

STRATFORD-UPON-AVON TOWN TRUST

Annual Report and Accounts 2018



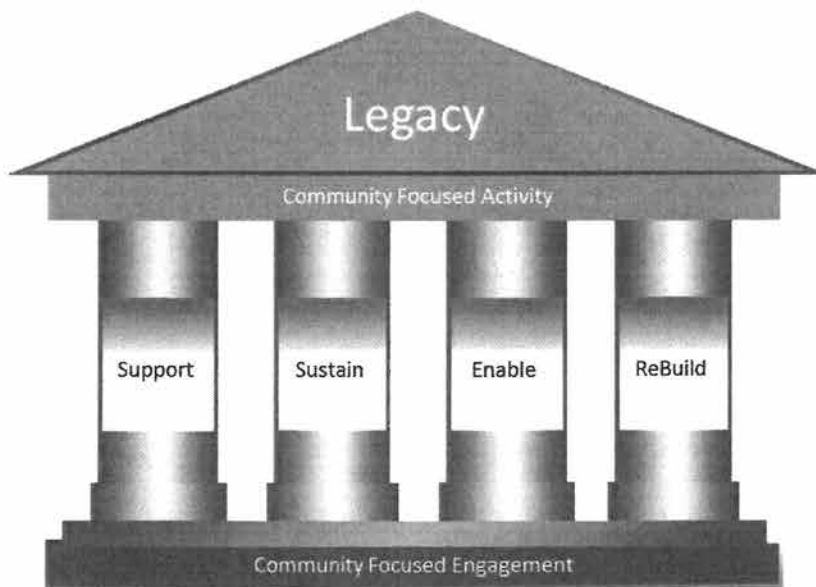
Stratford
Town Trust

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

I am honoured to have been elected Chairman of Stratford-upon-Avon Town Trust after serving four years as a Trustee. Our 700-year-old organisation is one of the most admired local charities in the UK, giving away in the region of £2 million to the community every year and proudly continuing the socially improving tradition started by all those Stratford merchants and townspeople so many years ago. Along with my fellow trustees, I am passionately determined to cherish and continue this historic life-enhancing legacy for the next generation.

Our new community hub, Foundation House on Masons Road, has celebrated its first birthday, in February 2019, and has grown into a vibrant centre with 12 groups now occupying space between them radiating a very special energy.

Our grant of £143,000 to Springfield Mind to help fund direct access to mental health support in Stratford GP surgeries is an initiative that the Trust hopes will be adopted by other surgeries in the UK as a national template for early intervention mental health support.

During the year the Guild Chapel won several awards for the conservation of its internationally renowned medieval wall paintings and we are delighted to be partnering with University of York to ensure that this vital work continues. The Chapel played host to a number of events across the year, notably we were honoured to be part of a major nationwide installation, "There But Not There", a defining centenary commemoration, held in November, in which we remembered the Stratfordians who fell in the 1914 – 1918 war.

The new operators of Stratford Play House, Proon Productions, continue to roll out a programme of varied and accessible performances, plays, pantomimes and regular community events, including a regular *Comedy Club* night, *Play House Sessions - Plugged In* for new and emerging bands and *Kettle On*, an afternoon social event for the more mature residents of Stratford.

In 2018 we had five trustees retiring from the Board, Richard Lane and Alan Haigh who both served one term of office, Clarissa Roberts, who had been a trustee since 2011 and Carole Taylor, who had been a trustee since the Town Trust's inception in 2001. Finally, Julia Lucas who was co-opted to the board stepped down in August. Their hard work and dedication have all played a part in helping to shape and support the Trust, for which I offer them my sincere thanks.

In May 2018 we held Trustee elections and as a result welcomed four new trustees, whilst I was pleased to return for a second term of office. Ian Andrew, Tim Bailey, Lindsay MacDonald and David Taylor all took up office in July. We also saw the appointment of two new co-opted trustees, Matt Macdonald and Stephen Parker. I would like to take this opportunity to formally welcome them onto the Board. In my role as Chair I look forward to working with my fellow board members and the staff of the Town Trust during my next term of office.

Looking to the future the Trust is keen to promote Rowley Fields as a recreational area for the town, supporting its designation as a Local Green Space and we are collaborating with Warwickshire Wildlife Trust to encourage the field's rich biodiversity. Our town faces some of the greatest challenges and changes in its history from development and congestion and the Trust can play a part in mitigating the effect of those threats.

But making sure our priorities are maintained for the future largely depends on our members and the residents of Stratford-upon-Avon. Sara Aspley, our new CEO, is anxious for the Trust to be accessible to as many residents as possible and will warmly welcome any ideas or suggestions that can help improve Stratford's quality of life. Since the 13th century our charity has helped literally tens of thousands of Stratford people through the generations. With your help, support and vision we can continue this tremendous tradition for generations to come. The doors at Foundation House and our offices in Rother Street are open to all.

We look forward to seeing you at the Annual General Meeting on Wednesday 10 July 2019.

Quentin Willson
Chair of the Board
22 May 2019

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

In my first few months in the role of Chief Executive of Stratford Town Trust I have been constantly impressed by the range of groups, charities and activities that we support. In bringing 2018 to a close I am committed to building on the Community Strategy that was launched in 2017 and continuing the good work carried out by my predecessor Justin Williams.

During 2018 we awarded 140 grants (including non-discretionary grants) totalling £2 million to a diverse range of groups including Foodbank, UBUS, DACS (Domestic Abuse Counselling Services) and The Friendship Project. In addition to some of the charities that we regularly support, we were thrilled to award a number of first time grants. The **Caterpillar Cafe**, offers drop in support and networking based at Tyler House, welcoming all families with pre-school age children; **JML Table Tennis Club** received a grant to buy equipment for the start-up of a new pay and play Table Tennis club for all ages and abilities, held at our own Foundation House and we were proud to support **Keep Playing**, a group that provide one-to-one swimming lessons for children aged 4 to 11 years who have a physical or sensory disability

We continue to provide financial support to all Stratford upon Avon state schools in line with our Charitable Objects; present a lively programme of bandstand concerts in the summer; support the allotment holders at our Church Lane site and invite everyone to enjoy the green spaces at Rowley Fields.

Foundation House, our community hub has continued to thrive over the last twelve months. This extraordinary space enables a diverse range of individuals, charities, makers and social enterprise groups to work together in an inclusive, open and welcoming environment; helping them to build capacity and resilience in the communities that they represent; fostering long term partnerships which exploit their collective skills and experience. We work with other community providers in Stratford including Town, District and County Councils to improve signposting to practical help, social activities and volunteering opportunities. If you haven't visited the building and seen it in action, I would like to warmly welcome you to one of our Community Cafes that takes place on the last Friday of every month.

In May we were delighted to learn that The Guild Chapel had won the prestigious John Betjeman Award by The Society for the Protection of Ancient Buildings for the HLF funded *Death Reawakened* project which saw the Trust working in partnership with others to conserve and reveal some of the internationally renowned medieval wall paintings. This was followed in December with the news that our dedicated volunteer guides had been nominated for the Team of the Year Award at the Pride of Stratford 2019; an accolade, we are thrilled to report, that they went on to win.

Prong Productions, the new operators of Stratford Play House took up residence and in October, Roy Wood and Wizard marked the opening in true glam rock style. Stratford upon Avon's newest venue has gone on to welcome audiences to its first season of shows and events rounding off 2018 with a traditional family friendly production of Snow White, complete with two teams of local children playing Snow White's loyal dwarves. The team behind Prong Productions have a really full and varied programme scheduled for the coming year and we hope that you will continue to support this much loved community-centered venue.

