

THE CHELTENHAM TRUST

England & Wales · Charity number 1158606

Details

Status Registered

Legal form Charitable company

Company number [09021431](#)

Registered 2014-09-18

Register [View on the Charity Commission register](#)

Contact

Address The Cheltenham Trust
Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Phone 01242528764

Email karyn.phelps@cheltenhamtrust.org.uk

Website www.cheltenhamtrust.org.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE:1. THE ADVANCEMENT AND SUPPORT OF EDUCATION, CULTURE, ARTS, AND HERITAGE INCLUDING THE PROVISION OF LIBRARIES, MUSEUMS, GALLERIES, LEARNING AND INFORMATION CENTRES, ARCHIVES, ACTIVITIES, EVENTS, PROGRAMMES AND OTHER RELATED SERVICES, AND/OR2. THE PROVISION OR ASSISTANCE IN THE PROVISION OF FACILITIES FOR RECREATION OR OTHER LEISURE TIME OCCUPATION IN THE INTEREST OF SOCIAL WELFARE SUCH FACILITIES BEING PROVIDED TO THE PUBLIC AT LARGE SAVE THAT SPECIAL FACILITIES MAY BE PROVIDED TO PERSONS WHO BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABILITY, POVERTY OR SOCIAL OR ECONOMIC CIRCUMSTANCES MAY HAVE NEED OF SPECIAL FACILITIES AND SERVICES, AND/OR3. THE PROMOTION AND PRESERVATION OF GOOD HEALTH AND WELLBEING THROUGH COMMUNITY AND PUBLIC PARTICIPATION IN HEALTHY RECREATION AND ACTIVITIES UNDERTAKEN PURSUANT TO OBJECTIVES 1 AND 2 AND /OR4. SUCH OTHER CHARITABLE PURPOSES BENEFICIAL TO THE PUBLIC CONSISTENT WITH THE OBJECTS ABOVE AS THE DIRECTOR TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION DETERMINE.WITHIN ENGLAND AND WALES (THE "OBJECTS").

Activities: The advancement and support of education, culture, arts and heritage including the provision of museums, galleries, events and activities. The provision of facilities for recreation or other leisure time occupation in the interest of social welfare. The promotion of good health and wellbeing through community and public participation in healthy recreation and activities.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Arts/culture/heritage/science, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** GLOUCESTERSHIRE
- Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,228,221	£8,391,073	£997,616	219
2024-03-31	£8,301,878	£8,159,192	£1,122,469	208
2023-03-31	£7,791,874	£8,120,903	£990,783	204
2022-03-31	£8,143,399	£7,316,575	£-378,488	176
2021-03-31	£4,537,759	£4,239,685	£-2,370,313	176

Trustees

Name	Role	Appointed
Mike Napier	Chair	2024-03-25
Belinda Jane Wilson		2025-10-01
Councillor Barbara Clark		2021-07-28
Dr Jane Martin		2024-07-18
Elizabeth Narey		2020-07-03
Gemma Taylor		2021-07-02
Glenn Andrews		2024-07-30
Harry William Booty		2025-10-01
Julia Goldsworthy		2024-07-18
Kate Peden		2020-07-03
Lisa Bond		2024-07-18
Robert Crawford Jones		2025-10-01
Sam Pickering		2025-10-01
Sunita Nelson		2020-07-03

THE CHELTENHAM TRUST

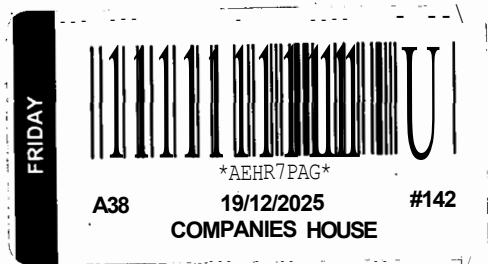
England & Wales - Charity number 1158606

Accounts

Registered number: 09021431
Charity number: 1158606



THE CHELTENHAM TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
• FOR THE YEAR ENDED 31 MARCH 2025 •



THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees

Michael Napier, Chair of the Board of Trustees
Clive Rawlings (resigned 11 July 2025)
Cllr Glenn Andrews (appointed 30 July 2024)
Benjamin Averis (resigned 31 May 2025)
Cllr Barbara Clark
Lisa Bond (appointed 18 July 2024)
Jessica Brewster (appointed 27 September 2024, resigned 30 April 2025)
Julia Goldsworthy (appointed 18 July 2024)
Jillie Jordan (resigned 31 March 2025)
Dr Jane Martin (appointed 18 July 2024)
Elizabeth Narey
Sunita Nelson
Gary Hasley-Nejrup (resigned 31 December 2024)
Kate Peden
Gemrria Taylor
Daniel-Wilson
Robert Jones (appointed 1 October 2025)
Sam Pickering (appointed 1 October 2025)
Harry Booty (appointed 1 October 2025)
Belinda Wilson (appointed 1 October 2025)

Company registered number 09021431

Charity registered number 1158606

Registered office Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer • Laurie Bell, CEO up to 31 October 2024
James Baker, Interim CEO from 31 October 2024 - 31 August 2025
Jessica Brewster, CEO effective from 1 September 2025

Independent auditors Randall & Payne LLP
Statutory Auditors & Chartered Accountants
Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

THE CHELTENHAM TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Bankers

Lloyds Bank PLC
130 High Street
Cheltenham
Gloucestershire
GL501EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL501RH

THE CHELTENHAM TRUST

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

The chairman presents his report for the year.

As the appointed Chair of Board of The Cheltenham Trust, I am pleased to present this annual report and accounts for the year ending 31 March 2025.

The Cheltenham Trust is an independent, not for profit charity and the lead provider of culture and heritage, entertainment, sport, and leisure in Cheltenham. Through the five iconic venues that it manages; Pittville Pump Room; The Wilson Art Gallery and Museum, Cheltenham Town Hall, Leisure at Cheltenham and the Prince of Wales Stadium, the Trust contributes actively to the local and visitor economy, and to the provision of community and social activities that promote and improve health and wellbeing.

The Trust presents this report that reflects a further challenging and difficult year because of the continuing economic pressures exacerbated further by unplanned venue closures for urgent structural repair work at Leisure at Cheltenham that were beyond the control of the charity.

In January 2024, the presence of RAAC (reinforced autoclaved aerated concrete) was discovered in Leisure at Cheltenham requiring immediate action to prevent potential collapse. The affected areas of the building were closed in phases from April to August 2024 to enable the urgent structural repairs. Despite the unforeseen disruption, Leisure at Cheltenham maintained healthy visitor numbers with 501,985 visitors in 2024-25, a daily average of 1,515. In January 2025 Leisure At Cheltenham gym re-opened following a refit which boosted gym attendance immediately. The refit was secured with financial backing from Cheltenham Borough Council.

The overall financial impact of the enforced closure of Leisure At Cheltenham due to RAAC, being a combination of lost revenue and additional costs incurred for alternative arrangements for changing rooms, is estimated to be a total of £360k negative to the Trust's overall funds.

It is testament to the resilience and tenacity of the Trust, and its ability to flex and adapt in the face of adversity, that the services at Leisure At Cheltenham continued to be offered to the public, despite the Trust facing significant additional costs to support these services.

Following urgent repairs to the dome and ceiling in the main ballroom at Pittville Pump Room, which necessitated the closure of the venue for six months from October 2023 to March 2024, bookings and events were rescheduled or relocated, where feasible, to avoid cancellations but the closure had a significant impact on hires and forward bookings in 2024-25, particularly weddings. The Pittville Pump Room continued to host the Heritage trail for visitors supported by the popular Heritage Café until October 2024.

The Garden Bar in Imperial Gardens continued to establish itself as a leading seasonal bar destination in the town centre, open April – October 2024 hosting free events including jazz and swing events, free live music on bank holidays and free viewing of the UEFA Euros 2024. The bar also benefited from a refit with new garden furniture, parasols and decorative flower planters enhancing the customer experience.

The Wilson Art Gallery and Museum, Cheltenham's leading cultural venue, achieved 94,277 visitors in 2024-25. A key element of The Wilson's mission is to build an interest in culture and the arts and to raise awareness of the positive impact that participation in cultural activities has on improving mental health and wellbeing. The Wilson continues to provide activities and experiences targeting new younger visitors which included Play House which opened in Summer 2024. During 2024-25 the museum hosted 43,904 school pupil participants through 96 school workshops and the museum's schools' takeaway service. The museum encouraged key stage 3 offerings including the Amazing Artefacts workshop which provided opportunities for GCSE and A level art groups to visit the museums shows and exhibitions. The Wilson continues to host the We are Creators programme; the Trust's flagship initiative supporting local and emerging artists by providing studio space and supporting creative communities, ensuring that we provide a platform for creative people to work together to realise the ambitions and aspirations of all the people of Cheltenham and Gloucestershire and make sure that culture and creativity thrive. The Wilson also opened Cheltenham Big Museum Project – a free, public-facing, co-curated exhibition that engaged the community in reimagining the future of museum spaces in Cheltenham.

THE CHELTENHAM TRUST

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The Cheltenham Trust continues to collaborate and support other local charities in Cheltenham offering discounted and subsidised event hires with Cheltenham Festivals, Auster Concerts, No Child Left Behind, Performing Arts and Gloucestershire Schools and music showcase events.

As the guardian of much of the town's heritage The Cheltenham Trust has a key role in sustaining these important, historic venues. The business model of the organisation blends culture, community and commercial to strive for financial sustainability and by successfully accessing external funding it can continue to invest in the heritage buildings and deliver its programme of inclusive, diverse free events and activities for visitors and the local community to access and enjoy.

The Trust's inclusive, free to access cultural programme is a core element of its charitable objectives helping to deliver positive social impact.

The Trust continued to host several popular community events marking historic and calendar events including Lighting of a D-Day beacon at the Pittville Pump Room in June; a ceremonial community event as part of the national commemorations, drawing residents together in tribute, and The Cheltenham Festival race week in March and Christmas lights switch in November are now well established as key occasions in the Cheltenham events calendar and provide a great opportunity for community engagement.

The Trust focused on core business, limiting costs, identifying opportunities for mutually beneficial partnership working, improving efficiencies, securing external funding of c£611k, and maximising income generating opportunities to substantially reduce, a year-end projected deficit, which at one point in the year was forecast to exceed £500k.

I would like to extend my thanks to all the staff, trustees and volunteers for their unwavering dedication and commitment, and to all our stakeholders and partners, and valued customers for their ongoing support.

Mike Napier
.....
Mike Napier
Chair of the Board

Date: 18/12/2025

THE CHELTENHAM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The Cheltenham Trust commenced operations on 1 October 2014 and currently manages on behalf of Cheltenham Borough Council, The Wilson Art Gallery and Museum, Leisure at Cheltenham and the Prince of Wales stadium, Cheltenham Town Hall and Pittville Pump Room.

Cheltenham Leisure and Culture Ltd is a trading subsidiary of The Cheltenham Trust.

The Trust's charitable objectives are set out below. Any financial surplus achieved by the Trust is re invested in the charitable aims and objectives.

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:

for the advancement and support of education, culture, arts and heritage including the provision of libraries, museums, galleries, learning and information centres, archives, activities, events, programmes and other related services.

- for the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large with special facilities being provided for various needs and demographics.
- for the promotion of good health and wellbeing through community and public participation in healthy recreation and activities.
- other such charitable purposes that are beneficial to the public and consistent with the objects as the Director Trustees shall determine.

Vision

As an independent charitable trust and the lead provider of culture and leisure in Cheltenham our vision is to blend culture, community and commercial activities and services to contribute actively to the local and visitor economy and to improve the health and wellbeing of the local community.

As a registered not for profit charity, the Trust manages Cheltenham's most iconic and contemporary venues – The Wilson Art Gallery and Museum; the Grade I listed Pittville Pump Room; the Grade II listed Cheltenham Town Hall, Garden Bar and Skillicorne Garden, and the popular Leisure at Cheltenham and Prince of Wales stadium.

The Trust supports the local and visitor economy, community, cultural and social offer providing arts, culture and heritage, entertainment, sport and leisure. Through its outreach work and community events the Trust enables access and inclusivity to a diverse range of cultural and leisure services, events and activities.

The main activities at each of the Trust's five sites are:

The Wilson Art Gallery & Museum

The Wilson hosts a rich programme of exhibitions and events that are supported by its vibrant arts café.

The Wilson is available to hire as an alternative, contemporary venue for events and meetings with a difference.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Its outdoor roof terrace is a unique setting for hosting events. The venue regularly hosts a diverse range of community events, activities, workshops and talks.

The Wilson includes a new community arts and exhibition gallery, artist studios hosting nine artists in residence and a popular and immersive arts café.

Pittville Pump Room

The magnificent Grade I Pittville Pump Room is the jewel of Cheltenham's regency architecture. Its location in the beautiful Pittville Park has made this award winning, landmark building one of Gloucestershire's most impressive venues for weddings, dinners, exhibitions, dances, corporate events and conferencing and community events and activities.

Cheltenham Town Hall

The elegant Edwardian Grade II listed Town Hall is a popular venue for entertainment attracting local residents and visitors. It has a year-round programme of live entertainment, attracting more than 90,000 visitors each year to enjoy comedy and celebrity speakers, music, concerts, dance and theatre. It is also available for hire for a wide range of events and activities, festivals, meetings and weddings. The Garden Bar Orangery and Skillicorne Garden, adjacent to the Town Hall, offer a cafe bar and a secret walled garden for an alternative al fresco event.

Leisure at Cheltenham and the Prince of Wales stadium

Leisure at Cheltenham provides state of the art leisure facilities with four pools, a fitness suite and more than 75 fitness classes each week. The Prince of Wales stadium regularly hosts sports and track events including a local running club, rugby club and an annual family sports day. The sports bar is available to hire for events, parties and corporate meetings.

Management Agreement

The Trust operates independently, occupying buildings owned by Cheltenham Borough Council. A Management Agreement has been established between Cheltenham Borough Council and The Cheltenham Trust to deliver services for the community aligned to the agreed fee.

b. Activities during the year

Another year of the Artists in Residence programme

Continued delivery of the Trust's flagship initiative supporting local and emerging artists by providing studio space and supporting creative communities, ensuring that we provide a platform for creative people to work together to realise the ambitions and aspirations of all the people of Cheltenham and Gloucestershire and make sure that culture and creativity thrive.

Free live music at The Shamrock Bar during Cheltenham Festival

Delivered free live music for the public during one of Cheltenham's most high-profile events, creating a lively and fun atmosphere.

Opened Common Ground – Free exhibition

A free exhibition designed to explore themes of community, connection, and place, promoting accessibility to the arts for all audiences.

Opened Cheltenham Big Museum Project – Free exhibition

A public-facing, co-curated exhibition that engaged the community in reimagining the future of museum spaces in Cheltenham.

Supported The Cornerstone Centre by providing cooking classes

Offering practical, skills-based support to food pantry users, helping individuals and families gain confidence in the kitchen while promoting healthy eating and community wellbeing.

Opened a refurbished gym at Leisure at Cheltenham (in collaboration with Cheltenham Borough Council)

Launched a brand-new gym to improve access to affordable health and fitness resources for residents, part of a

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

broader strategy to enhance public health infrastructure.

Pittville Pump Room Christmas Lights Switch-On

Delivered a free festive celebration for the community, attracting families and residents to a key heritage site and promoting local seasonal spirit.

Free monthly Wilson Nights

Hosted after-hours cultural evenings at The Wilson Art Gallery and Museum, including talks, workshops, and performances — all free to the public to enhance engagement.

Opened Into Abstraction – Free exhibition

Showcased contemporary abstract work from regional and national artists, encouraging exploration of new art forms in a free, accessible setting.

Opened Natural Progression – Free exhibition

A nature-themed exhibition focusing on environmental change and artistic responses to the natural world, supporting both education and reflection.

Leisure at Cheltenham Free Taster Day

Provided free access to sports and fitness facilities for a day, removing financial barriers and encouraging community participation in healthy lifestyles.

Supported No Child Left Behind event

Collaborated on an initiative addressing inequality and supporting young people through engaging, inclusive programming and activities.

Opened Play! House – Free exhibition

A playful, family-oriented exhibition promoting creativity and learning through interactive and immersive installations

Free live music with Tommy and the Fuse at Imperial Garden Bar

Delivered a vibrant, no-cost music event to enhance summer evenings for residents and visitors in Cheltenham's town centre.

Showed the Euro 2024 at Imperial Garden Bar

Hosted live screenings of major football matches in a relaxed outdoor venue, creating shared community moments and broadening access to national sporting events.

Free D-Day Community Celebration at Pittville Pump Room

Marked the 80th anniversary of the D-Day landings with a free public event including music and dance.

