretionary Grants	Group & Trust	
	2019 £	2018 £
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	565,025	634,854
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	209,066	219,586
To provide or support facilities for recreation and other leisure-time occupation	211,910	314,379
To advance the Christian religion	520	1,020
To support civic pride	18,600	31,890
To support citizenship and community	17,008	474
Other charitable purposes	33,041	500
	1,055,170	1,202,703

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

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

23 Grant making (continued)

Discretionary Grants £20,000 or greater		Group & Trust	2019
Beneficiary	Purpose of grant		£
Play House*	Running costs & support of community events		150,000
Stratford resident**	ReBuild project		65,252
Citizens Advice South Warwickshire*	Year 2 Frontline services for Stratford town		60,980
The Shakespeare Hospice*	Year 2 Hospice at Home		50,000
Citizens Advice South Warwickshire Safeline	Reach out to Stratford town		39,925
Stratford upon Avon School	Safeline Stratford service		36,450
VASA*	Schools grant		35,819
Domestic Abuse Counselling Service*	Year 2 Volunteer transport		35,000
Heart of England Mencap	Year 2 Stratford support		33,000
Stratford-upon-Avon Foodbank	Relocation of Pathway Day Services		30,000
Warwickshire Reminiscence Action Project	Stratford Foodbank continuation		30,000
Lifespace	WRAP development 2024		27,000
St Gregory's Catholic Primary School	Mentoring project		25,970
Welcombe Hills School	Key stage one playground project		25,000
Acorns Children's Hospice	Key sage three playground project		25,000
The Myton Hospices*	Care in Stratford upon Avon		24,570
Young People First	Year 2 town resident inpatient service		20,000
Refuge	Year 2 Young Minds		20,000
	Stratford-upon-Avon refuge		20,000

* These beneficiaries were in receipt of grants awarded to support multi-year programme grants.

** The Stratford resident was nominated during the Rebuild application process in 2016/17 and awarded the grant in 2019.

Reconciliation of grants payable

	Group	Group
	2019	2018
	£	£
Commitments 31 December 2018	670,613	540,976
Commitments made in the period and payable	1,960,020	2,182,490
Grants paid during the period	(2,052,323)	(2,052,853)
	<hr/>	<hr/>
Commitments 31 December 2019	578,310	670,613
	<hr/>	<hr/>

It is anticipated that all the committed grants will be payable during 2020.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

24 Pensions and similar obligations

As at 31 December 2019, 2 (2018: 3) of the 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 government 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 2019 by a qualified actuary.

On 1st April 2014 Stratford-upon-Avon 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. Stratford-upon-Avon Town Trust, with the agreement of the Warwickshire County Council Pension Scheme, has taken over the full ongoing deficit relating to these ArtsHouse previous employees. From an FRS17 perspective this deficit was £67,000 as at March 2016.

Financial assumptions

	2019	2018	2017
Rate of CPI	1.7%	2.4%	2.4%
Rate of increase in salaries	3.0%	3.0%	3.0%
Rate of increase in pensions	2.2%	2.4%	2.4%
Discount rate for liabilities	2.0%	2.9%	2.5%

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

	Rate of Return	2019 £'000	Rate of Return	2018 £'000
Equities	5.9%	1,049	2.5%	878
Bonds	2.7%	406	2.5%	345
Property	7.0%	220	2.5%	187
Cash/liquidity	-	17	2.5%	29
Total		1,692		1,439

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

24 Pensions and similar obligations (continued)

	2019 £'000	2018 £'000
Market value of assets	1,692	1,439
Liabilities	(2,025)	(1,611)
	<u> </u>	<u> </u>
Deficit	(333)	(172)
	<u> </u>	<u> </u>
Analysis of amounts charged to the statement of financial activities	2019 £'000	2018 £'000
Current service cost	36	46
	<u> </u>	<u> </u>
Operating charge	(36)	(46)
	<u> </u>	<u> </u>
Analysis of net return on pension assets		
Expected return on pension scheme assets	43	37
Interest on pension liabilities	(47)	(42)
	<u> </u>	<u> </u>
Net return	(4)	(5)
	<u> </u>	<u> </u>
Actuarial gains and losses		
Asset gain / (loss)	156	(92)
Liability (loss) / gain	(349)	129
	<u> </u>	<u> </u>
Net gain	(193)	37
	<u> </u>	<u> </u>
Movement in deficit during the year	2019 £'000	2018 £'000
Deficit at beginning of year	(172)	(233)
Current service cost	(36)	(46)
Employer contributions	72	75
Net returns on assets	(4)	(5)
Actuarial (loss) / gain	(193)	37
	<u> </u>	<u> </u>
Deficit at end of year	(333)	(172)
	<u> </u>	<u> </u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2019 (continued)

25 Going Concern

The 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		Trust	
	2019 £	2018 £	2019 £	2018 £
Not later than 1 year	2,033,934	1,956,243	5,250	5,250
Later than 1 year but not later than 5 years	6,076,308	6,805,272	21,000	21,000
Later than 5 years	51,597,883	52,138,231	11,813	17,063

No contingent rent was recognised as income 2019 £nil (2018: £nil). The 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 & Trust	
	2019 £	2018 £
No later than 1 year	74,792	74,791
Later than 1 year but not later than 5 years	269,848	273,120
Later than 5 years	178,798	250,317

27 Post balance sheet events

The first quarter of 2020, following the balance sheet date of these statutory accounts, has seen the Coronavirus global pandemic significantly impact global markets and the economy. The duration and ongoing severity of this impact is unknown at this time.

As at 18 May 2020, our equity investments had fallen in value by £1.9m to £19.1m.

The pandemic has also had an impact on the collection of the rent demanded in March 2020. At the date of signing these statutory accounts 51.5% of rent had been recovered relating to the rent demanded in March 2020, with uncertainty as to the timescale of any further amounts receivable. This will have an impact on the Trust's cash flow, however the exact magnitude of the impact and timing of the recovery is unknown, so it is not possible to estimate the rate and overall recovery value of such amounts with certainty.

The Trust has been awarded a CIBL loan of £900k, which Barclays bank will facilitate. The loan has a term of 6 years and will be secured against the freehold of the Play House building.

The liability on the defined benefit pension scheme may also increase due to market downturn but an estimate on the increase, and its materiality, cannot be made at this time as the fund has not been revalued. The liability would only be realised on withdrawal from the scheme.

28 Related Party Transactions

The trustees were not involved in any related party transactions in 2019 (2018: none).



Stratford
Town Trust

at the heart of our 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)