The Trust's income for 2018 was £3.4m, the majority was generated through the Trust's endowed portfolio. During the year £2.2m was delivered to help the town of Stratford through a mixture of discretionary and non-discretionary grants and other activities.

Work will now begin on our Strategic Plan for 2021 – 2025. As well as setting ourselves some challenges for the years ahead, we want to ensure that we have a plan that is sufficiently robust to be able to respond to the changing nature of our communities and our town. As a charity focussed on meeting the needs of Stratford upon Avon we value your feedback and invite contribution to the plan through a series of consultation sessions. More news of this will be announced later in the summer. In the meantime, I would be delighted to hear from you with feedback or ideas for future projects that will benefit the people of our town.

Finally, I would like to thank the small and dedicated team at Stratford Town Trust for making my first few months in the job so enjoyable. Their knowledge, commitment and enthusiasm for the Trust and the town has shone through and has enabled me to gain a real understanding of the partnerships we help to foster, the groups we support and the individuals that benefit from this extraordinary charity.

Sara Aspley
Chief Executive
22 May 2019

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 2018. 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.

In order for the grant-making programme to continue to provide a reliable source of funds, the Town Trust endeavours to maximise the return on all classes of investments. 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 had trustee elections in spring 2018 and as a result 4 new trustees joined the Board and four trustees retired, also two co-opted trustees retired during the year and two new co-opted trustees joined the Board. The Town Trust is always most appreciative of the time and efforts that its trustees give to supporting the Town Trust in delivering its vision.

The Trust also had a change in Chief Executive as Justin Williams returned to Australia, after a two-year period at the helm, he has been followed by Sara Aspley, who has joined from RSC where she was the Director of Commercial Services.

Despite these changes the Town Trust continued to follow the community strategy previously developed. During 2019 the Town Trust will begin to formulate the longer term strategy for 2021 and future years.

Community Strategy: 2017-2020

2018 was the first full year of the Trust's new strategy, which focuses on the development and delivery of the integrated Community Strategy. A key outcome of this strategy was the opening of Foundation House in February 2018, which has quickly established itself as a vibrant hub within the Stratford community. Also in July 2018 the Play House (previously known as Stratford ArtsHouse) reopened with new operators, it has quickly re-established itself as a busy community arts venue.

STT Plan and Future Direction

The Town Trust has embarked on the process of becoming a more visible source of funding within Stratford-upon-Avon as a whole, not a funder of choice for a limited number of recipients but 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 will be scored according to a multi-component matrix, community need and their impact to the community are central to this matrix. In 2018 the Trust supported the many users of Foundation House and awarded grants of £2.2m to beneficiaries in Stratford upon Avon (for more detail see note 24) which enabled these organisations to provide a wealth of programmes and activities.

2. **Development of Community Facilities**

Following the refurbishment of Foundation House the hub was opened in February 2018. Following the development and implementation of Foundation House, it is obvious that there is high demand for facilities within Stratford-upon-Avon that the community can access and use as the focal point for their activity. 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 has enabled Bishopton Community Centre to have a refurbishment and make it fit for purpose in the future. Bishopton Community Centre had an open day in May 2019 to celebrate and relaunch the centre, which was well attended by the local residents.

3. **Proactive Funding Strategy**

Providing sufficient funds to enable a community grant-making programme is the prime activity of the Town Trust. Historically, applications for funding have led to the development of a robust, yet reactive funding model. In order to respond to the rapidly changing community funding requirements there is a requirement to also develop a proactive funding model which will operate alongside the more traditional application based funding model. In 2018 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 2018 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 hope of maximising impact:

- 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.

Safeline: £106,100 over two years

Year 2: £59,480. Project running 2018 - 2019

Safeline were awarded funding along with space at Foundation House which will enable the organisation to offer a dedicated range of services to people affected by rape and sexual assault in Stratford-upon-Avon. Safeline will be working with old and new partners at Foundation House to further support and raise awareness of these issues so that they can support more people in the town who would benefit from their services. Some of the outcomes the project will aim to achieve include:

- More people in Stratford-upon-Avon accessing Safeline's Counselling, ISVA (independent Sexual Violence Advisor) services and creative therapy services.
- People affected by rape and sexual assault will wait a shorter time for assessment.
- People using the services will report improved health, mental wellbeing and self-esteem.

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

Year 2: £19,000. 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 1: £55,950. 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 1: £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 1: £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 and 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 this challenging time.

The Shakespeare Hospice: £150,000 over 3 years

Year 1: £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 we believe 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 1 £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 1 £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 1 £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.

Foundation House

Foundation House is a community of charities, local groups, social enterprises and changemakers in Stratford-upon-Avon, which is based on Mason's Road. Foundation House was opened in February 2018 following a period of alterations and refurbishment. In February 2019 its first birthday was celebrated by the local community, it is hard to believe that this vital local community is still in its infancy.

There are 12 groups who have permanent 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)	6,516
Escape Arts	8,107
Safeline	9,747
Heart of England Woodturners	626
Second Thoughts Drama Group	9,043
Shakespeare Lions	3,505
Stratford Army Cadets*	6,133
Stratford Ambulance Association	4,729
Stratford District Radio Society	3,041
Stratford Men's Shed	12,670
Warwickshire Reminiscence Action Project	10,691
Welcombe Radio	3,231

*Net of licence fee

The benefit in kind was calculated based on the cost of the building per metre square. Foundation House also has three meeting rooms which are hired by other groups for a raft of events which include adult learning courses, antenatal workshops, table tennis, job advice, Brownie and Guide events, mathematics workshops, yoga for pupils of Welcombe Hills and a drama group for Heart of England Mencap clients.

Also there is now a well-established monthly community café event which is held on the last Friday of the month, where visitors are welcomed to Foundation House to see the community in action.

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

Summary of Discretionary Grants awarded in 2018

Community benefit	Awarded £	Examples of Beneficiaries
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	634,854	<ul style="list-style-type: none"> • VASA: Community Transport Running Costs £35,000 • Stratford-upon-Avon Foodbank: Running costs £12,800 • Citizens Advice South Warwickshire: Core Funding and Advice Service £55,950 • ILEAP: Project Coordinator £18,037 • Parenting Project: Parenting in Mind £37,966 • Domestic Abuse Counselling Service: Domestic Abuse counselling & intervention for Stratford £33,000 • Safeline: Stratford support £59,480 • Time4Hope: Wellbeing sessions £14,900 • Young People First: Sharp Minds – Stratford £20,000 • South Warwickshire NHS Foundation Trust – charitable fund: Birth & Babies Appeal £25,000 • The Myton Hospices: Specialist care £20,000 • The Shakespeare Hospice: Hospice at Home £50,000 • Springfield Mind: Active Monitoring £143,000 • Stratford on Avon District Council: Stratford UBUS £15,500 • Escape Arts: Volunteer & work experience £24,536 • Lifespace: Mentoring children & young people £17,545
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	219,586	<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: £182,674 in total - 15 grants. • Stratford Upon Avon Primary School: Playground regeneration £25,000
To provide or support facilities for recreation and other leisure-time occupation	314,379	<ul style="list-style-type: none"> • Stratford ArtsHouse: Running Costs £104,140 • Play House: Set up and running costs £95,000 • Stratford Upon Avon Hockey Club: Training & equipment £19,000 • SMC (2016) Ltd: Running costs of Music Centre £14,000 • Stratford Upon Avon Sports Club: Improving flood resistance & resilience £24,125 • Avon Bowling Club: Enhancement of club facilities £10,000 • Bishopton Community Centre Management: ReBuild project £15,000
To advance the Christian religion	1,020	<ul style="list-style-type: none"> • 2 small projects less than £1,000 each
To support Civic Pride	31,890	<ul style="list-style-type: none"> • Stratford in Bloom: £15,000 • Stratford upon Avon Christmas Lights Co Ltd: £15,000
To support citizenship and community	474	<ul style="list-style-type: none"> • 1 small project less than £1,000
Other charitable purposes	500	<ul style="list-style-type: none"> • 1 small project less than £1,000

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 £695k (2017: £648k) from the Guild Estate in accordance with the Charity Commission Scheme dated 1 October 2001. £42k (2017: £41k) was paid towards the maintenance of the Almshouses, by the Guild Estate. £7k (2017: £7k) was paid to the Vicar of Holy Trinity Church, as a stipend, by the College Estate.