Lighting the beacon in honour of the 80th anniversary of the D-Day landings

Partnership working

The Trust continues to work closely in partnership with a number of organisations including Cheltenham Borough Council as its main stakeholder; Marketing Cheltenham; Friends of The Wilson; The Wilson Arts Collective; Cheltenham Festivals; Arts Council England; Sport England; Heritage Lottery Fund; Historic England; Cheltenham Civic Society; Cheltenham BID and the Cheltenham Chamber of Commerce to help improve the cultural, community and commercial offer in Cheltenham.

Achievements and performance

a. Key financial performance indicators

During 2024/25 the Trust (which includes the operations of its trading subsidiary) had total incoming resources of £8,320k (23/24 £8,301k) of which £376k (23/24 £471k) was restricted grant funds.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Net operating deficit for the year was £117k (23/24 surplus of £76k) on unrestricted funds and a movement of (£8k) on restricted funds. As a not-for profit-charity the Trust reinvests all surpluses within the business.

Cheltenham Leisure and Culture Ltd

Cheltenham Leisure & Culture is the Trust's wholly owned trading subsidiary, Cheltenham Leisure and Culture Ltd, generated turnover of £2,215k (23/24 £2,213k) and made a profit of £596k (23/24 £487k) for the year. These profits are due to be gift-aided to the charity in due course.

The principal activities of the trading company during 2024/25 were predominantly café and bar operations; venue hires for events and weddings and sales of retail items.

b. Investment policy and performance

The Trustees have the power to invest the monies of the organisation in such investments as they see fit. In order to support the growth and investment strategy of the Trust and maintain a positive cash flow at all times, surpluses are invested in interest bearing deposit accounts where appropriate.

Financial review

a. Going concern and events since the Balance Sheet date

The Trust continued to consolidate, repurpose, learn and adapt in the changing times and markets and has forecast its budget plan for 2025/26 and out for a further 3 years, and will keep monitoring and updating this forecast.

This forecast has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis. Further information in respect of going concern of the Trust is included in Note 2.2 to the Financial Statements.

b. Reserves policy

The Trustees' focus on building sufficient reserves to ensure that the Trust is able to deliver its charitable objectives and is resilient and sustainable in the long term. The policy is to utilise any surpluses to build income generating capacity.

The Trust (as a Group) holds unrestricted reserves, excluding the pension surplus, of £814k as at 31 March 2025. The use of reserves is monitored by the Trust's Finance Committee.

c. Principal funding

Cheltenham Borough Council is our key partner and principal funder of the Trust. The Trust received a Management Fee representing 7.3% (2023/24: 7.3%) of total income.

Structure, governance and management

a. Constitution

The company and the Group is registered as a charitable company limited by guarantee and was set up by a Trust deed on 18 May 2014.

The company and the Group is constituted under a Trust deed dated 18 May 2014 and is a registered charity number 1158606.

b. Methods of appointment or election of Trustees

The Board shall be comprised of at least seven and not more than sixteen Trustees, including two Council appointed trustees nominated by Cheltenham Borough Council. The trustees are appointed on a three-year term, with an option to extend for a second term and a further three years. The Board meets on a minimum of

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

four occasions in the year.

The process to select new Trustees is based on the skills and competencies required by the Board at the time the vacancy arises.

c. Policies adopted for the induction and training of Trustees

On joining the organisation, Trustees are given an induction and introduced to the organisation's culture. Trustees have significant experience from various professions and use their skills to inform their responsibilities to ensure the good governance of the charity. The Board membership includes a balance of backgrounds and capabilities relevant to the overall strategic requirements of the Trust, and there is a recognised commitment by the Board to maintain this balance. The Board of Trustees participate in board development opportunities, and the overall board is subject to an annual skills audit that is aligned to the strategic direction of the Trust.

d. Directors indemnities

The Trust holds indemnity insurance with Zurich insurance for the directors with liability cover of £1 million (2024:£1 million).

e. Organisation

The business of the charitable company is delegated to and managed on a day to day basis by the Chief Executive, who is supported by an Executive Management Team of senior managers.

The Board of Trustees has established a Finance Committee, a Governance Committee (Audit Risk & Assurance Committee with effect of October 2025), Commercial Board, Appointments and Remuneration Committee and Culture and Communities Committees (until 2025) so that specific issues delegated can be studied in detail and recommendations made back to the Board.

The Chief Executive and the Executive Team advise the Board on strategy development and support for the Board's governance activities and have responsibility for operating the services of the charity on a day to day basis. The Board undertakes its role using the Code of Conduct for Good Governance and agrees the overall strategic direction of the Trust.

f. Related party relationships

None of our Trustees receive remuneration from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Two Trustees are nominated representatives of Cheltenham Borough Council. Transactions between the Trust and CBC, along with other related party disclosures are recorded in note 27.

The charity's wholly owned subsidiary, Cheltenham Leisure and Culture Ltd was established to operate commercial activities including retail activities, cafes and catering, venue hires and wedding packages.

g. Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

The pay of the Chief Executive and key management personnel is benchmarked against pay levels in similar professions when recruiting to these roles.

h. Trust staff

During 2024/25 the Trust employed an average of 219 staff.

The Trustees and Executive Management Team support the involvement and engagement of staff in the day to day running, policy making and general management of the charity. Members of staff are kept informed on matters affecting them as employees and on various factors affecting the performance of the Trust.

The policy of the Trust is to offer the same opportunities to a diverse range of people in respect of recruitment

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

and career progression.

i. Risk management

The Trustees have adopted a risk management policy from which they have identified potential risks and the likelihood of their occurrence. In addition, they have identified measures to be put in place to mitigate the risks and further action that might be necessary to limit that risk.

The Board receives quarterly risk information at board meetings and sufficient commitments are made to cover known liabilities. The Board and its committees receive regular financial information and manage financial risk accordingly.

Plans for future periods

Future developments

The priority for the Trust is to continue to ensure its financial resilience and that as a robust organisation it can achieve its vision and ambitious programme. It will build and consolidate on its core business continuing to fully utilise and maximise the value of its venues for the community.

The Trust will continue to seek opportunities to access local and national grant schemes to secure funds to improve and increase its reach in the community through its new trust-wide membership scheme and through donating in venues or online, or paying a suggested donation for free activities, events and workshops. All donations help the Trust to continue its year-round extensive, inclusive cultural programme for all the community to enjoy.

Cheltenham Borough Council (CBC) as lead partner and sponsor supports the Trust's plans to achieve growth and to meet the vision and goals. In partnership improvement in all the venues will be scheduled to increase the number of visitors and their experience, to attract new audiences and to access to services and facilities. We will continue to grow and further strengthen our position and reputation as Cheltenham's leading cultural and leisure provider and a major contributor in boosting the local and visitor economy and helping to improve the health and wellbeing of the local community.

Information on fundraising practices

Fundraising activities are carried out directly by the Trust, by the Trust's employees.

Fundraising activities involve identifying external grants and funding opportunities available to support our charitable, cultural and community activities, and inviting donations by those using and enjoying our facilities within the local community, in order that we can continue to invest in and develop in our facilities and programmes.

Access to our services

The Trust remains committed to equal access to our services for everyone. The Trust strives to be an open employer; welcoming staff and volunteers from all backgrounds. The Trust aims to reflect the diversity of the population in both our user group and our staffing and Trustee mix.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- 1) so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- 2) that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Auditors

A resolution to appoint Randall & Payne LLP as auditor of the company was approved at a meeting of Trustees on 21st June 2019 and is renewed annually.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mike Napier

.....

Mike Napier

Chair of the Board

Date: 18/12/2025

THE CHELTENHAM TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees (who are also the directors of the Charity 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Mike Napier
.....

Mike Napier
(Chair of Trustees)

Date: 18/12/2025

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2025 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, Charities Act 2011, relevant UK tax legislation and we enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Ryan Moore
Ryan Moore (Dec 18, 2025 10:03:42 GMT)

Ryan Moore CA (Senior Statutory Auditor)
Randall & Payne LLP
Statutory Auditors & Chartered Accountants
Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Date: 18/12/2025

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	-	2,285	2,285	-
Charitable activities	5	375,972	5,635,129	6,011,101	6,029,744
Other trading activities	6	-	2,214,835	2,214,835	2,213,134
Investments		-	92,000	92,000	59,000
Total income		375,972	7,944,249	8,320,221	8,301,878
Expenditure on:					
Raising funds		-	1,618,731	1,618,731	1,726,065
Charitable activities	7	384,276	6,388,066	6,772,342	6,433,126
Total expenditure		384,276	8,006,797	8,391,073	8,159,191
Net movement in funds before other recognised (losses)/gains		(8,304)	(62,548)	(70,852)	142,687
Actuarial gains on defined benefit pension schemes	23	-	(54,000)	(54,000)	(11,000)
Net movement in funds		(8,304)	(116,548)	(124,852)	131,687
Reconciliation of funds:					
Total funds brought forward		192,374	930,093	1,122,468	990,781
Net movement in funds		(8,304)	(116,548)	(124,852)	131,687
Total funds carried forward		184,070	813,545	997,615	1,122,468

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 45 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	206,229	212,716
	13	<u>206,229</u>	<u>212,716</u>
Current assets			
Stocks	14	43,790	57,462
Debtors	15	544,858	1,273,708
Cash at bank and in hand		2,311,573	2,214,772
		<u>2,900,221</u>	<u>3,545,942</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(2,108,834)	(2,636,190)
Net current assets		<u>791,387</u>	<u>909,752</u>
Total assets less current liabilities		<u>997,616</u>	<u>1,122,468</u>
Total net assets		<u>997,616</u>	<u>1,122,468</u>
Charity funds			
Restricted funds	17	184,070	192,374
Unrestricted funds	17	813,546	930,094
Total funds		<u>997,616</u>	<u>1,122,468</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 151 of the Charities Act 2011. The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime. The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mike Napier
Mike Napier (Dec 18, 2025 04:20:59 GMT)

Mike Napier
(Chair of Trustees) Date: 18/12/2025

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	164,527	177,639
Investments	13	1	1
		<u>164,528</u>	<u>177,640</u>
Current assets			
Debtors	15	263,705	1,719,425
Cash at bank and in hand		1,916,787	68,486
		<u>2,180,492</u>	<u>1,787,911</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(1,943,323)	(1,326,340)
Net current assets		<u>237,169</u>	<u>461,571</u>
Total assets less current liabilities		<u>401,697</u>	<u>639,211</u>
Total net assets		<u><u>401,697</u></u>	<u><u>639,211</u></u>
Charity funds			
Restricted funds	17	184,070	192,374
Unrestricted funds	17	217,627	446,837
Total funds		<u><u>401,697</u></u>	<u><u>639,211</u></u>

Adjustment to prior period - The Trust balance sheet had previously presented historic intercompany donations as an intercompany balance, and these were not transferred to unrestricted funds. An reclassification adjustment has been made to transfer these balances to the Trust's unrestricted fund. There is no impact on the overall Group Consolidated funds as a result of this adjustment.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 151 of the Charities Act 2011. The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime. The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mike Napier

Mike Napier (Dec 18, 2025 08:20:59 GMT)

.....
Mike Napier, Chair

(Chair of Trustees) Date: 18/12/2025

THE CHELTENHAM TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	272,669	50,015
Cash flows from investing activities		
Purchase of tangible fixed assets	(175,868)	(85,093)
Net cash used in investing activities	(175,868)	(85,093)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	96,801	(35,078)
Cash and cash equivalents at the beginning of the year	2,214,772	2,249,850
Cash and cash equivalents at the end of the year	2,311,573	2,214,772

The notes on pages 22 to 45 form part of these financial statements

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates 'The Wilson' Art Gallery and Museum, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cheltenham 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.2 Going concern

Since the March 2024 financial year end, the Trust successfully navigated significant disruption to its operations, most notably the extended closure of the teaching pool and splash pad at Leisure at Cheltenham due to the identification of RAAC (reinforced autoclaved aerated concrete). This disruption, which required additional investment in temporary changing facilities in order for the Leisure centre to remain partially operational, has been absorbed into the 2025/26 financial year results. Despite the impact, the Trust responded effectively to the interruption and maintained operations across its wider operations.

While there has been some continued disruption to operations post year-end, it has not been on the same scale as that experienced in 2024. A defective valve at Leisure@ Cheltenham led to the temporary closure of the Splash Pad for a number of months during the summer of 2025, resulting in some loss of income. In addition, the planned closure of the Pittville Pump Room is due to go ahead in Q4 of 2025. However, this closure forms part of a broader refurbishment programme and has been anticipated and accounted for by the Trustees in the development of the 2025/26 budget.

In response to ongoing operational challenges, the Trust continues to adapt its delivery model to make the best use of its venues. Specific working groups have been established alongside the Key Management Team to ensure that the Trust can continue to operate effectively and meet its liabilities as they fall due.

The Trust also continues to work closely with its key partner, Cheltenham Borough Council (CBC), to ensure that facilities are utilised to their maximum potential during periods of essential works. As part of the going concern assessment, the Trustees have received confirmation that CBC will continue to provide support to the Trust where practicable.

The Trustees have reviewed detailed budgets and forecasts which demonstrate that sufficient cash and reserves are available for the Trust to operate as a going concern for at least 12 months from the date of approval of the financial statements. The Trustees remain focused on delivering the Trust's long-term strategy and building a resilient organisation by reducing reliance on external service providers and continuing to invest in core capabilities.

While the Trustees acknowledge that the full recovery of the Trust will continue to take time, the significant challenges of 2024 have now been managed, and the organisation is better positioned to respond to future disruption and to deliver on its strategic plan.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

The Group also operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2022.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Recognition of pension surplus

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability which has historically been recognised, remains a liability for the Trust, but the Council acts as guarantor for any liability arising for The Cheltenham Trust in being the sponsoring employer for the Local Government Pension Scheme. Further, the contributions made by the Charitable Company into the scheme are included in the agreed annual recharge mechanism between the Trust and the Borough Council.

In reviewing the guidance available in FRS 102, the Trustees bore in mind the above circumstances and determined that in substance, the Trust would have no entitlement to any pension asset in the future and therefore it should not be accounted for in the year ended 31 March 2025.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	2,285	2,285	-

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

5. Income from charitable activities

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Public engagements	-	2,106,062	2,106,062	1,759,937
Commercial and customer services	-	-	1,287,038	1,295,791
Income Activity 4 - Income from content & - All	375,972	1,503,612	1,879,584	2,267,475
Corporate	-	738,417	738,417	706,541
	<u>375,972</u>	<u>5,946,636</u>	<u>6,011,101</u>	<u>6,029,744</u>
<i>Total 2024</i>	<u>470,966</u>	<u>5,558,778</u>	<u>6,029,744</u>	

Included within Corporate Income is £611,281 (2024: £611,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27.

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income - Cheltenham Leisure & Culture Limited	2,214,835	2,214,835	2,213,134
	<u>2,214,835</u>	<u>2,214,835</u>	<u>2,213,134</u>
<i>Total 2024</i>	<u>2,213,134</u>	<u>2,213,134</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
FRS102 pension adjustment	-	38,000	38,000	48,000
Public engagements	283,883	219,197	503,080	562,819
Commercial and customer services	-	2,715,784	2,715,784	2,199,818
Content and programming	100,393	1,838,280	1,938,673	2,176,851
Corporate	-	1,576,805	1,576,805	1,445,639
	<u>384,276</u>	<u>6,388,066</u>	<u>6,772,342</u>	<u>6,433,127</u>
<i>Total 2024</i>	<u>418,345</u>	<u>6,014,782</u>	<u>6,433,127</u>	

Summary by expenditure type

	Staff costs 2025 £	Other costs 2025 £	Total 2025 £	Total 2024 £
FRS102 pension adjustment	38,000	-	38,000	48,000
Public engagements	359,507	143,573	503,080	562,819
Commercial and customer services	1,600,090	1,115,694	2,715,784	2,199,818
Content and programming	350,197	1,588,476	1,938,673	2,176,851
Corporate	733,637	843,168	1,576,805	1,445,638
	<u>3,081,431</u>	<u>3,690,911</u>	<u>6,772,342</u>	<u>6,433,127</u>
<i>Total 2024</i>	<u>2,750,900</u>	<u>3,623,226</u>	<u>6,433,127</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
FRS102 pension adjustment	38,000	-	38,000	48,000
Public engagements	503,080	-	503,080	562,819
Commercial and customer services	2,715,784	-	2,715,784	2,199,818
Content and programming	1,938,673	-	1,938,673	2,176,850
Corporate costs	-	1,576,805	1,576,805	1,445,639
	<u>5,195,537</u>	<u>1,576,805</u>	<u>6,772,342</u>	<u>6,433,127</u>
<i>Total 2024</i>	<u>4,928,487</u>	<u>1,445,639</u>	<u>6,433,127</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	FRS102 adjustment 2025 £	Public engagements 2025 £	Commercial and customer services 2025 £	Content and programming 2025 £	Total funds 2025 £	Total funds 2024 £
Pension finance costs	-	-	-	-	-	(59,000)
Staff costs	38,000	359,507	1,600,090	350,197	2,347,794	2,106,933
Learning , Talents & Skills	-	5,167	-	-	5,167	10,890
Community Engagement	-	17,306	-	-	17,306	45,312
Health & Wellbeing	-	99,272	-	-	99,272	86,183
Hospitality	-	21,828	-	-	21,828	36,779
Commercial Service	-	-	613,519	-	613,519	410,610
Operations	-	-	58,627	-	58,627	34,353
Customer Services	-	-	1,319	-	1,319	3,519
Facilities Management	-	-	442,229	-	442,229	383,844
Entertainments - Charitable Events	-	-	-	1,402,454	1,402,454	1,474,566
Sports	-	-	-	186,022	186,022	394,498
	<u>38,000</u>	<u>503,080</u>	<u>2,715,784</u>	<u>1,938,673</u>	<u>5,195,537</u>	<u>4,928,487</u>
<i>Total 2024</i>	<u>(11,000)</u>	<u>562,819</u>	<u>2,199,818</u>	<u>2,176,851</u>	<u>4,928,487</u>	

9. Auditors' remuneration

The auditors' remuneration amounts to an audit fee of £9,500 (2024 - £9,250), and fees payable to the Charity's auditor in respect of all other services of £4,325 (2024 - £4,175).