Guild Chapel

In 2018 the volunteers of the Guild Chapel, who now number 32, continued to develop their interaction with visitors to the chapel. We are so grateful for all the time and effort the volunteers have given to the Chapel so generously over the year. The chapel is open daily and welcomes visitors from all over the world as well as Stratford-upon-Avon. During the summer months regular timed talks about the history of the Chapel and the medieval paintings were given, as they will be in 2019.

The Chapel was awarded the Sir Betjeman Award in May 2018, which is the prestigious annual prize bestowed by the Society for the Protection of Ancient Buildings (SPAB). The award commended the skilled conservation of the internationally significant medieval wall paintings. Also the chapel received a certificate of commendation from Andrew Lloyd Webber in the category of Best Rescue of a Historic Building (Historic England Angel Award).

During 2018 the Chapel continued to build on its relationship with University of York, especially with Dr Kate Giles, which culminated in a memorandum of understanding being signed by both the University and the Trust in spring 2019. This relationship will enable further research into the medieval paintings to be undertaken and hopefully the securing of funding to finance the next phase of conservation of the paintings in the Chapel. In 2018 an app was developed, and funded by University of York, which enables visitors to the Chapel to see the building and paintings as they were in the fifteenth and sixteenth centuries. The app was launched in early 2019.

The Chapel has continued to build on its close relationships with the Clergy, the Friends of the Guild Chapel Shakespeare Birthplace Trust and Guild Hall, all of which are greatly valued. The Chapel is used regularly as a place of worship, throughout 2018 the regular Wednesday services were held. There were also many special events held in the Chapel including:

- There But Not There - evening of words and music in memory of the KES boys who fell in 1918 war
- The Nativity- a medieval mystery play performed by In2Theatre
- Medieval evenings of music and prose
- Organ recitals
- Choral recitals
- Shakespeare week activities
- Photographic competition

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

FINANCIAL REVIEW (incorporating strategic review)

OVERVIEW

In 2018 total income for the Trust was £3.4m (2017: £3.3m) the vast majority of this income (99%) was generated from the charities investments, the Trust is so 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 £0.8m, so 76% of the total income was available for charitable purposes to be spent on enhancing the lives of the people of Stratford-upon-Avon (2017: 79%). We are very aware that the costs of managing the investments have to be monitored closely and spent carefully, but also it is important that the investments are managed well thus ensuring income flows for future generations.

£2.59m was spent on charitable expenditure (2017: £2.35m), of which £2.18m was given as grants (2017: £1.95m), £1.43m were discretionary grants and the costs of Foundation House, for more detail see note 9.

INCOME

The 2018 total income of £3.4m was very comparable to last year (2017: £3.3m). Investment income, £3.37m, remains our main source of income being 99% of total income.

The investments had a yield of 5.8% (2017: 5.5%). The slight increase in yield was due to a marginal improvement in the property yield over the year, despite the equity income yield being consistent year on year.

EXPENDITURE

The majority, 79% (2017: 75%), 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 the property portfolio. The cost of raising funds was £0.8m (2017: £0.7m). For more detail see note 8.

Statement of financial activities – summary			
	2018	2017	Growth
	£k	£k	%
Investment income	3,366.0	3,243.3	
Donations & Legacies	19.2	43.4	
Charitable activities	4.9	11.6	
Other income	8.4	2.4	
Total income	3,398.5	3,300.7	3.0
Expenditure on raising funds	819.2	696.2	17.7
Total net income	2,579.3	2,604.5	(1.0)
% of total income available for charitable purposes	75.9%	78.9%	
Discretionary grants*	1,438.1	1,250.7	15.0
Non-discretionary grants	744.4	696.2	6.9
Other charitable activities	405.8	399.4	1.6
Total charitable activities	2,588.3	2,346.3	10.3
Net (outgoing) / incoming resources	(9.0)	258.3	

*Includes costs of Foundation House

CHARITABLE EXPENDITURE

During 2018 our charitable expenditure was £2.59m, a slight increase from 2017, £2.35m. The change was primarily driven by costs relating to the running of Foundation House.

88.4% (2017: 88.3%) 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 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, especially during this prolonged period of public funding cuts. To that end we keep our overhead costs under stringent review and whenever possible take advantage of opportunities to reduce them, wherever possible.

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 £58.5m at the end of 2018; these are the investments which generate all the investment income. 95.6% of the investments are defined as endowed assets, which means that if any of these assets are ever sold all the proceeds from the sale must be reinvested and these assets are also defined as endowed assets. During the year the investments decreased by 0.5% (2017: increased by 3.6%).

In 2018 there were no property disposals or acquisition. However £0.45m was invested in equity shares during the year.

At the end of the year the Town Trust had £0.67m of committed grants to discretionary grant beneficiaries and non-discretionary grant beneficiaries, which will be paid within the next 12 months (2017: £0.54m). This amount is included in creditors.

The Town Trust has a liability of £0.17m (2017: £0.23m), which relates to the deficit of the defined benefit pension scheme (see note 25).

The total reserves at the end of the year were £59.3m, of which £3.46m were unrestricted funds, which the Town Trust can use 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 on going 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 £290k), 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 2018 can be summarised as:

	£
Play House (formerly ArtsHouse) building	1,402,625
Foundation House building improvements	85,478
Running costs of Foundation House	100,000

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 21.

INVESTMENT POLICY AND PERFORMANCE

At the end of 2018 Town Trust held investments of £58.5m, a decrease of £0.3m on 2017. 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 targets set for reducing physical property investment, in the Guild and College Estates, to between 70% and 80% of the total investment portfolio value have been largely met.

The Board reviewed and updated the investment policy in September 2018. 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. The policy, at present, is to not have any programme related investments.

**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	2018 £m	2017 £m	2018 %	2017 %
Endowed:				
Physical Property	40.0	39.7	68.4	67.3
Equity Funds	13.4	14.3	22.9	24.6
Property Funds	2.3	2.4	3.9	4.1
Cash equivalent	0.2	0.1	0.3	0.1
Total endowed investments	55.9	56.5	95.5	96.1
Non Endowed:				
Equity Funds	1.8	1.6	3.1	2.7
Property funds	0.8	0.7	1.4	1.2
Total investments	58.5	58.8	100.0	100.0

Independently Managed Funds Performance

The equity investments are held with one of 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%	-9.1%	-5.1%	7.0%	-3.3%
Guild	3.6%	-6.0%	-2.4%	7.0%	-2.4%
College	3.5%	-5.9%	-2.3%	7.0%	-2.5%

The benchmark for the Guild Estate and College Estate is the weighted average of the benchmark for the property funds (7.2%), which is based on AREF / MSCI All Balanced Funds Property Index, the benchmark for passive funds which is based on annual rate of inflation (2.1%) and the benchmark for the Common Investments Funds (-4.9%) (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 worse than the targets due to the poor performance of the financial markets in relation to the capital values in the last quarter of 2018. This also resulted in the Trust returns being worse than the benchmark as the actual portfolio had a smaller proportion of gilts than that of the benchmark portfolio, however Guild and College's returns were comparable to those of their benchmarks.

At the beginning of 2018 £0.5m was invested in Legal & General funds, these funds comprised £0.1m proceeds from the disposal of property in 2017 and the balance were general funds held by Stratford Town Trust.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

Property Investment Performance

The combined property portfolio is valued at £40.0m (2017: £39.7m). The property agents, Colliers International, performed a full valuation of properties as at 31 December 2015, so at the end of this year 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 robust, despite the impact of the BREXIT decision in summer 2016. Property valuations improved by £0.4m as a result of the impact of new tenancies, rent reviews and renewals.

	Income	Capital	Total Return	Target	Benchmark
Guild	6.8%	0.8%	7.6%	8.5%	7.2%
College	7.0%	1.5%	8.5%	8.5%	7.2%

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

In September 2016 the Town Trust was very pleased to announce that the Hotel du Vin Group had taken a lease on 7&8 Rother Street and the hotel opened for business in May 2018.

The Group property portfolio had an average capital return of 0.9% (2017: 2.6%). The rental yield for the combined portfolio was 6.8% (2017: 6.8%), giving a total return of 7.8% (2017: 9.4%).

The health of our commercial property portfolio in Stratford-upon-Avon continues to hold up remarkably well. During the year we have had only a few voids and a level of rent arrears that are 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 two 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 and types of persons intended to benefit and their place of residence. This information helps the Town Trust to assess how its programme of discretionary grant-making achieves a spread of benefit across the community. The Town Trust ensures that the net of benefit is cast as widely as possible. These allocations are influenced by on-going public consultation and information.

In the same way the Town Trust ensures that access to all its directly managed facilities is available to all sectors of the community. In 2018 Foundation House was officially opened, which has greatly benefited the community. There are 12 community groups who have taken permanent space as licensees, this benefit is being treated as a gift in kind. Also many community groups have started utilising 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 has 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 within the Town Trust, 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; Engagement Committee; and Finance, Investment and Property Committee (FIP).

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
Engagement	<ul style="list-style-type: none"> • Review and recommend a Community Investment Policy in relation to grant funding • Recommend and oversee delivery of Communication and Engagement 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 statement • Review and updating of investment and reserve policies • Review and oversight of all property & investment related matters

During the year there were eleven Board Meetings, 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 2018 two co-opted trustees’ term of office completed and two new co-opted trustees were appointed. Also four elected trustees chose to not stand for re-election at the trustee elections which were held in spring 2018, as such four new elected trustees were appointed to the Board in July 2018 (for full details see page 18). The Town Trust is most appreciative of the time and effort which all its trustees give so freely to the Trust.

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 22 and trustee related party transactions are disclosed in note 29.

The Town Trust also 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 2018, when the Town Trust assessed its risk appetite to be low to moderate. The Town Trust continually reviews its risks, which are maintained on a risk register. Risk is a standing agenda item for all Board and Committee Meetings.

The risk policy explains the process for identifying risks, allocating ownership and classification. Once the risk has been identified and categorised, it is then assessed based on the impact of the risk and the likelihood of the risk occurring. Then the risk needs to be mitigated, if possible. The policy requires that the risks are 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
Unresolved matter with non-discretionary beneficiary	Legal advice has been sought as to how matter should be resolved to protect all parties involved.
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 end of leases a proactive approach is adopted in terms of dilapidation negotiations and settlements.

Health and safety

In 2018 the Town Trust continued its programme of H&S site audits which is driven by keeping our people, the community, properties and environment safe. The programme is run by external Health and Safety experts who focus on properties that could give rise to issues. A regular inspection programme is also in place.

Inclusion and diversity

Our goal is to be inclusive, benefit from diversity and appreciate everyone for their individual contribution. Work on inclusion and diversity in the Town Trust continues to focus on creating awareness and putting the building blocks in place that will make an impact in the future.

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 2018 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.

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 2018. The Town Trust also offered a Fast Track grant scheme whereby organisations could apply for grants up to £2,000 and receive a decision in ten working days. We continue to offer small value grants to individuals experiencing financial hardship; this scheme is administered on our behalf by Citizens Advice South Warwickshire.

The organisations in receipt of multi-year grants continue to report during the year. Once the first year's grant is awarded, the 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.

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

Control Environment

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 2018 the Trust had 12 paid 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, colour, age, disability or sexual orientation.

STRATFORD-UPON-AVON TOWN TRUST REPORT OF THE TRUSTEES

OFFICERS, CONTACTS AND ADVISORS

TRUSTEE BOARD

Mr I Andrew (appointed 4.7.18)
Mr T Bailey (appointed 4.7.18)
Mr C Bates
Mrs T Bates
Mr A Haigh (resigned 4.7.18)
Mr A Jackson (Vice Chair of Board from 1.11.17 Chair of Engagement Committee from 1.11.17)
Mr R Lane (resigned 4.7.18)
Mrs J Lucas (resigned 31.8.18)
Mr L MacDonald (appointed 4.7.18)
Mr M Macdonald (appointed 21.1.18)
Mr S Parker (appointed 1.9.18)
Mrs C Roberts MBE (resigned 4.7.18)
Mr C Snowdon (Chair, Finance Investment & Property Committee)
Mrs C Taylor (Chair of Board to 27.6.18; resigned on 4.7.18)
Mr D Taylor (appointed 4.7.18)
Mr Q Willson (Chair of Board from 27.6.18)

NON EXECUTIVE AUDIT & GOVERNANCE COMMITTEE MEMBERS

Mrs S Jassi Chair from 1 January 2018 to 31 December 2018
Mr A Flor Deputy Chair from 1 January 2018 to 31 December 2018

CHIEF EXECUTIVE	Justin Williams (to 3.8.18) Sara Aspley (from 29.10.18)	SENIOR MANAGEMENT TEAM	Justin Williams (to 3.8.18), Sara Aspley (from 29.10.18) Rebecca Hampson, Rachel Jones (to 24.7.18), Lynn Wilson, Rachel Key (from 1.3.18)
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 Management Ltd 12 Moorgate London EC2R 6DA Schroders 1 London Wall Place London EC2Y 5AU
INVESTMENT MANAGERS	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU Charities Property Fund Cordea Savills 33 Margaret Street London W19 0JD	INVESTMENT MANAGERS	Legal & General Investments Corporate Accounts Team PO Box 6080, Wolverhampton WV1 9RB
SOLICITORS	Messrs Robert Lunn & Lowth 2 Sheep Street Stratford-upon-Avon CV37 6EJ	SOLICITORS	Wiggin Osborne Fullerlove 95 The Promenade Cheltenham GL50 1HH Mills & Reeve 78-84 Colmore Row Birmingham B3 2AB

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

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

Statement as to disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor. The Trustee Report (including the Strategic Report) was approved by the Board of trustees on 22 May 2019 and signed on their behalf by Quentin Willson.



Quentin Willson
Chair of Board
22 May 2019

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 reparation 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 2018 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 2018 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.

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 have 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.

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

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 21, 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.

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.