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. Staff costs

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Wages and salaries	3,531,316	3,157,161	2,730,601	2,455,443
Social security costs	345,490	291,970	246,914	193,549
Contribution to defined contribution pension schemes	119,079	117,958	103,916	101,908
	<u>3,995,885</u>	<u>3,567,089</u>	<u>3,081,431</u>	<u>2,750,900</u>

Redundancy payments of £2,589 were made during the year ended 31 March 2025 (2024: £6,285).

During the year, the charity made an ex gratia payment of £26,900 and a payment in lieu of notice of £27,500 to a member of key management personnel in connection with their departure from the organisation. In addition, other ex gratia payments totalling £1,983 were made during the year to one other employee.

All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	<i>Group 2024 No.</i>	Charity 2025 No.	<i>Charity 2024 No.</i>
Average monthly headcount	<u>219</u>	<u>208</u>	<u>219</u>	<u>208</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	<i>Group 2024 No.</i>
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	1
In the band £120,001 - £130,000	1	-

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2024	61,336	495,684	557,020
Additions	24,830	81,810	106,640
At 31 March 2025	<u>86,166</u>	<u>577,494</u>	<u>663,660</u>
Depreciation			
At 1 April 2024	26,259	318,045	344,304
Charge for the year	18,206	94,921	113,127
At 31 March 2025	<u>44,465</u>	<u>412,966</u>	<u>457,431</u>
Net book value			
At 31 March 2025	<u>41,701</u>	<u>164,528</u>	<u>206,229</u>
At 31 March 2024	<u>35,076</u>	<u>177,638</u>	<u>212,714</u>

Charity

	Office equipment £
Cost or valuation	
At 1 April 2024	495,684
Additions	81,810
At 31 March 2025	<u>577,494</u>
Depreciation	
At 1 April 2024	318,045
Charge for the year	94,921
At 31 March 2025	<u>412,966</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Tangible fixed assets (continued)

Charity (continued)

	Office equipment £
Net book value	
At 31 March 2025	<u><u>164,528</u></u>
At 31 March 2024	<u><u>177,638</u></u>

13. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 April 2024	<u>1</u>
At 31 March 2025	<u><u>1</u></u>

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Cheltenham Leisure & Culture Limited	09133998	Cheltenham Town Hall, Imperial Square, Cheltenham, Gloucestershire, GL50 1QA	Leisure & culture activities on behalf of the council
Class of shares	Holding		
Ordinary	100%		

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Cheltenham Leisure & Culture Limited	2,214,835	(1,618,731)	596,104	600,034

Cheltenham Leisure & Culture Limited is the trading subsidiary of The Cheltenham Trust. In the financial year ended 31 March 2025, Cheltenham Leisure & Culture Limited made a gift aid donation of £479,327 (2024: £592,876) to The Cheltenham Trust.

14. Stocks

	Group 2025 £	Group 2024 £
Consumables	43,790	57,462

15. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Due within one year				
Trade debtors	296,184	266,052	23,897	124,792
Amounts owed by group undertakings	-	-	-	590,442
Other debtors	168,705	949,627	159,839	946,161
Prepayments and accrued income	79,969	58,029	79,969	58,030
	<u>544,858</u>	<u>1,273,708</u>	<u>263,705</u>	<u>1,719,425</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. Creditors: Amounts falling due within one year

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Trade creditors	772,352	773,395	714,295	728,211
Amounts owed to group undertakings	-	-	237,465	-
Other taxation and social security	161,333	1,025,981	157,217	510
Other creditors	19,113	2,089	15,300	1,520
Accruals and deferred income	1,156,036	834,725	819,046	596,099
	2,108,834	2,636,190	1,943,323	1,326,340
	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Deferred income at 1 April 2024	837,701	893,160	599,693	725,126
Resources deferred during the year	592,643	837,701	321,699	599,693
Amounts released from previous periods	(837,701)	(893,160)	(599,693)	(725,126)
	592,643	837,701	321,699	599,693

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2025-26 and for advance memberships at the leisure centre and for venue hires.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds					
General Funds - all funds	930,094	7,944,249	(8,060,797)	-	813,546
Pension reserve	-	-	54,000	(54,000)	-
	<u>930,094</u>	<u>7,944,249</u>	<u>(8,006,797)</u>	<u>(54,000)</u>	<u>813,546</u>
Restricted funds					
Archaeology	10,333	115	-	-	10,448
Memory Café	460	-	(460)	-	-
Arts award	2,000	-	(1,091)	-	909
Community Takeover Exhibition	1,295	-	(489)	-	806
Charles Irving Trust	3,484	-	(3,484)	-	-
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	63,420
Summerfield Trust	33,322	-	(24,363)	-	8,959
The Wilson Gallery Refurbishment Project	78,060	-	(78,060)	-	-
FOTW Gallery Refurb Project	-	10,000	-	-	10,000
Friends of the Wilson	-	21,464	(18,849)	-	2,615
Pied Piper SEND Equipment Grant	-	3,528	-	-	3,528
National Lottery Heritage Fund	-	96,475	(13,090)	-	83,385
CBC Gym Refurbishment Grant	-	244,390	(244,390)	-	-
	<u>192,374</u>	<u>375,972</u>	<u>(384,276)</u>	<u>-</u>	<u>184,070</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
Unrestricted funds						
General Funds - all funds	853,652	7,830,912	(7,751,847)	(2,623)	-	930,094
Pension reserve	-	-	11,000	-	(11,000)	-
	<u>853,652</u>	<u>7,830,912</u>	<u>(7,740,847)</u>	<u>(2,623)</u>	<u>(11,000)</u>	<u>930,094</u>

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
Restricted funds						
Archaeology	4,497	7,830	(1,993)	-	-	10,334
Memory Café	1,000	-	(540)	-	-	460
Arts award	2,000	-	-	-	-	2,000
Community Takeover Exhibition	6,050	100	(4,855)	-	-	1,295
Charles Irving Trust	21,023	-	(17,539)	-	-	3,484
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	-	63,420
Summerfield Trust	11,136	67,498	(45,312)	-	-	33,322
The Wilson Gallery Refurbishment Project	28,005	351,675	(301,620)	-	-	78,060
FOTW Gallery Refurb Project	-	3,670	(5,989)	2,319	-	-
Friends of the Wilson	-	16,000	(16,304)	304	-	-
Frozen Continent	-	24,193	(24,193)	-	-	-
	<u>137,131</u>	<u>470,966</u>	<u>(418,345)</u>	<u>2,623</u>	<u>-</u>	<u>192,375</u>

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Statement of funds (continued)

Details of the Restricted Funds are as follows:

Archaeology - Contributions from local archaeology groups towards shelving and storage for finds.

Memory Café - A monthly meet for people with dementia to visit The Wilson and engage with objects that may trigger memories.

Arts Award - Funding to support an arts award programme.

Community Takeover Exhibition - Funding from The Community Resilience Fund to support community artists exhibit their work.

Friends of The Wilson - Friends of the Wilson funding supporting specific projects at The Wilson.

Charles Irving Trust - A bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

The Wilson Refurbishment Project - Funding supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

Pittville Pump Room Heritage Café Project - Funding to support Heritage café development project.

The Summerfield Trust - Community exhibition project where young people in Cheltenham designed and made new costumes from clothes destined for landfill.

Soft play equipment, funded by The Pied Piper Appeal - Support by the Pied Piper Appeal in the launch of new SEND (Special Educational Needs and Disabilities) inflatable soft play sessions.

National Lottery Heritage Fund - Funding received to support Cheltenham's BIG Museum Project.

CBC Gym Refurbishment Grant - An award of a capital grant for the replacement of gym equipment and the 2025 refurbishment work at Leisure@ Cheltenham.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
General funds	930,094	7,944,249	(8,006,797)	(54,000)	813,546
Restricted funds	192,374	375,972	(384,276)	-	184,070
	<u>1,122,468</u>	<u>8,320,221</u>	<u>(8,391,073)</u>	<u>(54,000)</u>	<u>997,616</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	853,652	7,830,912	(7,740,847)	(2,623)	(11,000)	930,094
Restricted funds	137,131	470,966	(418,345)	2,623	-	192,375
	<u>990,783</u>	<u>8,301,878</u>	<u>(8,159,192)</u>	<u>-</u>	<u>(11,000)</u>	<u>1,122,469</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	206,228	206,228
Fixed asset investments	-	1	1
Current assets	184,070	2,716,151	2,900,221
Creditors due within one year	-	(2,108,834)	(2,108,834)
Total	<u>184,070</u>	<u>813,546</u>	<u>997,616</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	212,715	212,715
Fixed asset investments	-	1	1
Current assets	192,375	3,412,219	3,545,942
Creditors due within one year	-	(2,694,842)	(2,636,190)
Total	192,375	930,094	1,122,469

20. Reconciliation of net movement in funds to net cash flow from operating activities

	<i>Group 2025 £</i>	<i>Group 2024 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(70,852)	142,687
Adjustments for:		
Depreciation charges	199,104	95,509
Decrease in stocks	13,672	52,005
Decrease/(increase) in debtors	47,001	(991,811)
Increase in creditors	64,492	762,627
Other net cash flow adjustments (FRS 102 Pension)	38,000	(11,000)
Net cash provided by operating activities	291,417	50,017

21. Analysis of cash and cash equivalents

	<i>Group 2025 £</i>	<i>Group 2024 £</i>
Cash in hand	2,311,573	2,214,772
Total cash and cash equivalents	2,311,573	2,214,772

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

22. Analysis of changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	2,214,772	96,801	2,311,573
	<u>2,214,772</u>	<u>96,801</u>	<u>2,311,573</u>

23. Pension commitments

The Group operates a defined benefit pension scheme.

On 1 October 2014 the charitable company became a scheduled member into the Local Government Superannuation Scheme. At that date the liability relating to employees transferred under TUPE became the liability of the charitable company.

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability on the pension scheme remains a liability for the Trust but the Council is guarantor for any liability for the Local Government Pension Scheme in the name of the Trust.

This is a funded defined benefit scheme. This is a closed scheme for new employees unless the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply. The contribution rates are those recommended by the fund's actuary, Hymans Robertson, and were set on the basis of:

- the relationship between the assessed value of assets and the accrued value of liabilities of pensionable service to 31 March 2022.
- the level of contribution needed to meet the cost of the year by year accrued benefits in future.
- the change in terms of contracting out of SERPS.

The actuarial valuation was based on economic and statistical assumptions, the main ones being:

- the rate of accumulation of income and capital on new investments over the long term and the increase from time to time of income from existing investments.
- future rises in pensionable pay due to inflation etc. and pension increases.
- withdrawals from membership due to mortality, ill health and ordinary retirement.
- progression of pensionable pay due to promotion.

The latest formal valuation of the fund for the purpose of setting employers' actual contributions was as at 31 March 2022 with the next formal valuation due currently.

The market value figures below are based on assumptions required by FRS 102 standards. The assumptions that have the most significant effect on the results of the FRS102 valuation are detailed below. Mortality follows the standard tables known as PFA92 and PMA92 with improvements in line with the Medium Cohort. The life expectancy used is based upon mortality assumptions. Assuming retirement at age 65, the life expectancies in years used in the valuation are as follows:

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

23. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2025	<i>At 31 March 2024</i>
	%	%
Discount rate	5.85	4.85
Future salary increases	3.20	3.25
Future pension increases	2.70	2.75
	<hr/> <hr/>	<hr/> <hr/>
	At 31 March 2025	<i>At 31 March 2024</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	20.5	20.6
- at 65 for a male aged 45 now	21.8	21.9
- for a female aged 65 now	24.1	24.1
- at 65 for a female aged 45 now	25.3	25.3
	<hr/> <hr/>	<hr/> <hr/>

The Group's share of the assets in the scheme was:

	At 31 March 2025	<i>At 31 March 2024</i>
	£	£
Equities	4,142,000	4,135,000
Corporate bonds	1,470,000	1,421,000
Property	935,000	840,000
Cash and other liquid assets	134,000	65,000
Total fair value of assets	6,681,000	<i>6,461,000</i>
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £287,000 (2024 - £730,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2025	<i>2024</i>
	£	£
Current service cost	38,000	48,000
Interest income	(312,000)	<i>(277,000)</i>
Interest cost	220,000	218,000
Total amount recognised in the Consolidated Statement of Financial Activities	(54,000)	<i>(11,000)</i>
	<hr/> <hr/>	<hr/> <hr/>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

23. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2025 £	2024 £
Opening defined benefit obligation	6,461,000	5,858,000
Interest cost	220,000	218,000
Contributions by scheme participants	15,000	16,000
Actuarial losses	21,000	391,000
Benefits paid	(74,000)	(70,000)
Current service cost	38,000	48,000
Closing defined benefit obligation	6,681,000	6,461,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025 £	2024 £
Opening fair value of scheme assets	6,461,000	5,858,000
Expected return on assets	312,000	277,000
Actuarial (losses)/gains	(33,000)	380,000
Contributions by scheme participants	15,000	16,000
Benefits paid	(74,000)	(70,000)
Closing fair value of scheme assets	6,681,000	6,461,000

The actuarial valuation for the year ended 31 March 2025 showed a scheme surplus of £3,072,000 (2024: surplus of £1,913,000). In determining whether a surplus on the scheme is recognisable on the balance sheet, the Trustees reviewed the requirements of Para 28, FRS 102 which states that the Charity "shall only recognise a plan surplus as a defined benefit asset only to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan."

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability which has historically been recognised, remains a liability for the Trust, but the Council acts as guarantor for any liability arising for The Cheltenham Trust in being the sponsor employer for the Local Government Pension Scheme. Further, the contributions made by the Charitable Company into the scheme are included in the agreed annual recharge mechanism between the Trust and the Borough Council.

In reviewing the guidance available in FRS 102, the Trustees bore in mind the above circumstances and determined that in substance, the Trust would have no entitlement to any pension asset in the future and therefore it should not be accounted for in the year ended 31 March 2025.

Accordingly, the pension asset has been restricted and a £nil balance has been presented on the balance sheet of the Trust.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

24. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

25. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor B Clark and Councillor G Andrews are elected members of Cheltenham Council and are the CBC nominated Trustees.

During the period the Trust received income amounting to £893,585 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, venue hires and non-recurring project funding of £244,390 in relation to the Leisure Centre gym refit (included within restricted funds) (2024: £1,206,021). At the period end there was £2,762 outstanding (2024: £12,000).

The Trust receives administrative and other support services from various related bodies including Publica (an employment company jointly owned by Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council) that delivers finance, HR, and ICT services. These bodies associated with CBC provide services under service level agreements with expenditure during the year as follows:

	2025 £	2024 £
Cheltenham Borough Council	236,116	244,783
Forest of Dean Council	234,256	287,518
Cotswold District Council	36,411	85,005
	<u>506,783</u>	<u>617,306</u>

Of these amounts £388 (2024: £nil) was owing to Cotswold District Council at the year end and £nil (2024: £12,000) was owing to Cheltenham Borough Council (excluding £95,091 loans made in respect of the splash pad) and £234,256 was owing to Forest of Dean Council (2024: £223,382)

There were no sales of venue hires (2024: £1,197) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council and £nil was outstanding at year end (2024: £nil).

During the year the charity received £30,000 from the Friends of the Wilson (2024: £122,000) and held a balance of £2,615 at 31 March 2025 (2024: £nil). Expenditure in relation to Friends of the Wilson amounted to £18,849 (2024: £150,005) for the year ended 31 March 2025.

See note 13 in respect of The Cheltenham Trust's subsidiary undertaking, Cheltenham Leisure and Culture Ltd (CLC Ltd). Advantage is taken of the FRS102 exemption from disclosure of certain intergroup transactions.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

26. Post balance sheet events

Reimbursement of Overpaid Business Rates

Subsequent to the balance sheet date, the Charity received a reimbursement of business rates from Cheltenham Borough Council (CBC) relating to three of its venues (Town Hall, PPR and Leisure At). The refund pertains to the two prior financial years and arises due to the non-application of the 75% temporary business rates relief scheme introduced by the UK Government for hospitality and leisure properties in 2023.

Additionally, the Charity received further reimbursements of business rates from CBC relating to POW and two retail units at The Wilson. These refunds pertain to the financial years 2023-24 and 2024-25 and arise under the same relief scheme.

The Charity has assessed these events as adjusting events under FRS 102 Section 32, as they provide further evidence of conditions that existed at the balance sheet date. Accordingly, the financial statements have been adjusted to reflect the receivables and associated income relating to the reimbursements of overpaid rates, which amount to £106,000 (net of professional fees incurred).

THE CHELTENHAM TRUST

England & Wales - Charity number 1158606

Accounts

Registered number: 09021431
Charity number: 1158606

THE CHELTENHAM TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees

Michael Napier, Chair (appointed 25 March 2024)
Clive Rawlings, Interim Chair (1 Jan 2024 - 24 March 2024)
Louis Eperjesi, Chair (resigned 31 December 2023)
Cllr Glenn Andrews
Benjamin Averis
Cllr Barbara Clark
Lisa Bond (appointed 18 July 2024)
Jessica Brewster
Cllr Barbara Clark
Julia Goldsworthy (appointed 18 July 2024)
Cllr Steve Harvey (resigned 18 July 2024)
Julie Jordan
Dr Jane Martin (appointed 18 July 2024)
Sian Morgan (resigned 22 March 2024)
Elizabeth Narey
Sunita Nelson
Gary Hasley-Nejrup
Kate Peden
Gemma Taylor
Daniel Wilson

**Company registered
number**

09021431

**Charity registered
number**

1158606

Registered office

Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer

Laurie Bell (during the year ended 31 March 2024)
James Baker (acting CEO from November 2024)

Independent auditors

Randall & Payne LLP
Statutory Auditors & Chartered Accountants
Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

THE CHELTENHAM TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Bankers

Lloyds Bank PLC
130 High Street
Cheltenham
Gloucestershire
GL50 1EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

The chairman presents his report for the year.

As the newly appointed chair of The Cheltenham Trust, I am pleased to present this annual report and account for the year ending 31st March 2024.

The Cheltenham Trust is an independent charity and the lead provider of culture and heritage, entertainment, sport and leisure in Cheltenham. Through the five iconic venues that it manages; Pittville Pump Room, The Wilson Art Gallery and Museum, Cheltenham Town Hall, Leisure at Cheltenham and the Prince of Wales stadium, the trust contributes actively to the local and visitor economy, and to the provision of community and social activities that promote and improve health and wellbeing.

As the trust continued to rebuild and recover from the impact of the Covid19 pandemic, this report reflects a further challenging and difficult year as a result of the continuing economic pressures exacerbated further by unplanned venue closures for urgent structural repairs works at Pittville Pump Room and Leisure at Cheltenham that were beyond the control of the charity.

Urgent repairs to the dome and ceiling in the main ballroom at Pittville Pump Room necessitated the closure of the venue for six months from October 2023 to March 2024. Bookings and events were rescheduled or relocated, where feasible, to avoid cancellations but the closure halted the popular monthly creative artisan market, and the heritage trail visitor attraction, and had a significant impact on hires and forward bookings particularly weddings.

In January 2024, the presence of RAAC (reinforced autoclaved aerated concrete) was discovered in Leisure at Cheltenham requiring immediate action to prevent potential collapse. The affected areas of the building were closed in phases to enable the urgent structural repairs. Despite the unforeseen disruption, Leisure at Cheltenham maintained healthy visitor numbers with 534,953 visitors in 2023/24.

It is testament to the resilience and tenacity of the trust, and its ability to flex and adapt in the face of adversity, that the trust continued to provide many of its planned events and services despite two leading venues being closed, or partially closed, in this financial year.

The impact of the unplanned structural repairs at both venues brought uncertainty and undermined customer confidence, affecting bookings and hires and, consequently income. The trust is now focused on rebuilding its business and customer base.

The Garden Bar in Imperial Gardens continued to establish itself as a leading seasonal bar destination in the town centre with customer numbers increasing to over 50,000.

The Wilson Art Gallery and Museum the town's leading cultural venue achieved 99,476 visitors in 2023/2024. A key element of The Wilson's mission is to build an interest in culture and the arts and to raise awareness of the positive impact that participation in cultural activities has on improving mental health and wellbeing. The Wilson continues to provide activities and experiences targeting new younger visitors. During 2023/2024 the museum engaged with 26,925 school pupils via workshops and the museum's schools' takeaway service.

As the guardian of much of the town's heritage The Cheltenham Trust has a major role in sustaining these important, historic venues. The business model of the organisation blends culture, community and commercial to strive for financial sustainability and by successfully accessing external funding it can continue to invest in the heritage buildings and deliver its programme of inclusive, diverse free events and activities for visitors and the local community to access and enjoy.

Balancing culture, community and commercial in the face of not only a continuing economic downturn, but also the closure and partial closure of two of its venues for unexpected structural repairs has posed a significant challenge. Hard times demand hard decisions, and the trust was swift to take decisions focused on reducing costs and attaining growth in income and footfall. Working with the limitations posed by the closures at Pittville Pump Room and Leisure at Cheltenham, the trust focused on core business; reducing costs, identifying

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

opportunities for mutually beneficial partnership working, improving efficiencies, securing external funding of c£700k, and maximising income generating opportunities to substantially close a year-end projected deficit and strengthen the financial resilience and future sustainability of the charity.

The trust's inclusive, free to access cultural programme is a core element of its charitable objectives helping to deliver positive social impact. Despite the challenges, events continued with 19 new free live music and dance events at the Garden Bar in 2023/2024 helping to drive an increase in customer and visitor numbers, and 11 new free events at the Heritage Café at the pump room.

The trust continued to host a number of very popular community events marking historic and calendar events. The trust hosted Cheltenham's celebration and marking of the coronation of King Charles III and Queen Camilla with a two-day party at the pump room and Pittville Park, as well as its second Retro American Festival. The Cheltenham Festival race week events and Christmas lights switch on are now well established as key occasions in the Cheltenham events calendar.

The charity pursued an agile and entrepreneurial approach to mitigate the negative impact of the economic downturn and it will continue to drive efficiencies, operate effectively, secure further external funding, and seize opportunities to generate additional income.

I would like to extend my thanks to my predecessor Louis Eperjesi who was chair of the trust for the past 5 years, and to all the staff, trustees and volunteers for their unwavering dedication and commitment, and to all our stakeholders and partners, and valued customers for their ongoing support.



.....
Mike Napier, Chair

Date: 30/12/2024

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The Cheltenham Trust commenced operations on 1 October 2014 and currently manages on behalf of Cheltenham Borough Council, The Wilson Art Gallery and Museum, Leisure at Cheltenham and the Prince of Wales stadium, Cheltenham Town Hall and Pittville Pump Room.

Cheltenham Leisure and Culture Ltd is a trading subsidiary of The Cheltenham Trust.

The Trust's charitable objectives are set out below. Any financial surplus achieved by the Trust is re invested in the charitable aims and objectives.

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:
for the advancement and support of education, culture, arts and heritage including the provision of libraries, museums, galleries, learning and information centres, archives, activities, events, programmes and other related services.

- for the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large with special facilities being provided for various needs and demographics.
- for the promotion of good health and wellbeing through community and public participation in healthy recreation and activities.
- other such charitable purposes that are beneficial to the public and consistent with the objects as the Director Trustees shall determine.

Vision

As an independent charitable trust and the lead provider of culture and leisure in Cheltenham our vision to blend culture, community and commercial activities and services to actively contribute to the local and visitor economy and to improve the health and wellbeing of the local community.

As a registered not for profit charity, the Trust manages Cheltenham's most iconic and contemporary venues – The newly refurbished Wilson Art Gallery and Museum; the Grade I listed Pittville Pump Room and Heritage Cafe; the Grade II listed Cheltenham Town Hall, Garden Bar and Skillicorne Garden, and the popular Leisure at Cheltenham and Prince of Wales stadium.

The Trust supports the local and visitor economy, community, cultural and social offer providing arts, culture and heritage, entertainment, sport and leisure. Through its outreach work and community events the trust enables access and inclusivity to a diverse range of cultural and leisure services, events and activities.

The main activities at each of the Trust's five sites are:

The Wilson Art Gallery & Museum

The Wilson hosts a rich programme of exhibitions and events that are supported by its new and vibrant arts café. The Wilson is available to hire as an alternative, contemporary venue for events and meetings with a difference. Its outdoor roof terrace is a unique setting for hosting events. The venue regularly hosts launch parties, dinners,

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

as well as a diverse range of community events, activities, workshops and talks.

The Wilson re-opened to the public in July 2022 following major refurbishment to create a new community arts and exhibition gallery, artist studios hosting nine artists in residence and a popular and immersive arts café.

Pittville Pump Room

The magnificent Grade I Pittville Pump Room is the jewel of Cheltenham's regency architecture. Its location in the beautiful Pittville Park has made this award winning, landmark building one of Gloucestershire's most impressive venues for weddings, dinners, exhibitions, dances, corporate events and conferencing and community events and activities. It also hosts the extremely popular outdoor Heritage Café.

Cheltenham Town Hall

The elegant Edwardian Grade II listed Town Hall is a popular venue for entertainment attracting local residents and visitors. It has a year-round programme of live entertainment, attracting more than 90,000 visitors each year to enjoy comedy and celebrity speakers, music, concerts, dance and theatre. It is also available for hire for a wide range of events and activities, festivals, meetings and weddings. The Garden Bar Orangery and Skillicorne Garden, adjacent to the Town Hall, offer a cafe bar and a secret walled garden for an alternative al fresco event.

Leisure at Cheltenham and the Prince of Wales stadium

Leisure at Cheltenham provides state of the art leisure facilities with four pools, a fitness suite and more than 75 fitness classes each week. The Prince of Wales stadium regularly hosts sports and track events including a local running club, rugby club and an annual family sports day. The recently re-furbished sports bar is available to hire for events, parties and corporate meetings.

Management Agreement

The Trust operates independently, occupying buildings owned by Cheltenham Borough Council. A Management Agreement has been established between Cheltenham Borough Council and The Cheltenham Trust to deliver services for the community aligned to the agreed fee.

b. Activities during the year

Pittville Pump Room

The Heritage Café continued to operate successfully from the temporary orangery structure for the full year. The Trust's community led events in Pittville Park was further expanded in the year with celebrations to honour HM The King's Coronation and the second Retro Americana festival.

The Trust's Christmas celebrations for the community was hosted outside the venue (due to remedial repair works on the plaster inside the pump room) including the popular annual Christmas lights switch on event at the pump room with choirs and carol singers, a visit by Father Christmas, live music and the Christmas artisan market hosted inside the marquee, showcasing local makers, creatives and producers.

The pump room and Heritage Cafe also hosted a full programme for Cheltenham Race Week including pre-race breakfast and racing tips and post-race a bar with live music and entertainment.

Cheltenham Town Hall

Co-productions, hires and events at the town hall continued with a diverse programme of spoken word, music, festivals, dance, comedy and events.

The Garden Bar orangery structure hosted live music at the weekends, including a Beach Party – a free community two day event over the August bank holiday and continued to be a popular destination in the heart of the town centre throughout the summer months.

Leisure at Cheltenham and the Prince of Wales stadium

User numbers grew in the year with an average of 2,500 people using the facilities each day. Concession cards were re-instated following the pandemic to provide access to sport and leisure facilities, supporting health and wellbeing, to those in need across the community.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

The Wilson Art Gallery and Museum

A programme of exhibitions, activities and talks were provided including the Artists in Residence and Makers space and co-created exhibitions in the community art gallery.

The schools' outreach educational support programme continued to provide educational assets to schools, community groups and care homes.

The project for the second phase of re-development to refurbish and re-open The Wilson's Victorian wing began. The refurbishment will provide an improved visitor experience and enable more of the 250,000 pieces in the collection to be on display telling the stories of Cheltenham's history.

Partnership working

The Trust continues to work closely in partnership with a number of organisations including Cheltenham Borough Council as its main stakeholder; Marketing Cheltenham; Friends of The Wilson; The Wilson Arts Collective; Cheltenham Festivals; Arts Council England; Sport England; Heritage Lottery Fund; Historic England, Cheltenham Civic Society, Cheltenham BID and the Cheltenham Chamber of Commerce to help improve the cultural, community and commercial offer in Cheltenham.

Achievements and performance

a. Key financial performance indicators

During 2023/24 the Trust (which includes the operations of its trading subsidiary) had total incoming resources of £8,387k (22/23 £8,128k) of which £471k (22/23 £337k) was restricted grant funds.

Net operating surplus for the year was £87k (22/23 deficit of £329k) on unrestricted funds (excluding FRS102 pension costs) and £55k on restricted funds. As a not-for profit-charity the Trust reinvests all surpluses within the business.

Cheltenham Leisure and Culture Ltd

Cheltenham Leisure & Culture is the Trust's wholly owned trading subsidiary, Cheltenham Leisure and Culture Ltd, generated turnover of £2,213k (22/23 £2,579k) and made a profit of £487k (22/23 £593k) for the year. These profits are being gift-aided to the charity.

The principal activities of the trading company during 2023/24 were predominantly café and bar operations; venue hires for events and weddings and sales of retail items.

b. Investment policy and performance

The Trustees have the power to invest the monies of the organisation in such investments as they see fit. In order to support the growth and investment strategy of the Trust and maintain a positive cash flow at all times, surpluses are invested in interest bearing deposit accounts where appropriate.

Financial review

a. Going concern and events since the Balance Sheet date

The Trust continued to consolidate, repurpose, learn and adapt in the changing times and markets and has forecast its budget plan for 2024/25 and out for a further 3 years, and will keep monitoring and updating this forecast.

This forecast has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis. Further information in respect of going concern of the Trust is included in Note 2.2 to the Financial Statements.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

b. Reserves policy

The Trustees' focus on building sufficient reserves to ensure that the Trust is able to deliver its charitable objectives and is resilient and sustainable in the long term. The policy is to utilise any surpluses to build income generating capacity.

The Trust holds unrestricted reserves, excluding the pension surplus, of £930k as at 31 March 2024. The use of reserves is monitored by the Trust's Finance Committee.

The pension surplus of £1,913k was not recognised in the year, as is explained further in note 24 to the financial statements, along with Cheltenham Borough Council's role as guarantor for any LGPS liability in the name of the Trust.

c. Principal funding

Cheltenham Borough Council is our key partner and principal funder of the Trust. During the reporting period, through a Management Fee representing 7.3% (2022/23: 7.5%) of total income.

Structure, governance and management

a. Constitution

The company and the Group is registered as a charitable company limited by guarantee and was set up by a Trust deed on 18 May 2014.

The company and the Group is constituted under a Trust deed dated 18 May 2014 and is a registered charity number 1158606.

b. Methods of appointment or election of Trustees

The Board shall be comprised of at least seven and not more than sixteen Trustees, including two Council appointed trustees nominated by Cheltenham Borough Council. The trustees are appointed on a three-year term, with an option to extend for a second term and a further three years. The Board meets on a minimum of four occasions in the year

The process to select new Trustees is based on the skills and competencies required by the Board at the time the vacancy arises.

c. Policies adopted for the induction and training of Trustees

On joining the organisation, Trustees are given an induction and introduced to the organisation's culture. Trustees have significant experience from various professions and use their skills to inform their responsibilities to ensure the good governance of the charity. The Board membership includes a balance of backgrounds and capabilities relevant to the overall strategic requirements of the Trust, and there is a recognised commitment by the Board to maintain this balance. The Board of Trustees participate in board development opportunities, and the overall board is subject to an annual skills audit that is aligned to the strategic direction of the Trust.

d. Directors indemnities

The Trust holds indemnity insurance with Zurich insurance for the directors with liability cover of £1 million (2023:£1 million).

e. Organisation

The business of the charitable company is delegated to and managed on a day to day basis by the Chief Executive, who is supported by an Executive Management Team of senior managers.

The Board of Trustees has established a Finance Committee, a Governance Committee, Commercial Board, Appointments and Remuneration Committee and Culture and Communities Committees so that specific issues delegated can be studied in details and recommendations made back to the Board.

The Chief Executive and the Executive Team advise the Board on strategy development and support for the

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Board's governance activities and have responsibility for operating the services of the charity on a day to day basis. The Board undertakes its role using the Code of Conduct for Good Governance and agrees the overall strategic direction of the Trust.

f. Related party relationships

None of our Trustees receive remuneration from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Two Trustees are nominated representatives of Cheltenham Borough Council. Transactions between the Trust and CBC, along with other related party disclosures are recorded in note 27.