.....
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: 22 May 2019

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 2018

	Note	Unrestricted funds 2018	Permanent endowment funds 2018	Total funds 2018	Unrestricted funds 2017	Permanent endowment funds 2017	Total funds 2017
		£	£	£	£	£	£
Income from:							
Donations and legacies*	4	19,184	-	19,184	43,357	-	43,357
Investment income	5	3,365,975	-	3,365,975	3,243,329	-	3,243,329
Charitable Activities	6	4,884	-	4,884	2,447	-	2,447
Other income	7	8,493	-	8,493	11,592	-	11,592
Total Income		3,398,536	-	3,398,536	3,300,725	-	3,300,725
Expenditure on:							
Raising funds	8	819,254	-	819,254	696,204	-	696,204
Charitable activities**	9	2,588,271	-	2,588,271	2,346,227	-	2,346,227
Total expenditure		3,407,525	-	3,407,525	3,042,431	-	3,042,431
Net (losses) / gains on investments	19	(106,794)	(666,182)	(772,976)	125,971	2,104,872	2,230,843
Net income and expenditure		(115,783)	(666,182)	(781,965)	384,265	2,104,872	2,489,137
Other recognised gains and losses							
Actuarial gains on defined benefit pension schemes	25	37,000	-	37,000	75,000	-	75,000
Net movement in funds		(78,783)	(666,182)	(744,965)	459,265	2,104,872	2,564,137
Reconciliation of funds							
Total funds brought forward		3,542,708	56,462,434	60,005,142	3,083,443	54,357,562	57,441,005
Total funds carried forward	19	3,463,925	55,796,252	59,260,177	3,542,708	56,462,434	60,005,142

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 28 to 45 form part of these financial statements.

*Includes restricted funds income of £10,000 (2017: £29,396)

**Includes restricted funds cost of £10,000 (2017: £29,396)

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF FINANCIAL ACTIVITIES, incorporating an income and expenditure account
for the year ended 31 December 2018

	Notes	Total Funds 2018 £	Total Funds 2017 £
Income from:			
Donations and legacies	4	1,739,852	1,843,272
Investment income	5	95,161	72,778
Charitable activities	6	817	293
Other	7	173,351	168,009
		<hr/>	<hr/>
Total income		2,009,181	2,084,352
		<hr/>	<hr/>
Expenditure on:			
Raising funds	8	233,209	238,240
Charitable activities:	9	1,784,961	1,552,962
		<hr/>	<hr/>
Total expenditure		2,018,170	1,791,202
		<hr/>	<hr/>
(Losses) / gains on investment assets	15	(127,329)	87,765
		<hr/>	<hr/>
Net income and expenditure		(136,318)	380,915
		<hr/>	<hr/>
Other recognised gains and losses			
Actuarial gains on defined benefit pension schemes	25	37,000	75,000
		<hr/>	<hr/>
Net movement in funds		(99,318)	455,915
		<hr/>	<hr/>
Reconciliation of funds			
Total funds brought forward		3,402,327	2,946,412
		<hr/>	<hr/>
Total funds carried forward	21	3,303,009	3,402,327
		<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 28 to 45 form part of these financial statements.

STRATFORD-UPON-AVON TOWN TRUST
BALANCE SHEETS
As at 31 December 2018

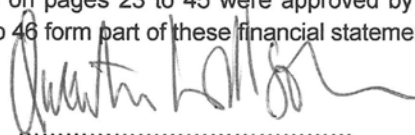
	Notes	Group		Trust	
		2018 £	2017 £	2018 £	2017 £
Fixed assets					
Tangible fixed assets	14	1,862,586	1,928,398	1,862,586	1,928,398
Investments	15	58,464,741	58,787,718	1,841,627	1,638,956
		<u>60,327,327</u>	<u>60,716,116</u>	<u>3,704,213</u>	<u>3,567,354</u>
Current assets					
Debtors	16	344,376	294,967	141,791	30,362
Cash at bank and in hand		1,548,354	1,687,068	355,216	982,270
		<u>1,892,730</u>	<u>1,982,035</u>	<u>497,007</u>	<u>1,012,632</u>
Current liabilities					
Creditors: amounts falling due within one year	17	(2,787,880)	(2,460,009)	(726,210)	(944,659)
Net current liabilities		<u>(895,150)</u>	<u>(477,974)</u>	<u>(229,203)</u>	<u>67,973</u>
Total assets less current liabilities		<u>59,432,177</u>	<u>60,238,142</u>	<u>3,475,010</u>	<u>3,635,327</u>
Defined benefit pension scheme liability	25	(172,000)	(233,000)	(172,000)	(233,000)
Net assets including pension liability		<u>59,260,177</u>	<u>60,005,142</u>	<u>3,303,010</u>	<u>3,402,327</u>
Funds					
Capital funds					
Endowment Funds*	19	55,796,252	56,462,434	-	-
Income funds					
Unrestricted funds					
General fund	21	1,886,907	1,910,565	1,886,907	1,910,565
Designated fund		1,588,103	1,724,762	1,588,103	1,724,762
Other charitable funds (College & Guild)		160,915	140,381	-	-
Pension reserve	25	(172,000)	(233,000)	(172,000)	(233,000)
Total funds	21	<u>59,260,177</u>	<u>60,005,142</u>	<u>3,303,010</u>	<u>3,402,327</u>

*Includes revaluation reserves £40,281,376 (2017: £40,947,556)

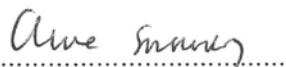
The financial statements on pages 23 to 45 were approved by the trustees and authorised for issue on 22 May 2019.

The notes on pages 29 to 46 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 2018

	2018 Total funds £	2017 Total funds £
Cash flows from operating activities:		
Net cash used in operating activities	<u>(3,009,026)</u>	<u>(2,951,928)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,365,975	3,254,921
Purchase of property, plant and equipment	(45,658)	(151,996)
Proceeds from sale of investments	35,330	234,979
Purchase of investments	<u>(451,105)</u>	<u>(537,037)</u>
Net cash provided by investing activities	2,904,542	2,800,867
Change in cash and cash equivalents in the reporting period	(104,484)	(151,061)
Cash and cash equivalents at 31 December 2017	<u>1,804,256</u>	<u>1,955,317</u>
Cash and cash equivalents at 31 December 2018	<u>1,699,772</u>	<u>1,804,256</u>

	2018 Total funds £	2017 Total funds £
Reconciliation of net income to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(744,965)	2,564,137
Adjustments for:		
Depreciation	111,467	76,887
Losses / (gains) on investments	772,982	(2,230,840)
Dividends, interest, and rent from investments	(3,365,975)	(3,254,921)
Loss on sale of fixed assets	-	634
(Increase) / decrease in debtors	(49,408)	(41,859)
(Decrease) / increase in provision for liabilities	-	(61,786)
Increase / (decrease) in creditors	<u>266,873</u>	<u>(4,180)</u>
Net cash used in operating activities	<u>(3,009,026)</u>	<u>(2,951,928)</u>

	2018 Total funds £	2017 Total funds £
Analysis of cash and cash equivalents		
Cash in hand	1,548,354	1,687,068
Cash awaiting investment *	<u>151,418</u>	<u>117,188</u>
Total cash and cash equivalents	<u>1,699,772</u>	<u>1,804,256</u>

* £140,464 (2017: £109,654) of cash awaiting investment is unavailable for general expenditure as it is an endowed asset.