The charity's wholly owned subsidiary, Cheltenham Leisure and Culture Ltd was established to operate commercial activities including retail activities, cafes and catering, venue hires and wedding packages.

g. Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

The pay of the Chief Executive and key management personnel is benchmarked against pay levels in similar professions when recruiting to these roles.

h. Trust staff

During 2023/24 the Trust employed an average of 204 staff.

The Trustees and Executive Management Team support the involvement and engagement of staff in the day to day running, policy making and general management of the charity. Members of staff are kept informed on matters affecting them as employees and on various factors affecting the performance of the Trust.

The policy of the Trust is to offer the same opportunities to a diverse range of people in respect of recruitment and career progression.

i. Risk management

The Trustees have adopted a risk management policy from which they have identified potential risks and the likelihood of their occurrence. In addition, they have identified measures to be put in place to mitigate the risks and further action that might be necessary to limit that risk.

The Board receives quarterly risk information at board meetings and sufficient commitments are made to cover known liabilities. The Board and its committees receive regular financial information and manage financial risk accordingly.

Plans for future periods

Future developments

The priority for the Trust is to continue to ensure its financial resilience and that as a robust organisation it can achieve its vision and ambitious programme. It will build and consolidate on its core business continuing to fully utilise and maximise the value of its venues for the community.

The Trust will continue to seek opportunities to access local and national grant schemes to secure funds to improve and increase its reach in the community through its new trust-wide membership scheme and through donating in venues or online, or paying a suggested donation for free activities, events and workshops. All donations help the Trust to continue its year-round extensive, inclusive cultural programme for all the community to enjoy.

Cheltenham Borough Council (CBC) as lead partner and sponsor supports the Trust's plans to achieve growth and to meet the vision and goals. In partnership improvement in all the venues will be scheduled to increase the number of visitors and their experience, to attract new audiences and to access to enable services and facilities.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

We will continue to grow and further strengthen our position and reputation as Cheltenham's leading cultural and leisure provider and a major contributor in boosting the local and visitor economy and helping to improve the health and wellbeing of the local community.

Information on fundraising practices

Fundraising activities are carried out directly by the Trust's employees.

Fundraising activities involve identifying external grants and funding opportunities available to support our charitable, cultural and community activities, and inviting donations by those using and enjoying our facilities within the local community, in order that we can continue to invest in and develop in our facilities and programmes.

Access to our services

The Trust remains committed to equal access to our services for everyone. The Trust strives to be an open employer, welcoming staff and volunteers from all backgrounds. The Trust aims to reflect the diversity of the population in both our user group and our staffing and Trustee mix.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- 1) so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- 2) that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

A resolution to appoint Randall & Payne LLP as auditor of the company was approved at a meeting of Trustees on 21st June 2019 and is renewed annually.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mike Napier, Chair
(Chair of Trustees)

Date: 30/12/2024

THE CHELTENHAM TRUST

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees (who are also the directors of the Charity 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



.....
Mike Napier
(Chair of Trustees)

Date: 30/12/2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2024 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, Charities Act 2011, relevant UK tax legislation and we enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Ryan Moore

Ryan Moore (Dec 30, 2024 12:03 GMT)

Ryan Moore CA
Randall & Payne LLP
Statutory Auditors & Chartered Accountants
Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Date: 30/12/2024

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	4	470,966	5,558,778	6,029,744	5,549,119
Other trading activities	5	-	2,213,134	2,213,134	2,579,293
Investments		-	59,000	59,000	-
Total income		470,966	7,830,912	8,301,878	8,128,412
Expenditure on:					
Raising funds		-	1,726,065	1,726,065	1,986,418
Charitable activities	6	418,345	6,014,782	6,433,126	6,636,724
Total expenditure		418,345	7,740,847	8,159,192	8,623,142
Net income/(expenditure)		52,621	90,065	142,686	(494,730)
Transfers between funds	17	2,623	(2,623)	-	-
Net movement in funds before other recognised gains/(losses)		55,244	87,442	142,686	(494,730)
Actuarial gains on defined benefit pension schemes	23	-	(11,000)	(11,000)	1,864,000
Net movement in funds		55,244	76,442	131,686	1,369,270
Reconciliation of funds:					
Total funds brought forward		137,131	853,650	990,783	(378,488)
Net movement in funds		55,244	76,442	131,686	1,369,270
Total funds carried forward		192,375	930,092	1,122,467	990,783

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 43 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	212,716	223,131
		<u>212,716</u>	<u>223,131</u>
Current assets			
Stocks	13	57,462	109,467
Debtors	14	1,313,413	321,602
Cash at bank and in hand		2,214,772	2,249,850
		<u>3,585,647</u>	<u>2,680,919</u>
Creditors: amounts falling due within one year	15	(2,675,894)	(1,913,267)
Net current assets		<u>909,753</u>	<u>767,652</u>
Total assets less current liabilities		<u>1,122,469</u>	<u>990,783</u>
Net assets excluding pension asset		<u>1,122,469</u>	<u>990,783</u>
Defined benefit pension scheme asset	23	-	-
Total net assets		<u><u>1,122,469</u></u>	<u><u>990,783</u></u>
Charity funds			
Restricted funds	17	192,375	137,131
Unrestricted funds			
General funds	17	930,094	853,652
Total unrestricted funds	17	<u>930,094</u>	<u>853,652</u>
Total funds		<u><u>1,122,469</u></u>	<u><u>990,783</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

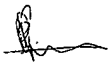
However, an audit is required in accordance with section 151 of the Charities Act 2011.

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mike Napier
(Chair of Trustees)

Date: 30/12/2024

The notes on pages 22 to 43 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	177,639	194,388
Investments	12	1	1
		<u>177,640</u>	<u>194,389</u>
Current assets			
Debtors	14	1,141,967	272,962
Cash at bank and in hand		68,486	1,243,175
		<u>1,210,453</u>	<u>1,516,137</u>
Creditors: amounts falling due within one year	15	(2,214,532)	(2,181,583)
Net current liabilities		<u>(1,004,079)</u>	<u>(665,446)</u>
Total assets less current liabilities		<u>(826,439)</u>	<u>(471,057)</u>
Net liabilities excluding pension asset		<u>(826,439)</u>	<u>(471,057)</u>
Defined benefit pension scheme asset	23	-	-
Total net assets		<u><u>(826,439)</u></u>	<u><u>(471,057)</u></u>
Charity funds			
Restricted funds	17	192,375	137,131
Unrestricted funds			
Unrestricted funds excluding pension asset	17	(1,018,814)	(608,188)
Pension reserve	17	-	-
	17	<u>(1,018,814)</u>	<u>(608,188)</u>
Total funds		<u><u>(826,439)</u></u>	<u><u>(471,057)</u></u>

The Charity's net movement in funds for the year was £(355,382) (2023 - £776,395).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

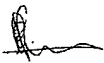
THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mike Napier
(Chair of Trustees)

Date: 30/12/2024

The notes on pages 22 to 43 form part of these financial statements.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	50,015	(112,987)
Cash flows from investing activities		
Purchase of tangible fixed assets	(85,093)	(182,892)
Net cash used in investing activities	(85,093)	(182,892)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(35,078)	(295,879)
Cash and cash equivalents at the beginning of the year	2,249,850	2,545,729
Cash and cash equivalents at the end of the year	2,214,772	2,249,850

The notes on pages 22 to 43 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates 'The Wilson' Art Gallery and Museum, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cheltenham 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.2 Going concern

Since the March 2024 financial year end, the Trust has seen significant disruption to its operations which are due to have an impact on the results for the 2024/25 financial year. The disruption to the traditional business model and activities includes a major closure at the teaching pool and splash pad at Leisure at Cheltenham, which was closed for operations for more than a month following the identification of RAAC (reinforced autoclaved aerated concrete) at the site. This unexpected closure has meant that the Trust has had to navigate interruption to its business and make additional investment in temporary changing facilities, which will likely lead to a significant deficit being realised in the financial year ending 31 March 2025. Additionally, adverse weather and planned closures at Pittville Pump Room are forecast to further impact the Trust's ability to generate income. In response to these challenging operating conditions, the Trust has continued to adapt to make the best use of its venues and specific working groups have been established alongside the Key Management Team to ensure that the Trust can continue to operate and meet its liabilities as they fall due.

Further, the Trust is working closely with its key partner, Cheltenham Borough Council (CBC), throughout the disruption to ensure that the utilisation of facilities can be maximised during any essential works. As part of the going concern assessment made, the Trustees have confirmed that CBC will continue to assist in supporting the Trust where practicable.

The Trustees have reviewed the detailed budgets and forecasts prepared, which show that there is sufficient cash and reserves available within the Trust to be able to operate as a going concern for at least a period of 12 months from the date of approval of the financial statements. The Trustees are focussed on developing the Trust's strategy and reducing its reliance on external service providers to enable continued financial resilience and to build a robust organisation which can achieve its vision through its ambitious programme.

However, the Trustees recognise that any recovery profile of the Trust is likely to be longer than initially anticipated in light of the significant disruption which has impacted the Trust in 2024 and continued uncertainty regarding the timing and the financial impact that any further closures to operations may have. Accordingly, the Trustees consider that there is currently a material uncertainty present regarding the Trust's ability to continue as a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Public engagements	-	1,759,937	1,759,937	1,524,436
Commercial and customer services	-	1,295,791	1,295,791	1,122,386
Content and programming	470,966	1,796,509	2,267,475	2,090,070
Corporate	-	706,541	706,541	812,227
	<u>470,966</u>	<u>5,558,778</u>	<u>6,029,744</u>	<u>5,549,119</u>
<i>Total 2023</i>	<u>336,538</u>	<u>5,212,581</u>	<u>5,549,119</u>	

Included within Corporate Income is £611,281 (2023: £711,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income - Cheltenham Leisure & Culture Limited	2,213,134	2,213,134	2,579,293
<i>Total 2023</i>	<u>2,579,293</u>	<u>2,579,293</u>	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
FRS102 pension adjustment	-	(11,000)	(11,000)	128,000
Public engagements	80,889	481,930	562,819	532,478
Commercial and customer services	-	2,199,818	2,199,818	2,509,910
Content and programming	337,456	1,839,395	2,176,851	2,048,122
Corporate	-	1,445,639	1,445,639	1,418,214
FRS 102 Pension	-	59,000	58,999	-
	<u>418,345</u>	<u>6,014,782</u>	<u>6,433,126</u>	<u>6,636,724</u>
<i>Total 2023</i>	<u>502,239</u>	<u>6,134,485</u>	<u>6,636,724</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
FRS102 pension adjustment	48,000	(59,000)	(11,000)	128,000
Public engagements	383,654	179,165	562,819	532,478
Commercial and customer services	1,367,493	832,325	2,199,818	2,509,910
Content and programming	307,786	1,869,065	2,176,851	2,048,122
Corporate	643,967	801,671	1,445,639	1,418,214
	<u>2,750,900</u>	<u>3,623,226</u>	<u>6,374,126</u>	<u>6,636,724</u>
<i>Total 2023</i>	<u>2,812,620</u>	<u>3,824,104</u>	<u>6,636,724</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
FRS102 pension adjustment	(11,000)	-	(11,000)	128,000
Public engagements	562,819	-	562,819	532,478
Commercial and customer services	2,199,818	-	2,199,818	2,509,910
Content and programming	2,176,850	-	2,176,850	2,048,122
Corporate costs	-	1,445,639	1,445,639	1,418,215
	<u>4,928,487</u>	<u>1,445,639</u>	<u>6,374,126</u>	<u>6,636,724</u>
<i>Total 2023</i>	<u>5,217,072</u>	<u>1,419,653</u>	<u>6,636,724</u>	

8. Auditors' remuneration

The auditors' remuneration amounts to an audit fee of £9,250 (2023 - £9,000), and fees payable to the Charity's auditor in respect of all other services of £4,175 (2023 - £4,025).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Staff costs

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	3,157,161	2,402,409	2,455,443	2,402,409
Social security costs	239,144	243,145	193,549	197,977
Contribution to defined contribution pension schemes	117,958	212,234	101,908	212,234
	<u>3,514,263</u>	<u>2,857,788</u>	<u>2,750,900</u>	<u>2,812,620</u>

Redundancy payments totalling £6,285 (2023: £Nil) were made during the year ended 31 March 2024. All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
Average monthly headcount	<u>208</u>	<u>204</u>	<u>208</u>	<u>204</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £80,001 - £90,000	1	1

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2023	45,470	426,456	471,926
Additions	15,865	69,228	85,093
At 31 March 2024	<u>61,335</u>	<u>495,684</u>	<u>557,019</u>
Depreciation			
At 1 April 2023	16,727	232,068	248,795
Charge for the year	9,532	85,977	95,509
At 31 March 2024	<u>26,259</u>	<u>318,045</u>	<u>344,304</u>
Net book value			
At 31 March 2024	<u>35,076</u>	<u>177,639</u>	<u>212,715</u>
At 31 March 2023	<u>28,743</u>	<u>194,388</u>	<u>223,131</u>
Charity			
		Office equipment £	
Cost or valuation			
At 1 April 2023		426,456	
Additions		69,228	
At 31 March 2024		<u>495,684</u>	
Depreciation			
At 1 April 2023		232,068	
Charge for the year		85,977	
At 31 March 2024		<u>318,045</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Tangible fixed assets (continued)

Charity (continued)

	Office equipment £
Net book value	
At 31 March 2024	177,639
At 31 March 2023	194,388

12. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 April 2023	1
At 31 March 2024	1

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Cheltenham Leisure & Culture Limited	09133998	Cheltenham Town Hall, Imperial Square, Cheltenham, Gloucestershire, GL50 1QA	Leisure & culture activities on behalf of the council

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Fixed asset investments (continued)

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £
Cheltenham Leisure & Culture Limited	2,213,134	(1,726,065)	487,069

13. Stocks

	Group 2024 £	Group 2023 £
Finished goods and goods for resale	57,462	109,467

14. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Due within one year				
Trade debtors	266,052	233,938	124,792	67,660
Amounts owed by group undertakings	12,984	-	12,984	-
Other debtors	976,348	6,489	946,161	124,126
Prepayments and accrued income	58,029	81,175	58,030	81,176
	<u>1,313,413</u>	<u>321,602</u>	<u>1,141,967</u>	<u>272,962</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Trade creditors	773,395	425,050	728,211	426,449
Amounts owed to group undertakings	-	-	875,209	691,073
Other taxation and social security	1,052,701	154,528	510	-
Other creditors	2,089	8,460	1,520	7,890
Accruals and deferred income	847,709	1,325,230	609,082	1,056,171
	<u>2,675,894</u>	<u>1,913,267</u>	<u>2,214,532</u>	<u>2,181,583</u>
	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Deferred income at 1 April 2023	893,160	994,945	725,126	843,734
Resources deferred during the year	837,701	893,160	599,693	725,126
Amounts released from previous periods	(893,160)	(994,945)	(725,126)	(843,734)
	<u>837,701</u>	<u>893,160</u>	<u>599,693</u>	<u>725,126</u>

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2024-25 and for advance memberships at the recreation centre and for venue hires.

16. Financial instruments

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>2,214,772</u>	<u>2,249,850</u>	<u>68,486</u>	<u>1,243,175</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds - all funds	853,651	7,830,912	(7,751,847)	(2,623)	-	930,093
Share capital	1	-	-	-	-	1
Pension reserve	-	-	11,000	-	(11,000)	-
	<u>853,652</u>	<u>7,830,912</u>	<u>(7,740,847)</u>	<u>(2,623)</u>	<u>(11,000)</u>	<u>930,094</u>
Restricted funds						
Archaeology	4,497	7,830	(1,993)	-	-	10,334
Memory Café	1,000	-	(540)	-	-	460
Arts award	2,000	-	-	-	-	2,000
Community Takeover Exhibition	6,050	100	(4,855)	-	-	1,295
Charles Irving Trust	21,023	-	(17,539)	-	-	3,484
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	-	63,420
Summerfield Trust	11,136	67,498	(45,312)	-	-	33,322
The Wilson Gallery Refurbishment Project	28,005	351,675	(301,620)	-	-	78,060
CBC social grant	-	3,670	(5,989)	2,319	-	-
Friends of the Wilson	-	16,000	(16,304)	304	-	-
Frozen Continent	-	24,193	(24,193)	-	-	-
	<u>137,131</u>	<u>470,966</u>	<u>(418,345)</u>	<u>2,623</u>	<u>-</u>	<u>192,375</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£
Unrestricted funds					
General funds	1,054,680	7,791,874	(7,992,903)	-	853,651
Share capital	1	-	-	-	1
Pension reserve	(1,736,000)	-	(128,000)	1,864,000	-
	<u>(681,319)</u>	<u>7,791,874</u>	<u>(8,120,903)</u>	<u>1,864,000</u>	<u>853,652</u>

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£
Restricted funds					
Archaeology	4,319	2,870	(2,692)	-	4,497
Memory Café	1,000	-	-	-	1,000
Arts award	2,000	-	-	-	2,000
GEM - Go the Extra Mile Navigator Developer	-	23,277	(23,277)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	21,655	(21,655)	-	-
Friends of the Wilson Project	6,000	-	(6,000)	-	-
Charles Irving Trust	217,643	250,000	(446,620)	-	21,023
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	63,420
Summerfield Trust	2,400	8,736	-	-	11,136
The Wilson Gallery Refurbishment Project	-	30,000	(1,995)	-	28,005
	<u>302,832</u>	<u>336,538</u>	<u>(502,239)</u>	<u>-</u>	<u>137,131</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. **Statement of funds (continued)**

Details of the Restricted Funds are as follows:

Archaeology - Contributions from local archaeology groups towards shelving and storage for finds.

Memory Café - A monthly meet for people with dementia to visit The Wilson and engage with objects that may trigger memories.

Arts Award - Funding to support an arts award programme.

Community Takeover Exhibition - Funding from The Community Resilience Fund to support community artists exhibit their work.

Cheltenham Borough Council - Accreditation & Social Grants, Researching and documenting of The Wilson's Collection supporting Accreditation; Funding a programme of local music performances in Cheltenham parks.

Friends of The Wilson - Friends of the Wilson funding supporting specific projects at The Wilson.

Charles Irving Trust - A bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

The Wilson Refurbishment Project - Funding supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community,

Pittville Pump Room Heritage Café Project - Funding to support Heritage café development project.

The Summerfield Trust - Community exhibition project where young people in Cheltenham designed and made new costumes from clothes destined for landfill.

Hidden Trails – A project encouraging community exploration of Cheltenham through guided maps and clues.

The Frozen Continent – funding to support an exhibition project enabling visitors to explore first-hand the experience of the famous journey to the Antarctic on which Edward Wilson died.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Summary of funds (continued)

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
General funds	853,652	7,830,912	(7,740,847)	(2,623)	(11,000)	930,094
Restricted funds	137,131	470,966	(418,345)	2,623	-	192,375
	<u>990,783</u>	<u>8,301,878</u>	<u>(8,159,192)</u>	<u>-</u>	<u>(11,000)</u>	<u>1,122,469</u>

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	(681,319)	7,791,874	(8,120,903)	1,864,000	853,652
Restricted funds	302,832	336,538	(502,239)	-	137,131
	<u>(378,487)</u>	<u>8,128,412</u>	<u>(8,623,142)</u>	<u>1,864,000</u>	<u>990,783</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	212,715	212,715
Fixed asset investments	-	1	1
Current assets	192,375	3,393,272	3,585,647
Creditors due within one year	-	(2,675,894)	(2,675,894)
Total	<u>192,375</u>	<u>930,094</u>	<u>1,122,469</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	223,130	223,130
Fixed asset investments	-	1	1
Current assets	137,131	2,543,823	2,680,954
Creditors due within one year	-	(1,913,305)	(1,913,305)
Total	137,131	853,651	990,782

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	142,686	(494,730)
Adjustments for:		
Depreciation charges	95,509	74,508
Decrease/(increase) in stocks	52,005	(31,260)
Decrease/(increase) in debtors	(991,811)	36,591
Increase in creditors	762,627	173,903
Other cash flow adjustments (FRS 102 Pension)	(11,001)	128,001
Net cash provided by/(used in) operating activities	50,015	(112,987)

21. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	2,214,772	2,249,850
Total cash and cash equivalents	2,214,772	2,249,850

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

22. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	2,249,850	(35,078)	2,214,772
	2,249,850	(35,078)	2,214,772

23. Pension commitments

The Group operates a defined benefit pension scheme.

On 1 October 2014 the charitable company became a scheduled member into the Local Government Superannuation Scheme. At that date the liability relating to employees transferred under TUPE became the liability of the charitable company.

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability on the pension scheme remains a liability for the Trust but the Council is guarantor for any liability for the Local Government Pension Scheme in the name of the Trust.

This is a funded defined benefit scheme. This is a closed scheme for new employees unless the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply. The contribution rates are those recommended by the fund's actuary, Hymans Robertson, and were set on the basis of:

- the relationship between the assessed value of assets and the accrued value of liabilities of pensionable service to 31 March 2019.
- the level of contribution needed to meet the cost of the year by year accrued benefits in future.
- the change in terms of contracting out of SERPS.

The actuarial valuation was based on economic and statistical assumptions, the main ones being:

- the rate of accumulation of income and capital on new investments over the long term and the increase from time to time of income from existing investments.
- future rises in pensionable pay due to inflation etc. and pension increases.
- withdrawals from membership due to mortality, ill health and ordinary retirement.
- progression of pensionable pay due to promotion.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was as at 31 March 2019 with the next formal valuation due currently.

The market value figures below are based on assumptions required by FRS 102 standards. The assumptions that have the most significant effect on the results of the FRS102 valuation are detailed below. Mortality follows the standard tables known as PFA92 and PMA92 with improvements in line with the Medium Cohort. The life expectancy used is based upon mortality assumptions. Assuming retirement at age 65, the life expectancies in years used in the valuation are as follows:

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

23. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2024	At 31 March 2023
	%	%
Discount rate	4.85	4.75
Future salary increases	3.25	3.45
Future pension increases	2.75	2.95

	At 31 March 2024	At 31 March 2023
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	20.6	20.7
- at 65 for a male aged 45 now	21.9	22.1
- for a female aged 65 now	24.1	24.3
- at 65 for a female aged 45 now	25.3	25.5

The Group's share of the assets in the scheme was:

	At 31 March 2024	At 31 March 2023
	£	£
Equities	4,135,000	3,866,000
Corporate bonds	1,421,000	1,230,000
Property	840,000	703,000
Cash and other liquid assets	65,000	59,000
Total fair value of assets	6,461,000	5,858,000

The actual return on scheme assets was £730,000 (2023 - £(105,444)).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2024	2023
	£	£
Current service cost	48,000	167,000
Interest income	(277,000)	(172,000)
Interest cost	218,000	221,000
Total amount recognised in the Consolidated Statement of Financial Activities	(11,000)	216,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

23. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2024 £	2023 £
Opening defined benefit obligation	5,858,000	7,974,000
Interest cost	218,000	221,000
Contributions by scheme participants	16,000	24,000
Actuarial losses/(gains)	391,000	(2,453,000)
Benefits paid	(70,000)	(75,000)
Current service cost	48,000	167,000
Closing defined benefit obligation	6,461,000	5,858,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024 £	2023 £
Opening fair value of scheme assets	5,858,000	6,238,000
Expected return on assets	277,000	172,000
Actuarial gains/(losses)	380,000	(589,000)
Contributions by employer	-	88,000
Contributions by scheme participants	16,000	24,000
Benefits paid	(70,000)	(75,000)
Closing fair value of scheme assets	6,461,000	5,858,000

The actuarial valuation for the year ended 31 March 2024 showed a scheme surplus of £1,913,000 (2023: surplus of £1,264,000). In determining whether a surplus on the scheme is recognisable on the balance sheet, the Trustees reviewed the requirements of Para 28, FRS 102 which states that the Charity "shall only recognise a plan surplus as a defined benefit asset only to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan."

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability which has historically been recognised, remains a liability for the Trust, but the Council acts as guarantor for any liability arising for The Cheltenham Trust in being the sponsor employer for the Local Government Pension Scheme. Further, the contributions made by the Charitable Company into the scheme are included in the agreed annual recharge mechanism between the Trust and the Borough Council. In reviewing the guidance available in FRS 102, the Trustees bore in mind the above circumstances and determined that in substance, the Trust would have no entitlement to any pension asset in the future and therefore it should not be accounted for in the year ended 31 March 2024.

Accordingly, the pension asset has been restricted and a £nil balance has been presented on the balance sheet of the Trust.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

25. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor B Clark and Councillor G Andrews are elected members of Cheltenham Council and are the CBC nominated Trustees.

During the period the Trust received income amounting to £1,206,021 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, venue hires and project funding (2023: £1,104,073). At the period end there was £12,000 outstanding (2023: £9,859).

The Trust receives administrative and other support services from various related bodies including Publica (an employment company jointly owned by Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council) that delivers finance, HR, and ICT services. These bodies associated with CBC provide services under service level agreements with expenditure during the year as follows:

	2024	2023
	£	£
Cheltenham Borough Council	244,783	510,390
Forest of Dean Council	287,518	-
Cotswold District Council	85,005	77,530
	617,306	587,920

Of these amounts £nil (2023: £77,530) was owing to Cotswold District Council at the year end and £12,000 (2023: £119,770) was owing to Cheltenham Borough Council (excluding £95,091 loans made in respect of the splash pad) and £223,382 was owing to Forest of Dean Council.

During the year, the Trust made sales of £1,197 for venue hires (2023: £500) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council. £nil was outstanding at year end (2023: £nil). The Trust received goods and services from Cheltenham Borough Homes Ltd of £nil (2023: nil).

During the year the charity received £122,000 from the Friends of the Wilson (2023: £30,000) and held a balance of £0 at 31 March 2024 (2023: £28,005). Expenditure in relation to Friends of the Wilson amounted to £150,005 (2023: £nil) for the year ended 31 March 2024.

See note 13 in respect of The Cheltenham Trust's subsidiary undertaking, Cheltenham Leisure and Culture Ltd (CLC Ltd). Advantage is taken of the FRS102 exemption from disclosure of certain intergroup transactions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. Post balance sheet events

The areas of the Leisure Centre (including the swimming pools) that had been closed due to RAAC reopened in April 2024. However, shortly afterwards, RAAC was also identified in the wet changing rooms. As a result, these parts of the Leisure Centre were closed for three months, from May to July 2024, with temporary changing rooms set up in the centre's car park. In addition to the cost of hiring the temporary facilities, the closure impacted the Leisure Centre's income, resulting in a budget shortfall of approximately £300k in the first quarter of the year. While CBC provided support by covering the cost of repairing the changing rooms, the Trust has had to absorb the expenses for the temporary changing facilities and the associated loss of income. As a result, the Trust is currently forecasting a deficit for 2024-25, which it plans to manage using its reserves.

THE CHELTENHAM TRUST

England & Wales - Charity number 1158606

Accounts

Registered number: 09021431
Charity number: 1158606

THE CHELTENHAM TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees

Louis Eperjesi, Chair
Duncan Smith (resigned 30 September 2022)
Benjamin Averis
Cllr Barbara Clark
Cllr Steve Harvey (appointed 19 July 2022)
Julie Jordan (appointed 1 October 2022)
Cllr Alisha Lewis (resigned 18 July 2022)
Jacqueline Meekings-Davis (resigned 30 September 2022)
Sian Morgan
Elizabeth Narey
Sunita Nelson
Gary Hasley-Nejrup (appointed 1 October 2022)
Jeremy Owen (resigned 30 September 2022)
Kate Peden
Clive Rawlings
Gemma Taylor
Daniel Wilson (appointed 25 May 2022)

Company registered number

09021431

Charity registered number

1158606

Registered office

Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer & Senior management team

Laurie Bell, Chief Executive Officer
Tracey Larsson, Head of Finance (Resigned 31 October 2023)
Sara Oliver, Head of Communications (Resigned 25 July 2023)
Lisa Edgar, Head of Culture

Independent auditors

Randall & Payne LLP
Chartered Accountants & Statutory Auditors
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers

Lloyds Bank PLC
130 High street
Cheltenham
Gloucestershire
GL50 1EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Financial and Human Resources Advisors

Publica Group Limited
Trinity Road
Cirencester
Gloucestershire
GL7 1PX

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his report for the year.

I am pleased to present this annual report and account for The Cheltenham Trust for the year ending 31st March 2023.

Following the challenges of surviving and recovering from the Covid19 pandemic since 2019, this year's report reflects another difficult and challenging trading period brought about by the unexpected severe economic downturn and cost of living crisis.

The financial downturn drove up the cost of supplies, materials and operational costs, and negatively impacted on customer confidence and spending, placing cash flow and income under further pressure. Whilst the trust continued to grow and generate income, the charity recognised that immediate action was required to manage and reduce costs, and to take action to mitigate a projected end of year deficit.

Actions taken to reduce the projected deficit included reviewing procurement and resources, delivering additional free and inclusive events and activities to increase income and continuing to seek opportunities to secure local and national funding and grants. A key strategy has been the donations scheme whereby customers and visitors are encouraged to make a donation and support the trust as a charity with the message that together we can do so much more. This income has contributed to the delivery of the inclusive free to access community cultural programme.

The year-end deficit outturn, while significantly reduced following management action, impacted the trust's financial reserves, largely funds awarded by the Arts Council to support organisations to recover and be financially resilient following the impact of the pandemic.

As the guardian of much of the town's heritage The Cheltenham Trust has a major role in sustaining these important, historic venues. The business model of this resilient and ambitious, forward looking organisation blends culture, community and commercial to strive for financial sustainability and continued investment in the heritage buildings, and its programme of inclusive and accessible free events and activities for visitors and the local community.

The Cheltenham Trust is an independent charity and the lead provider of culture and heritage, entertainment, sport and leisure in Cheltenham. Through the five iconic and contemporary venues and two orangery cafes that it manages; Pittville Pump Room and the Heritage Cafe, The Wilson Art Gallery and Museum and The Wilson Kitchen café; Cheltenham Town Hall and the Garden Bar, Leisure at Cheltenham and the Prince of Wales Stadium, the trust contributes actively to the local and visitor economy, and to the provision of community social activities that promote and improve health and wellbeing.

Balancing culture, community and commercial in a severe, and ongoing, economic downturn is a significant challenge. Hard times demand hard decisions, and the trust has been swift to take decisions focused on reducing costs and continuing to grow income and footfall. The five-year business plan was reviewed to respond to the new financial challenges, and changes made to focus on core business; reduce costs; improve efficiencies and maximise opportunities to strengthen financial resilience and future sustainability.

The trust has continued to deliver quality venues, services and facilities; to identify and target new audiences and income streams; reviewed unaffordable legacy hire arrangements for its venues; and built on the opportunities to expand engagement and new partnerships afforded by its high profile and reputation.

THE CHELTENHAM TRUST

**CHAIRMAN'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The trust's inclusive, free to access cultural programme has played an important role during the cost-of-living crisis, enabling the community to benefit from free events and activities at a time when household budgets have been stretched. These events have included the Christmas lights switch on at the pump room; live music and dance; creative artisan markets; children's fun days and they attracted thousands of visitors and established further the venues and outdoor park and garden spaces as major visitor attractions and community destinations in the town.

This financial year has been a year of further challenge and the trust has, again, had to act swiftly to adapt, to review its operation and to identify and maximise opportunities for growth. It has continued to pursue an agile and entrepreneurial approach which has been effective in helping to mitigate the negative impact of the economic downturn. The charity will continue to drive efficiencies, be more cost effective and financially robust and recognise opportunities to generate additional income through its careful blend of culture, community and commercial.

I would like to extend my thanks to all the staff, the trustees, our stakeholders and partners, and our customers for their ongoing support.

.....
Louis Eperjesi
Chair of Trustees

Date:

THE CHELTENHAM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association.

The Cheltenham Trust commenced operations on 1 October 2014 and currently manages on behalf of Cheltenham Borough Council, The Wilson Art Gallery and Museum, Leisure at Cheltenham and the Prince of Wales stadium, Cheltenham Town Hall and Pittville Pump Room.

Cheltenham Leisure and Culture Ltd is a trading subsidiary of The Cheltenham Trust.

The Trust's charitable objectives are set out below. Any financial surplus achieved by the Trust is re invested in the charitable aims and objectives.

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:

- for the advancement and support of education, culture, arts and heritage including the provision of libraries, museums, galleries, learning and information centres, archives, activities, events, programmes and other related services.
- for the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large with special facilities being provided for various needs and demographics.
- for the promotion of good health and wellbeing through community and public participation in healthy recreation and activities.
- other such charitable purposes that are beneficial to the public and consistent with the objects as the Director Trustees shall determine.

Vision

As an independent charitable trust and the lead provider of culture and leisure in Cheltenham our vision to blend culture, community and commercial activities and services to actively contribute to the local and visitor economy and to improve the health and wellbeing of the local community.

As a registered not for profit charity, the Trust manages Cheltenham's most iconic and contemporary venues – The newly refurbished Wilson Art Gallery and Museum; the Grade I listed Pittville Pump Room and Heritage Cafe; the Grade II listed Cheltenham Town Hall, Garden Bar and Skillicorne Garden, and the popular Leisure at Cheltenham and Prince of Wales stadium.