STRATFORD-UPON-AVON TOWN TRUST
TRUST STATEMENT OF CASH FLOWS
For the year ended 31 December 2018

	2018 Total funds £	2017 Total funds £
Cash flows from operating activities:		
Net cash (used in) / provided by operating activities	<u>(519,907)</u>	<u>466,054</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	268,512	240,787
Purchase of property, plant and equipment	(45,658)	(151,996)
Proceeds from sale of investments	3,420	3,219
Purchase of investments	<u>(330,000)</u>	<u>-</u>
Net cash (used in) / provided by investing activities	<u>(103,726)</u>	<u>92,010</u>
Change in cash and cash equivalents in the reporting period	(623,633)	558,064
Cash and cash equivalents at 31 December 2017	<u>989,803</u>	<u>431,739</u>
Cash and cash equivalents at 31 December 2018	<u>366,170</u>	<u>989,803</u>
	2018	2017
	Total funds	Total funds
	£	£
Reconciliation of net income / (expenditure) to net cash flow from operating activities		
<i>Net (expenditure) / income for the reporting period (as per the statement of financial activities)</i>	(99,318)	455,915
Adjustments for:		
Depreciation	111,467	76,887
Losses on investments	127,329	(87,765)
Dividends, interest, and rent from investments	(268,512)	(240,787)
(Profit) / loss on sale of fixed assets	-	(495)
(Increase) / decrease in debtors	(111,428)	173,040
(Decrease) / increase in provision for liabilities	-	(62,140)
(Decrease) / increase in creditors	<u>(279,445)</u>	<u>151,399</u>
Net cash (used in) / provided by operating activities	<u>(519,907)</u>	<u>466,054</u>
	2018	2017
	Total funds	Total funds
	£	£
Analysis of cash and cash equivalents		
Cash in hand	355,216	982,269
Cash awaiting investment	<u>10,954</u>	<u>7,534</u>
Total cash and cash equivalents	<u>366,170</u>	<u>989,803</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2018

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 2018 (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
ArtsHouse plant and equipment	- over 5 years
ArtsHouse refurbishment	- over 3 to 50 years
ArtsHouse 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 2018 (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 2018 £	College Estate 2018 £
Total Assets	41,082,898	17,035,376
Total Liabilities	<u>(1,051,176)</u>	<u>(1,109,931)</u>
Total Funds	<u>40,031,722</u>	<u>15,925,445</u>
	2018 £	2017 £
Guild Estate Endowment		
Total incoming resources	2,445,128	2,357,820
Net (outgoing) / incoming resources	<u>(324,044)</u>	<u>1,375,071</u>
College Estate Endowment		
Total incoming resources	<u>905,898</u>	<u>934,425</u>
Net (outgoing) / incoming resources	<u>(321,603)</u>	<u>733,150</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2018 (continued)

4	Donations and legacies	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2018	2017	2018	2017
	£	£	£	£	
	Annual gift from Guild Estate	-	-	1,196,483	1,111,054
	Annual gift from College Estate	-	-	543,369	732,218
	Donations to Guild Chapel*	-	39,857	-	-
	Legacy to Guild Chapel	19,184	3,500	-	-
		<u>19,184</u>	<u>43,357</u>	<u>1,739,852</u>	<u>1,843,272</u>

*This source of income includes £10,000 (2017: £15,000) from the Heritage Lottery Fund and £nil (2017: £14,396) from the Friends of the Guild Chapel, both items are classified as restricted funds.

5	Investment income	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2018	2017	2018	2017
	£	£	£	£	
	Property income	2,699,171	2,590,921	26,795	17,368
	Interest on short term deposits	-	211	-	-
	Dividends receivable	666,804	652,197	68,366	55,410
		<u>3,365,975</u>	<u>3,243,329</u>	<u>95,161</u>	<u>72,778</u>

6	Income from Charitable Activities	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2018	2017	2018	2017
	£	£	£	£	
	Guild Chapel	4,067	2,154	-	-
	Bandstand	817	293	817	293
		<u>4,884</u>	<u>2,447</u>	<u>817</u>	<u>293</u>

7	Other Income	Group		Trust	
		Total funds	Total funds	Total funds	Total funds
		2018	2017	2018	2017
	£	£	£	£	
	Interest receivable on cash & bank	4,819	1,092	1,458	349
	Services to Guild Estate	-	-	100,273	97,439
	Services to College Estate	-	-	67,946	59,721
	Services to ArtsHouse	3,674	10,500	3,674	10,500
		<u>8,493</u>	<u>11,592</u>	<u>173,351</u>	<u>168,009</u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2018 (continued)

8 Expenditure on raising funds	Group		Trust	
	Total funds 2018 £	Total funds 2017 £	Total funds 2018 £	Total funds 2017 £
Investment Fund Managers' Fees	25,151	35,452	800	3,321
Property expenses	620,744	487,059	4,124	1,327
Support costs (note 10)	162,262	150,863	-	-
Services to Guild Estate (note 10)	-	-	128,489	125,516
Services to College Estate (note 10)	-	-	87,065	76,927
Services to Stratford ArtsHouse (note 10)	11,097	22,830	12,731	31,149
	<u>819,254</u>	<u>696,204</u>	<u>233,209</u>	<u>238,240</u>
	<u><u>819,254</u></u>	<u><u>696,204</u></u>	<u><u>233,209</u></u>	<u><u>238,240</u></u>
9 Expenditure on charitable activities	Group		Trust	
	Total funds 2018 £	Total funds 2017 £	Total funds 2018 £	Total funds 2017 £
Grant Making				
Discretionary Grants	1,202,703	1,145,339	1,202,703	1,145,339
Foundation House	235,389	105,320	235,389	105,320
Non-Discretionary Grants				
King Edward VI School	695,041	648,380	-	-
Almshouses Maintenance	42,357	40,835	-	-
Holy Trinity Church	7,000	7,000	-	-
Grant Making Support Costs (note 10)	231,583	257,388	248,506	251,080
	<u>2,414,073</u>	<u>2,204,262</u>	<u>1,686,598</u>	<u>1,501,739</u>
Play House (formerly known as ArtsHouse)				
Direct venue costs	42,239	28,651	42,239	28,651
Support costs (note 10)	21,462	2,721	24,026	3,276
	<u>63,701</u>	<u>31,372</u>	<u>66,265</u>	<u>31,927</u>
Other activities				
Bandstand	4,203	4,104	4,203	4,104
800 th Anniversary Fountain	11,374	8,480	11,374	8,480
Guild Chapel	47,227	80,742	-	-
Support Costs (note 10)	47,693	17,267	16,521	6,712
	<u>110,497</u>	<u>110,593</u>	<u>32,098</u>	<u>19,296</u>
Total	<u><u>2,588,271</u></u>	<u><u>2,346,227</u></u>	<u><u>1,784,961</u></u>	<u><u>1,552,962</u></u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2018 (continued)

9 Expenditure on charitable activities (Cont'd)

Analysis of expenditure on charitable activities

	Activities undertaken directly	Grant funding of activities	Support Costs	Total
	£	£	£	£
Discretionary grants	-	1,202,703	143,267	1,345,970
Foundation House	-	235,389	77,781	313,170
Grant to King Edward VI School	-	695,041	6,365	701,406
Grant to Almshouses Maintenance	-	42,357	3,970	46,327
Grant to Vicar of Holy Trinity Church	-	7,000	200	7,200
Play House* – venue	42,239	-	21,462	63,701
Guild Chapel	47,227	-	32,556	79,783
Bandstand & 800 th Anniversary Fountain	15,577	-	15,137	30,714
	<u>105,043</u>	<u>2,182,490</u>	<u>300,738</u>	<u>2,588,271</u>

*Formerly known as ArtsHouse

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
For the year ended 31 December 2018 (continued)

10	Allocation of support costs - Group	Basis of allocation	**Play House facility		ArtsHouse shared services		*Grant Making		Governance		Charitable Activities		Property Support		Total 2018		Total 2017	
			£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
	Staff costs	Time	12,383	7,057	138,087	87,010	31,350	74,057	349,944	336,000								
	Office costs	Time	3,055	607	33,363	26,130	8,361	10,334	81,850	68,840								
	Membership administration	Cost	-	-	-	9,366	-	-	9,366	4,842								
	AGM and annual report	Cost	-	-	-	1,844	-	-	1,844	1,442								
	Trustee meetings and training	Direct	-	-	-	4,762	-	-	4,762	4,651								
	Auditor's remuneration	Direct	-	-	-	17,546	-	-	17,546	17,618								
	Professional fees	Direct	-	-	(4,000)	12,785	-	-	12,785	17,676								
	Governance costs	Cost	6,024	3,433	64,133	(159,443)	7,982	77,871	8,785	-								
			<u>21,462</u>	<u>11,097</u>	<u>231,583</u>	<u>-</u>	<u>47,693</u>	<u>162,262</u>	<u>474,097</u>	<u>451,069</u>								
			(note 9)	(note 8)	(note 9)		(note 9)	(note 8)										
	Allocation of support costs - Trust	Basis of allocation	**Play House facility		ArtsHouse shared services		Support for Related Charities		*Grant Making		Governance		Charitable Activities		Total 2018		Total 2017	
	Staff costs	Time	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
	Office costs	Time	12,383	7,057	118,612	127,560	72,866	9,158	327,127	347,636								
	Auditor's Remuneration	Direct	5,619	2,241	39,246	58,897	21,286	2,909	144,599	130,198								
	Professional Fees	Direct	-	-	-	-	10,750	-	10,750	9,403								
	Membership Administration	Cost	-	-	-	-	12,785	-	12,785	1,442								
	AGM and Annual Report	Cost	-	-	-	-	9,366	-	9,366	4,651								
	Trustee Meetings and Training	Direct	-	-	-	-	1,843	-	1,843	4,482								
	Governance costs	Cost	6,024	3,433	57,696	62,049	(133,656)	4,454	4,760	2,596								
			<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>	<u>494,300</u>								
			(note 9)	(note 8)	(note 8)	(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 2018 (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	
	2018	2017	2018	2017
Saffery Champness LLP non-audit fee	450	450	450	450

11 Employees and staff costs

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

	Group 2018 Number	Group 2017 Number
Stratford Town Trust	11.0	7.6
Guild Estate Endowment	2.0	2.0
	13.0	9.6

On a full-time equivalent basis the total head count was: 6.7 6.0

	Group 2018 £	Group 2017 £	Trust 2018 £	Trust 2017 £
The cost of employing all staff was:				
Salaries and Wages	305,533	249,754	294,835	240,920
National Insurance	24,436	21,368	24,304	21,328
Pensions – Current service cost	76,283	64,878	75,724	64,878
	406,252	336,000	394,863	327,126

In 2018 one member of staff was remunerated between £60,000 and £70,000 (2017 one member of staff was remunerated between £80,000 and £90,000). Total remuneration for the senior management team was £219,911 (2017: £214,315).

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 £5.9m.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (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 2018	1,861,877	-	356,444	134,898	121,077	59,259	42,493	2,576,048
Additions	-	30,000	-	13,856	-	-	1,802	45,658
Disposals	-	-	-	-	-	-	(98)	(98)
31 December 2018	1,861,877	30,000	356,444	148,754	121,077	59,259	44,197	2,621,608
Depreciation								
1 January 2018	459,249	-	38,500	23,436	47,824	48,542	30,099	647,650
Charge for the period	37,238	5,000	4,421	49,425	2,424	7,611	5,348	111,467
Disposals	-	-	-	-	-	-	(98)	(98)
31 December 2018	496,487	5,000	42,921	72,861	50,248	56,153	35,349	759,019
Net book values								
31 December 2018	1,365,390	25,000	313,523	75,893	70,829	3,106	8,848	1,862,589
31 December 2017	1,402,628	-	317,944	111,462	73,253	10,717	12,394	1,928,398

*formerly known as ArtsHouse

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

	Group		Trust	
	2018 £	2017 £	2018 £	2017 £
15 Fixed asset investments				
Investment properties	40,020,600	39,650,600	-	-
Quoted investments	18,292,723	19,019,930	1,830,673	1,631,422
Cash awaiting investment	151,418	117,188	10,954	7,534
	<u>58,464,741</u>	<u>58,787,718</u>	<u>1,841,627</u>	<u>1,638,956</u>
Investment properties:				
Market value at 1 January 2018	39,650,600	38,790,600	-	-
Net sale proceeds	-	(209,083)	-	-
Gain on disposal	-	54,083	-	-
Revaluation gains	370,000	1,015,000	-	-
	<u>40,020,600</u>	<u>39,650,600</u>	<u>-</u>	<u>-</u>
Market value at 31 December 2018	40,020,600	39,650,600	-	-
Cost or donated value at 31 December 2018	<u>7,205,486</u>	<u>7,205,486</u>	<u>-</u>	<u>-</u>
Quoted investments:				
Market value at 1 January 2018	19,019,930	17,347,032	1,631,422	1,546,876
Additions at cost	451,105	537,037	330,000	-
Sale proceeds	(35,330)	(25,896)	(3,420)	(3,219)
Investment (losses) / gains	(1,142,982)	1,161,757	(127,329)	87,765
	<u>18,292,723</u>	<u>19,019,930</u>	<u>1,830,673</u>	<u>1,631,422</u>
Market value at 31 December 2018	18,292,723	19,019,930	1,830,673	1,631,422
Historical cost at 31 December 2018	<u>14,359,525</u>	<u>13,945,755</u>	<u>1,659,709</u>	<u>1,333,129</u>

In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) the investment properties were revalued at 31 December 2018 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 2018 (continued)

15	Fixed asset investments (continued)	Group		Trust	
		2018 £	2017 £	2018 £	2017 £
	(Losses) / gains on unrestricted funds				
	Quoted investments	(106,797)	125,971	(127,329)	87,765
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
16	Debtors: amounts falling due within one year	Group		Trust	
		2018 £	2017 £	2018 £	2017 £
	Amounts falling due within one year:				
	Rents	232,193	195,917	6,197	-
	Prepayments and accrued income	98,566	84,896	39,297	30,278
	Other debtors	13,617	14,154	-	84
	Amount due from Guild Estate	-	-	80,961	-
	Amount due from College Estate	-	-	15,336	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		344,376	294,967	141,791	30,362
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
17	Creditors: amounts falling due within one year	Group		Trust	
		2018 £	2017 £	2018 £	2017 £
	Deferred income	1,366,600	1,219,431	2,958	-
	Trade creditors	63,144	129,366	35,089	78,854
	Grants payable (note 25)	670,613	540,976	559,113	467,682
	Accruals	292,863	158,354	61,815	69,950
	Other creditors	191,023	226,487	43,984	925
	Other taxation and social security	200,310	172,015	19,924	13,813
	Pension	3,327	13,380	3,327	13,318
	Amount owed to Guild Estate	-	-	-	165,599
	Amount owed to College Estate	-	-	-	134,518
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		2,787,880	2,460,009	726,210	944,659
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		Group			
		2018 £	2017 £		
	Included within accruals are the following fees payable to the auditor for:				
	Statutory audit	<u>17,000</u>	<u>17,000</u>		

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

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

Deferred income (£1,366,600) represents lease premiums and rental income received in advance that relate to after the period end; represented by deferred income under one year £666,813, deferred income relating to one to five years £23,432 and the value relating to over five years £676,355.

Deferred income reconciliation	Group		Trust	
	2018 £	2017 £	2018 £	2017 £
At 1 January 2018	1,219,408	1,143,666	-	-
Released during the year	(513,763)	(430,746)	-	-
Deferred in the current year	660,955	506,488	2,958	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2018	1,366,600	1,219,408	2,958	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Basic financial instruments

The carrying amount of financial assets which are debt instruments at amortised cost is £294,886 (2017: £195,917). The carrying amount of financial liabilities which is measured at amortised cost is £531,510 (2017: £607,105). The impairment loss for rents is £45,250 (2017: £10,583).