The Trust supports the local and visitor economy, community, cultural and social offer providing arts, culture and heritage, entertainment, sport and leisure. Through its outreach work and community events the trust enables access and inclusivity to a diverse range of cultural and leisure services, events and activities.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The main activities at each of the Trust's five sites are:

The Wilson Art Gallery & Museum

The Wilson hosts a rich programme of exhibitions and events that are supported by its new and vibrant arts café. The Wilson is available to hire as an alternative, contemporary venue for events and meetings with a difference. Its outdoor roof terrace is a unique setting for hosting events. The venue regularly hosts launch parties, dinners, as well as a diverse range of community events, activities, workshops and talks.

The Wilson re-opened to the public in July 2022 following major refurbishment to create a new community arts and exhibition gallery, artist studios hosting nine artists in residence and a popular and immersive arts café.

Pittville Pump Room

The magnificent Grade I Pittville Pump Room is the jewel of Cheltenham's regency architecture. Its location in the beautiful Pittville Park has made this award winning, landmark building one of Gloucestershire's most impressive venues for weddings, dinners, exhibitions, dances, corporate events and conferencing and community events and activities. It also hosts the extremely popular outdoor Heritage Café.

Cheltenham Town Hall

The elegant Edwardian Grade II listed Town Hall is a popular venue for entertainment attracting local residents and visitors. It has a year-round programme of live entertainment, attracting more than 90,000 visitors each year to enjoy comedy and celebrity speakers, music, concerts, dance and theatre. It is also available for hire for a wide range of events and activities, festivals, meetings and weddings. The Garden Bar Orangery and Skillicorne Garden, adjacent to the Town Hall, offer a cafe bar and a secret walled garden for an alternative al fresco event.

Leisure at Cheltenham and the Prince of Wales stadium

Leisure at Cheltenham attracts more than 2,5000 visitors each day and provides state of the art leisure facilities with four pools: a fitness suite and more than 75 fitness classes each week. The Prince of Wales stadium regularly hosts sports and track events including a local running club, rugby club and an annual family sports day. The recently re-furbished sports bar is available to hire for events, parties and corporate meetings.

Management Agreement

The Trust operates independently, occupying buildings owned by Cheltenham Borough Council. A Management Agreement has been established between Cheltenham Borough Council and The Cheltenham Trust to deliver services for the community aligned to the agreed fee.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

b. Activities during the year

Pittville Pump Room

- The Heritage Café continued to operate successfully from the temporary orangery structure for the full year.
- The Trust' community led events in Pittville Park was further expanded in the year with celebrations to honour HM The Queen's platinum jubilee, the first Retro Americana festival and hosting of the Commonwealth Games Baton Relay.
- The Trust's Christmas celebrations for the community was hosted both inside and outside the venue including the popular annual Christmas lights switch on event at the pump room with choirs and carol singers, a visit by Father Christmas and his sleigh, live music and the Christmas artisan market inside the main hall showcasing local makers, creatives and producers.
- The pump room and Heritage Cafe also hosted a full programme for Cheltenham Race Week including pre-race breakfast and racing tips and post-race a bar with live music and entertainment.

Cheltenham Town Hall

- Co-productions, hires and events at the town hall continued with a diverse programme of spoken word, music, festivals, dance, comedy and events.
- The Garden Bar orangery structure hosted live music at the weekends and continued to be a popular destination in the heart of the town centre throughout the summer months.

Leisure at Cheltenham and the Prince of Wales stadium

- User numbers grew in the year with an average of 2,500 people using the facilities each day.
- Concession cards were re-instated following the pandemic to provide access to sport and leisure facilities, supporting health and wellbeing, to those in need across the community.
- The Prince of Wales stadium hosted free to attend, inclusive event for the football Champions League Final.

The Wilson Art Gallery and Museum

- A programme of exhibitions, activities and talks were provided including the Artists in Residence and Makers space and co-created exhibitions in the new community art gallery.
- The schools' outreach educational support programme continued to provide educational assets to schools, community groups and care homes.
- The project for the second phase of re-development to refurbish and re-open The Wilson's Victorian wing began. The refurbishment will provide an improved visitor experience and enable more of the 250,000 pieces in the collection to be on display telling the stories of Cheltenham's history. £350,000 was secured from national and local funders to support the phase 2 refurbishment.

Partnership working

- The Trust continues to work closely in partnership with a number of organisations including Cheltenham Borough Council as its main stakeholder; Marketing Cheltenham; Friends of The Wilson; The Wilson Arts Collective; Cheltenham Festivals; Arts Council England; Sport England; Heritage Lottery Fund; Historic England, Cheltenham Civic Society, Cheltenham BID; Cheltenham Chamber of Commerce and Cheltenham International Film Festival to help improve the cultural, community and commercial offer in Cheltenham.

c. Activities for achieving objectives

The Trust continued to strengthen, establish and nurture new partnerships to increase its community profile. The goal is for The Cheltenham Trust, and its venues, to be the go to destination of choice for arts, culture, heritage, leisure and sport attracting increased footfall from residents and visitors.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

d. Main activities undertaken to further the charity's purposes for the public benefit

The Trust supports the local community by providing free access to venues and to its community events creating space to come together as a community to participate, learn, enjoy and socialise creating a positive impact on the overall health and wellbeing of the community.

The Trust recognises that the blend of community, commercial and cultural activity is critical in supporting future sustainability of the venues and services provided. The venues all have hireable spaces to host a diverse range of events and activities. These spaces and opportunities are promoted and marketed across the partnership base and business and community networks that the Trust supports.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

a. Key financial performance indicators

During 2022/23 the Trust had total incoming resources of £8,128k (21/22 £8,143k) of which £337k (21/22 £432k) was restricted grant funds.

Net operating deficit for the year was £329k (21/22 surplus £812k) on unrestricted funds (excluding FRS102 pension costs). As a not-for profit-charity the Trust reinvests all surpluses within the business.

Cheltenham Leisure and Culture Ltd

The Trust's wholly owned trading subsidiary, Cheltenham Leisure and Culture Ltd, generated turnover of £2,579k (21/22 £2,125k) and made a profit of £593k (21/22 £193k) for the year. These profits are being gift-aided to the charity.

The principal activities of the trading company during 2022/23 were predominantly café and bar operations; venue hires for events and weddings and sales of retail items.

b. Investment policy and performance

The Trustees have the power to invest the monies of the organisation in such investments as they see fit. In order to support the growth and investment strategy of the Trust and maintain a positive cash flow at all times, surpluses are invested in interest bearing deposit accounts where appropriate.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Financial review

a. Going concern and events since the Balance Sheet date

The Trust continued to consolidate, repurpose, learn and adapt in the changing times and markets and has forecast its budget plan for 2023/24 and out for a further 3 years, and will keep monitoring and updating this forecast.

This forecast has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis.

b. Reserves policy

The Trustees' focus on building sufficient reserves to ensure that the Trust is able to deliver its charitable objectives and is resilient and sustainable in the long term. The policy is to utilise any surpluses to build income generating capacity.

The Trust holds unrestricted reserves, excluding the pension surplus of £991k as at 31 March 2023.

The use of reserves is monitored by the Trust's Finance Committee.

The pension surplus of £1,264k is explained in note 24, along with Cheltenham Borough Council's role as guarantor for any LGPS liability in the name of the Trust.

c. Principal funding

Cheltenham Borough Council is our key partner and principal funder of the Trust. During the reporting period, through a Management Fee representing 7.5% of total income.

Structure, governance and management

a. Constitution

The company and the Group is registered as a charitable company limited by guarantee and was set up by a Trust deed on 18 May 2014.

The company and the Group is constituted under a Trust deed dated 18 May 2014 and is a registered charity number 1158606.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Board shall be composed of at least seven and not more than fifteen Trustees, including two Council appointed Trustees nominated by Cheltenham Borough Council. The Trustees are appointed on a three year term, with an option to extend for a further three years. The Board meets on a minimum of five occasions during the year.

The process to select new Trustees is based on the skills and competencies required by the Board at the time the vacancy arises.

c. Policies adopted for the induction and training of Trustees

On joining the organisation, Trustees are given an induction and introduced to the organisation's culture.

Trustees have significant experience from various professions and use their skills to inform their responsibilities to ensure the good governance of the charity. The Board membership includes a balance of backgrounds and capabilities relevant to the overall strategic requirements of the Trust, and there is a recognised commitment by the Board to maintain this balance. The Board of Trustees participate in board development opportunities, and the overall board is subject to an annual skills audit that is aligned to the strategic direction of the Trust.

d. Directors indemnities

The Trust holds indemnity insurance with Zurich insurance for the directors with liability cover of £1 million (2022: £1 million).

e. Organisation

The business of the charitable company is delegated to and managed on a day to day basis by the Chief Executive, who is supported by an Executive Management Team of senior managers.

The Board of Trustees has established a Finance Committee, a Governance Committee, Commercial Board and Culture and Communities Committee so that specific issues delegated can be studied in detail and recommendations made back to the Board.

The Chief Executive and the Executive Team advise the Board on strategy development and support for the Board's governance activities and have responsibility for operating the services of the charity on a day to day basis. The Board undertakes its role using the Code of Conduct for Good Governance and agrees the overall strategic direction of the Trust.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

f. Related party relationships

None of our Trustees receive remuneration from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

In the current year no such related party transactions were reported.

Two Trustees are nominated representatives of Cheltenham Borough Council. Transactions between the Trust and CBC, along with other related party disclosures are recorded in note 27.

The charity's wholly owned subsidiary, Cheltenham Leisure and Culture Ltd was established to operate commercial activities including retail activities, cafes and catering, venue hires and wedding packages.

g. Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

The pay of the Chief Executive and key management personnel is benchmarked against pay levels in similar professions when recruiting to these roles.

h. Trust staff

During 2022/23 the Trust employed an average of 204 staff.

The Trustees and Executive Management Team support the involvement and engagement of staff in the day to day running, policy making and general management of the charity. Members of staff are kept informed on matters affecting them as employees and on various factors affecting the performance of the Trust.

The policy of the Trust is to offer the same opportunities to a diverse range of people in respect of recruitment and career progression.

i. Risk management

The Trustees have adopted a risk management policy from which they have identified potential risks and the likelihood of their occurrence. In addition, they have identified measures to be put in place to mitigate the risks and further action that might be necessary to limit that risk.

The Board receives quarterly risk information at board meetings and sufficient commitments are made to cover known liabilities. The Board and its committees receive regular financial information and manage financial risk accordingly.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Plans for future periods

Future developments

The priority for the Trust is to continue to ensure its financial resilience and that as a robust organisation it can achieve its vision and ambitious programme. It will build and consolidate on its core business continuing to fully utilise and maximise the value of its venues for the community.

The Trust will continue to seek opportunities to access local and national grant schemes to secure funds to improve and increase its reach in the community through its new trust-wide membership scheme and through donating in venues or online, or paying a suggested donation for free activities, events and workshops. All donations help the Trust to continue its year-round extensive, inclusive cultural programme for all the community to enjoy.

Cheltenham Borough Council (CBC) as lead partner and sponsor supports the Trust's plans to achieve growth and to meet the vision and goals. In partnership improvement in all the venues will be scheduled to increase the number of visitors and their experience, to attract new audiences and to access to services and facilities.

We will continue to grow and further strengthen our position and reputation as Cheltenham's leading cultural and leisure provider and a major contributor in boosting the local and visitor economy and helping to improve the health and wellbeing of the local community.

Information on fundraising practices

Fundraising activities are carried out directly by the Trust, by the Trust's employees.

Fundraising activities involve identifying external grants and funding opportunities available to support our charitable, cultural and community activities, and inviting donations by those using and enjoying our facilities within the local community, in order that we can continue to invest in and develop in our facilities and programmes.

Access to our services

The Trust remains committed to equal access to our services for everyone. The Trust strives to be an open employer; welcoming staff and volunteers from all backgrounds. The Trust aims to reflect the diversity of the population in both our user group and our staffing and Trustee mix.

THE CHELTENHAM TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

A resolution to appoint Randall & Payne LLP as auditor of the company was approved at a meeting of Trustees on 21st June 2019 and is renewed annually.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Louis Eperjesi
Chair of Trustees
Date:

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2023 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, Charities Act 2011, relevant UK tax legislation and we enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Ryan Moore CA (Senior statutory auditor)
For and on behalf of
Randall & Payne LLP
Chartered Accountants & Statutory Auditors
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Date:

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	-	-	-	9,484
Charitable activities	4	336,538	5,212,581	5,549,119	6,009,013
Other trading activities	5	-	2,579,293	2,579,293	2,124,902
Total income		336,538	7,791,874	8,128,412	8,143,399
Expenditure on:					
Raising funds		-	1,986,418	1,986,418	1,932,306
Charitable activities	6	502,239	6,134,485	6,636,724	5,384,269
Total expenditure		502,239	8,120,903	8,623,142	7,316,575
Net movement in funds before other recognised gains/(losses)		(165,701)	(329,029)	(494,730)	826,824
Actuarial gains on defined benefit pension schemes	24	-	1,864,000	1,864,000	1,165,000
Net movement in funds		(165,701)	1,534,971	1,369,270	1,991,824
Reconciliation of funds:					
Total funds brought forward		302,832	(681,319)	(378,488)	(2,370,312)
Net movement in funds		(165,701)	1,534,971	1,369,270	1,991,824
Total funds carried forward		137,131	853,652	990,783	(378,488)

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 49 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	223,131	114,747
		<u>223,131</u>	<u>114,747</u>
Current assets			
Stocks	14	109,467	78,207
Debtors	15	321,602	271,839
Cash at bank and in hand		2,249,850	2,545,730
		<u>2,680,919</u>	<u>2,895,776</u>
Creditors: amounts falling due within one year	16	(1,913,267)	(1,653,010)
		<u>767,652</u>	<u>1,242,766</u>
Net current assets		767,652	1,242,766
Total assets less current liabilities		990,783	1,357,513
Net assets excluding pension asset / liability		990,783	1,357,513
Defined benefit pension scheme asset / liability	24	-	(1,736,000)
Total net assets		990,783	(378,487)
Charity funds			
Restricted funds	18	137,131	302,832
Unrestricted funds			
General funds	18	853,652	1,054,681
Unrestricted funds excluding pension asset	18	853,652	1,054,681
Pension reserve	18	-	(1,736,000)
Total unrestricted funds	18	853,652	(681,319)
Total funds		990,783	(378,487)

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Louis Eperjesi
Chair of Trustees

Date:

The notes on pages 25 to 49 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	194,388	106,886
Investments	12	1	1
		<u>194,389</u>	<u>106,887</u>
Current assets			
Debtors	15	272,962	506,039
Cash at bank and in hand		1,243,175	1,256,681
		<u>1,516,137</u>	<u>1,762,720</u>
Creditors: amounts falling due within one year	16	(2,181,583)	(1,381,060)
Net current liabilities / assets		<u>(665,446)</u>	381,660
Total assets less current liabilities		<u>(471,057)</u>	488,547
Net liabilities / assets excluding pension asset / liability		<u>(471,057)</u>	488,547
Defined benefit pension scheme asset / liability	24	-	(1,736,000)
Total net assets		<u><u>(471,057)</u></u>	<u><u>(1,247,453)</u></u>
Charity funds			
Restricted funds:			
Restricted funds	18	137,131	302,831
Restricted funds excluding pension asset	18	137,131	302,831
Total restricted funds	18	<u>137,131</u>	302,831
Unrestricted funds			
General funds	18	(608,188)	185,716
Unrestricted funds excluding pension asset / liability	18	(608,188)	185,716
Pension reserve	18	-	(1,736,000)
Total unrestricted funds	18	<u>(608,188)</u>	(1,550,284)
Total funds		<u><u>(471,057)</u></u>	<u><u>(1,247,453)</u></u>

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Charity's net movement in funds for the year was £776,395 (2022 - £1,799,228).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Louis Eperjesi
Chair of Trustees
Date:

The notes on pages 25 to 49 form part of these financial statements.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Net cash generated in operating activities	(112,987)	814,455
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(182,892)	(73,176)
	<hr/>	<hr/>
Net cash used in investing activities	(182,892)	(73,176)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(295,879)	741,279
Cash and cash equivalents at the beginning of the year	2,545,729	1,804,450
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	2,249,850	2,545,729
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 49 form part of these financial statements

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates 'The Wilson' Art Gallery and Museum, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cheltenham 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.

The Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

The financial statements consolidate the accounts of The Cheltenham Trust and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.2 Going concern

The Trust continued to consolidate, repurpose, learn and adapt in the changing times and markets and has forecast its budget plan for 2023/24 and out for a further 3 years, and will keep monitoring and updating this forecast.