19 Summary of Fund Movements

Fund Name	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>

Restricted funds relate to income received solely for expenditure on the Guild Chapel.
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 2018 (continued)

20	Analysis of group net assets between funds	Unrestricted funds £	Endowment funds £	Total £	
	Fixed assets	1,862,586	-	1,862,586	
	Fixed asset investments	2,599,162	55,865,579	58,464,741	
	Current assets	1,892,730	-	1,892,730	
	Current liabilities	(2,718,553)	(69,327)	(2,787,880)	
	Defined benefit pension scheme liability	(172,000)	-	(172,000)	
		<u>3,463,925</u>	<u>55,796,252</u>	<u>59,260,177</u>	
		<u><u>3,463,925</u></u>	<u><u>55,796,252</u></u>	<u><u>59,260,177</u></u>	
21	Analysis of group funds between charities	Guild Endowment £	College Endowment £	Trust £	Total £
	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>3,303,010</u>	<u>59,260,177</u>
		<u><u>40,031,722</u></u>	<u><u>15,925,445</u></u>	<u><u>3,303,010</u></u>	<u><u>59,260,177</u></u>

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

22 Trustee expenses (Group and Trust)

Expenditure reimbursed to trustees during the period amounted to £nil (2017: £nil).

23 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 £375,000, contingent on a set of key performance indicators, which include community activity deliverables and financial reporting requirements.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

24 Grant making

A total of 137 (2017: 132) discretionary grants were awarded to beneficiaries during the year, of which 38 (2017: 31) were hardship grants, to individuals, which amounted to £12,906 (2017: £9,853).

Total Discretionary Grants	Group & Trust	
	2018	2017
	£	£
To relieve need, hardship, distress, sickness, disability, old age and infirmity among beneficiaries	634,854	448,246
To provide or support the provision of facilities for education for beneficiaries, including the advancement of learning and knowledge	219,586	225,153
To provide or support facilities for recreation and other leisure-time occupation	314,379	384,960
To advance the Christian religion	1,020	5,535
To support civic pride	31,890	47,547
To support citizenship and community	474	11,000
Other charitable purposes	500	22,898
	1,202,703	1,145,339
	1,202,703	1,145,339

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

Discretionary Grants £20,000 or greater	Group & Trust	2018
Beneficiary	Purpose of grant	£
Springfield Mind	Active Monitoring	143,000
ArtsHouse	Operational costs	104,140
Play House*	Setup, running costs and support of community events	95,000
Safeline*	Counselling service	59,480
Citizens Advice*	Core funding and money service	55,950
Shakespeare Hospice	Costs of hospice at home	50,000
Parenting Project*	Parenting in mind	37,966
Stratford upon Avon School	Extra-curricular activities	37,231
VASA*	Core running costs of community transport scheme	35,000
Domestic Abuse Counselling Service*	Counselling service	33,000
South Warks NHS Foundation Trust Charitable Fund	Birth & Babies Appeal	25,000
Stratford Upon Avon Primary School	Playground regeneration	25,000
Escape Arts	Volunteer & work experience project	24,536
Stratford Upon Avon Sports Club	Improving flood resistance & resilience	24,125
Young People First*	Sharp Minds programme	20,000
Myton Hospice	Palliative care	<u>20,000</u>
		764,892
		764,892

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

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

24 Grant making (continued)

Reconciliation of grants payable

	Group 2018 £	Group 2017 £
Commitments 31 December 2017	540,976	714,310
Commitments made in the period and payable	2,182,490	1,946,874
Grants paid during the period	(2,052,853)	(2,120,208)
	<hr/>	<hr/>
Commitments 31 December 2018	670,613	540,976
	<hr/> <hr/>	<hr/> <hr/>

It is anticipated that all the committed grants will be payable during 2019.

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

25 Pensions and similar obligations

As at 31 December 2018, 3 (2017: 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 2016
Actuarial method	Projected Unit credit method
Investment returns per annum	1.6% over a portfolio of Government Bonds
Pension increases per annum	2.1%
Salary scale increases per annum	2.8%
Market value of assets at date of last valuation	£1,665,000

The following information is based upon a full actuarial valuation of the Warwickshire County Council Pension Fund at 31 March 2016 updated to 31 December 2018 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

	2018	2017	2016
Rate of CPI	2.4%	2.4%	2.5%
Rate of increase in salaries	3.0%	3.0%	3.1%
Rate of increase in pensions	2.4%	2.4%	2.5%
Discount rate for liabilities	2.9%	2.5%	2.7%

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

	Rate of Return	2018 £'000	Rate of Return	2017 £'000
Equities	2.5%	878	2.7%	900
Bonds	2.5%	345	2.7%	300
Property	2.5%	187	2.7%	157
Cash/liquidity	2.5%	29	2.7%	72
		<hr/>		<hr/>
Total		1,439		1,429
		<hr/> <hr/>		<hr/> <hr/>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

25 Pensions and similar obligations (continued)

	2018	2017
	£'000	£'000
Market value of assets	1,439	1429
Liabilities	(1,611)	(1,662)
	<u> </u>	<u> </u>
Deficit	(172)	(233)
	<u> </u>	<u> </u>
Analysis of amounts charged to the statement of financial activities	2018	2017
	£'000	£'000
Current service cost	46	37
	<u> </u>	<u> </u>
Operating charge	(46)	(37)
	<u> </u>	<u> </u>
Analysis of net return on pension assets		
Expected return on pension scheme assets	37	41
Interest on pension liabilities	(42)	(49)
	<u> </u>	<u> </u>
Net return	(5)	(8)
	<u> </u>	<u> </u>
Actuarial gains and losses		
Asset loss	(92)	(147)
Liability gain	129	222
	<u> </u>	<u> </u>
Net gain	37	75
	<u> </u>	<u> </u>
Movement in deficit during the year	2018	2017
	£'000	£'000
Deficit at beginning of year	(233)	(326)
Current service cost	(46)	(37)
Employer contributions	75	63
Net returns on assets	(5)	(8)
Actuarial gain	37	75
	<u> </u>	<u> </u>
Deficit at end of year	(172)	(233)
	<u> </u>	<u> </u>

STRATFORD-UPON-AVON TOWN TRUST
NOTES ON FINANCIAL STATEMENTS
31 December 2018 (continued)

26 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.

27 Lease Commitments

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

	Group		Trust	
	2018	2017	2018	2017
	£	£	£	£
Not later than 1 year	825,115	1,814,663	5,250	3,750
Later than 1 year but not later than 5 years	2,354,539	6,169,952	21,000	-
Later than 5 years	34,598,925	54,722,656	17,063	-

No contingent rent was recognised as income 2018 £nil (2017: £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	
	2018	2017
	£	£
No later than 1 year	74,791	74,791
Later than 1 year but not later than 5 years	273,120	294,272
Later than 5 years	250,317	321,835

28 Post balance sheet events

College Estate:

In December 2016 it was announced, that following consultation with the members of the Trust, 7 Benson Road would be sold on the open market in the Spring of 2017. This decision followed the unsuccessful planning application for the site plus land to the rear of the property in Summer 2016. The property was sold by auction on 16 May for £1.14m. However this sale did not complete. The Trust has been in discussion with potential buyers of the property since the auction and it is anticipated that the property will be sold in 2019.

In March 2019 a small plot of land to the rear of 7 Benson Road was sold for £7,500.

29 Related Party Transactions

The trustees were not involved in any related party transactions in 2018 (2017: 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)