This forecast has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Expenditure (continued)

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

The Trust capitalises items of Fixtures and Fittings and Office Equipment for central activities and does not recognise assets for leasehold properties or leasehold improvements made to assets operated by the Trust under the Management Agreement with Cheltenham Borough Council.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

The Group also operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2017. Further details regarding this scheme are included in Note 24 to the financial statements.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	-	-	9,484
	<hr/>	<hr/>	<hr/>
<i>Total 2022</i>	<hr/> 9,484 <hr/>	<hr/> 9,484 <hr/>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Public engagements	23,277	1,501,159	1,524,436	942,878
Commercial and customer services	-	1,122,386	1,122,386	1,257,197
Content and programming	313,261	1,776,809	2,090,070	1,374,393
Corporate Income	-	812,227	812,227	1,324,756
Coronavirus Job Retention Scheme (CJRS)	-	-	-	53,623
Insurance income receivable	-	-	-	77,004
Arts Council Funding	-	-	-	979,162
	<u>336,538</u>	<u>5,212,581</u>	<u>5,549,119</u>	<u>6,009,013</u>
<i>Total 2022</i>	<u>432,358</u>	<u>5,576,655</u>	<u>6,009,013</u>	

Included within Corporate Income is £711,281 (2022: £811,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27. .

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Sales	2,579,293	2,579,293	2,124,902
	<u>2,579,293</u>	<u>2,579,293</u>	<u>2,124,902</u>
<i>Total 2022</i>	<u>2,124,902</u>	<u>2,124,902</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
FRS102 Pension adjustment	-	128,000	128,000	168,000
Public engagements	23,039	509,439	532,478	520,388
Commercial and customer services	-	2,509,910	2,509,910	1,715,566
Content and programming	479,200	1,568,922	2,048,122	1,149,047
Corporate	-	1,418,214	1,418,214	1,831,268
	<u>502,239</u>	<u>6,134,485</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>417,418</u>	<u>4,966,851</u>	<u>5,384,269</u>	

Summary by expenditure type

	Staff costs 2023 £	Other costs 2023 £	Total 2023 £	<i>Total 2022 £</i>
FRS102 pension cost	79,000	49,000	128,000	168,000
Public engagements	381,112	151,366	532,478	520,388
Commercial and customer services	1,447,098	1,062,812	2,509,910	1,715,566
Content and programming	279,256	1,768,866	2,048,122	1,149,047
Corporate	626,154	792,060	1,418,215	1,831,268
	<u>2,812,620</u>	<u>3,824,104</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>2,192,012</u>	<u>3,192,257</u>	<u>5,384,269</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
FRS102 pension cost	128,000	-	128,000	168,000
Public engagements	532,478	-	532,478	520,388
Commercial and customer services	2,509,910	-	2,509,910	1,715,566
Content and programming	2,048,122	-	2,048,122	1,149,047
Corporate	(1,438)	1,419,653	1,418,215	1,831,268
	<u>5,217,072</u>	<u>1,419,653</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>4,094,608</u>	<u>1,289,661</u>	<u>5,384,269</u>	

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £9,000 (2022 - £9,500), and Fees payable to the Charity's auditor in respect of all other services of £4,025 (2022 - £4,000).

9. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	2,402,409	1,818,911	2,402,409	1,818,911
Social security costs	243,145	176,248	197,977	137,483
Contribution to defined contribution pension schemes	212,234	235,618	212,234	235,618
	<u>2,857,788</u>	<u>2,230,777</u>	<u>2,812,620</u>	<u>2,192,012</u>

Redundancy payments totalling £NIL (2022: £9,605) were made to 0 employees (2022:6 employees) during the year ended 31 March 2023. All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	<i>Group 2022 No.</i>
Average monthly headcount	204	<i>176</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £80,001 - £90,000	1	<i>1</i>

The key management personnel of the charity, The Cheltenham Trust, comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel of the Trust was £299,136 (2022: £316,510).

No staff are directly employed by the subsidiary, Cheltenham Leisure and Culture Ltd.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2022	16,464	272,570	289,034
Additions	29,006	153,886	182,892
At 31 March 2023	45,470	426,456	471,926

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets (continued)

Group (continued)

	Fixtures and fittings £	Office equipment £	Total £
Depreciation			
At 1 April 2022	8,604	165,683	174,287
Charge for the year	8,123	66,385	74,508
	16,727	232,068	248,795
Net book value			
At 31 March 2023	28,743	194,388	223,131
<i>At 31 March 2022</i>	7,860	106,887	114,747

Charity

	Office equipment £
Cost or valuation	
At 1 April 2022	272,570
Additions	153,886
At 31 March 2023	426,456
Depreciation	
At 1 April 2022	165,683
Charge for the year	66,385
At 31 March 2023	232,068
Net book value	
At 31 March 2023	194,388
<i>At 31 March 2022</i>	106,887

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 April 2022	1
At 31 March 2023	1
Net book value	
At 31 March 2023	1
At 31 March 2022	1

13. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Cheltenham Leisure & Culture Limited	09133998	Cheltenham Town Hall, Imperial Square, Cheltenham, Gloucestershire, GL50 1QA	Leisure & culture activities on behalf of the council
Class of shares	Holding	Included in consolidation	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cheltenham Leisure & Culture Limited	2,579,293	(1,986,418)	592,875	589,064

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Stocks

	Group 2023	<i>Group 2022</i>
	£	£
Finished goods and goods for resale	109,467	<i>78,207</i>

15. Debtors

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
	£	£	£	£
Due within one year				
Trade debtors	233,938	<i>167,746</i>	67,660	<i>53,503</i>
Other debtors	6,489	<i>57,037</i>	124,126	<i>218,890</i>
Prepayments and accrued income	81,175	<i>47,056</i>	81,176	<i>47,056</i>
Amounts owed by group undertakings	-	-	-	<i>186,590</i>
	321,602	<i>271,839</i>	272,962	<i>506,039</i>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	425,050	<i>190,453</i>	426,449	<i>86,041</i>
Amounts owed to group undertakings	-	-	691,073	-
Other taxation and social security	154,528	<i>15,911</i>	-	-
Other creditors	8,460	<i>3,617</i>	7,890	<i>3,199</i>
Accruals and deferred income	1,325,229	<i>1,443,029</i>	1,056,171	<i>1,291,820</i>
	1,913,267	<i>1,653,010</i>	2,181,583	<i>1,381,060</i>
	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Deferred income				
Deferred income at 1 April 2022	994,945	<i>1,423,749</i>	843,734	<i>1,256,977</i>
Resources deferred during the year	893,160	<i>994,945</i>	725,126	<i>843,734</i>
Amounts released from previous periods	(994,945)	<i>(1,423,749)</i>	(843,734)	<i>(1,256,977)</i>
	893,160	<i>994,945</i>	725,126	<i>843,734</i>

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2023-24 and for advance memberships at the recreation centre and for venue hires.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	2,249,850	<i>2,545,730</i>	1,243,175	<i>1,256,681</i>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds - all funds	1,054,680	7,791,874	(7,992,903)	-	853,651
Share capital	1	-	-	-	1
Pension reserve	(1,736,000)	-	(128,000)	1,864,000	-
	<u>(681,319)</u>	<u>7,791,874</u>	<u>(8,120,903)</u>	<u>1,864,000</u>	<u>853,652</u>
Restricted funds					
Archaeology	4,319	2,870	(2,692)	-	4,497
Memory Café	1,000	-	-	-	1,000
Arts award	2,000	-	-	-	2,000
GEM - Go the Extra Mile Navigator Developer	-	23,277	(23,277)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	21,655	(21,655)	-	-
Friends of the Wilson Project	6,000	-	(6,000)	-	-
Charles Irving Trust	217,643	250,000	(446,620)	-	21,023
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	63,420
Summerfield Trust	2,400	8,736	-	-	11,136
The Wilson Gallery Refurbishment Project	-	30,000	(1,995)	-	28,005
	<u>302,832</u>	<u>336,538</u>	<u>(502,239)</u>	<u>-</u>	<u>137,131</u>
	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Total of funds	<u>(378,487)</u>	<u>8,128,412</u>	<u>(8,623,142)</u>	<u>1,864,000</u>	<u>990,783</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£
Unrestricted funds					
General Funds - all funds	74,796	7,711,041	(6,731,157)	-	1,054,680
Share capital	1	-	-	-	1
Pension reserve	(2,733,000)	-	(168,000)	1,165,000	(1,736,000)
	<u>(2,658,203)</u>	<u>7,711,041</u>	<u>(6,899,157)</u>	<u>1,165,000</u>	<u>(681,319)</u>
Restricted funds					
Archaeology	4,849	-	(531)	-	4,318
Memory Café	1,000	-	-	-	1,000
Hidden Trails	5,000	-	(5,000)	-	-
Arts award	2,000	-	-	-	2,000
#FuelThursdays	17,804	-	(17,804)	-	-
GEM - Go the Extra Mile Navigator Developer	-	30,557	(30,557)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	38,952	(38,952)	-	-
Friends of the Wilson Project	6,000	-	-	-	6,000
Charles Irving Trust	245,188	-	(27,545)	-	217,643
Pittville Pump Room Heritage Cafe Project	-	125,345	(61,925)	-	63,420
Summerfield Trust	-	2,400	-	-	2,400
Cheltenham Borough Council/ National Leisure Recovery Fund	-	235,104	(235,104)	-	-
	<u>287,891</u>	<u>432,358</u>	<u>(417,418)</u>	<u>-</u>	<u>302,831</u>
Total of funds	<u>(2,370,312)</u>	<u>8,143,399</u>	<u>(7,316,575)</u>	<u>1,165,000</u>	<u>(378,488)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. **Statement of funds (continued)**

Details of the Restricted Funds are as follows:

Archaeology - Contributions from local archaeology groups towards shelving and storage for finds.

Memory Café - A monthly meet for people with dementia to visit The Wilson and engage with objects that may trigger memories. Presently digital due to covid.

Arts Award - Funding to support an arts award programme.

#Fuel Thursdays - National Lottery funding a programme of positive activities such as sport, cooking, music, art and life skills for young people in the community.

GEM – Go The Extra Mile Navigator Developer - Funding for Navigator Developer roles supporting those who are furthest away from employment in to employment.

Community Takeover Exhibition - Funding from The Community Resilience Fund to support community artists exhibit their work.

Cheltenham Borough Council - Accreditation & Social Grants, Researching and documenting of The Wilson's Collection supporting Accreditation; Funding a programme of local music performances in Cheltenham parks

Friends of The Wilson - Friends of the Wilson funding supporting specific projects at The Wilson.

Charles Irving Trust - A bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

The Wilson Refurbishment Project - Funding supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community,

Pittville Pump Room Heritage Café Project - Funding to support Heritage café development project.

Cheltenham Borough Council/ National Leisure Recovery Fund - Covid-19 support funding to enable leisure centres to reopen and recover as sustainable operations.

The Summerfield Trust - Community exhibition project where young people in Cheltenham designed and made new costumes from clothes destined for landfill.

Hidden Trails – A project encouraging community exploration of Cheltenham through guided maps and clues.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022	Income	Expenditure	Gains/ (Losses)	Balance at 31 March 2023
	£	£	£	£	£
General funds	(681,319)	7,791,874	(8,120,903)	1,864,000	853,652
Restricted funds	302,832	336,538	(502,239)	-	137,131
	<u>(378,487)</u>	<u>8,128,412</u>	<u>(8,623,142)</u>	<u>1,864,000</u>	<u>990,783</u>

Summary of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£
General funds	(2,658,203)	7,711,041	(6,899,157)	1,165,000	(681,319)
Restricted funds	287,891	432,358	(417,418)	-	302,831
	<u>(2,370,312)</u>	<u>8,143,399</u>	<u>(7,316,575)</u>	<u>1,165,000</u>	<u>(378,488)</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	-	223,131	223,131
Current assets	137,131	2,543,823	2,680,954
Creditors due within one year	-	(1,913,305)	(1,913,304)
Total	<u>137,131</u>	<u>853,652</u>	<u>990,783</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Endowment funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	114,747	114,747
Current assets	15,911	302,831	2,577,034	2,895,776
Creditors due within one year	(15,911)	-	(1,637,099)	(1,653,010)
Provisions for liabilities and charges	-	-	(1,736,000)	(1,736,000)
Total	<u>-</u>	<u>302,831</u>	<u>(681,318)</u>	<u>(378,487)</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(494,730)	826,824
Adjustments for:		
Depreciation charges	74,508	35,802
Increase in stocks	(31,260)	(25,910)
Decrease/(increase) in debtors	36,591	(30,399)
Increase/(decrease) in creditors	173,903	(219,630)
Other cash flow adjustments	128,001	227,768
Net cash provided by/(used in) operating activities	(112,987)	814,455

22. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	2,249,850	2,545,730
Total cash and cash equivalents	2,249,850	2,545,730

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

23. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	2,545,730	(295,880)	2,249,850
	2,545,730	(295,880)	2,249,850

24. Pension commitments

The Group operates a defined benefit pension scheme.

On 1 October 2014 the charitable company became a scheduled member into the Local Government Superannuation Scheme. At that date the liability relating to employees transferred under TUPE became the liability of the charitable company.

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability on the pension scheme remains a liability for the Trust but the Council is guarantor for any liability for the Local Government Pension Scheme in the name of the Trust.

This is a funded defined benefit scheme. This is a closed scheme for new employees unless the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply. The contribution rates are those recommended by the fund's actuary, Hymans Robertson, and were set on the basis of:

- the relationship between the assessed value of assets and the accrued value of liabilities of pensionable service to 31 March 2019.
- the level of contribution needed to meet the cost of the year by year accrued benefits in future.
- the change in terms of contracting out of SERPS.

The actuarial valuation was based on economic and statistical assumptions, the main ones being:

- the rate of accumulation of income and capital on new investments over the long term and the increase from time to time of income from existing investments.
- future rises in pensionable pay due to inflation etc. and pension increases.
- withdrawals from membership due to mortality, ill health and ordinary retirement.
- progression of pensionable pay due to promotion.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was as at 31 March 2019 with the next formal valuation due currently.

The market value figures below are based on assumptions required by FRS 102 standards. The assumptions that have the most significant effect on the results of the FRS102 valuation are detailed below. Mortality follows the standard tables known as PFA92 and PMA92 with improvements in line with the Medium Cohort. The life expectancy used is based upon mortality assumptions. Assuming retirement at age 65, the life expectancies in years used in the valuation are as follows:

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2023	<i>At 31 March 2022</i>
	%	%
Discount rate	4.75	2.75
Future salary increases	3.45	3.45
Future pension increases	2.95	3.15

	At 31 March 2023	<i>At 31 March 2022</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	20.7	21.7
- at 65 for a male aged 45 now	22.1	22.6
- for a female aged 65 now	24.3	24.1
- at 65 for a female aged 45 now	25.5	25.8

The Group's share of the assets in the scheme was:

	At 31 March 2023	<i>At 31 March 2022</i>
	£	£
Equities	3,866,000	4,429,000
Corporate bonds	1,230,000	1,185,000
Property	703,000	562,000
Cash and other liquid assets	59,000	62,000
Total fair value of assets	5,858,000	6,238,000

The actual return on scheme assets was £-105,444 (2022 - £436,660).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023	<i>2022</i>
	£	£
Current service cost	167,000	206,000
Interest income	(172,000)	(119,000)
Interest cost	221,000	176,000
Total amount recognised in the Consolidated Statement of Financial Activities	216,000	263,000

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Opening defined benefit obligation	7,974,000	<i>8,505,000</i>
Interest cost	221,000	<i>176,000</i>
Contributions by scheme participants	24,000	<i>25,000</i>
Actuarial gains	(2,453,000)	<i>(879,000)</i>
Benefits paid	(75,000)	<i>(59,000)</i>
Current service cost	167,000	<i>206,000</i>
Closing defined benefit obligation	<u>5,858,000</u>	<i><u>7,974,000</u></i>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Opening fair value of scheme assets	6,238,000	<i>5,772,000</i>
Expected return on assets	172,000	<i>119,000</i>
Actuarial (losses)/gains	(589,000)	<i>286,000</i>
Contributions by employer	88,000	<i>95,000</i>
Contributions by scheme participants	24,000	<i>25,000</i>
Benefits paid	(75,000)	<i>(59,000)</i>
Closing fair value of scheme asset	<u>5,858,000</u>	<i><u>6,238,000</u></i>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. Net pension asset/liability

	2023	2022
	£	£
Present value of liabilities	(4,594,000)	<i>(7,974,000)</i>
Fair value of plan assets	5,858,000	<i>6,238,000</i>
Surplus restriction	(1,264,000)	-
Closing net asset/liability	-	<i>(1,736,000)</i>

The actuarial valuation for the year ended 31 March 2023 showed a scheme surplus of £1,264,000. In determining whether a surplus on the scheme is recognisable on the balance sheet, the Trustees reviewed the requirements of Para 28, FRS 102 which states that the Charity "shall only recognise a plan surplus as a defined benefit asset only to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan."

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability which has historically been recognised, remains a liability for the Trust, but the Council acts as guarantor for any liability arising for The Cheltenham Trust in being the sponsor employer for the Local Government Pension Scheme. Further, the contributions made by the Charitable Company into the scheme are included in the agreed annual recharge mechanism between the Trust and the Borough Council. In reviewing the guidance available in FRS 102, the Trustees bore in mind the above circumstances and determined that in substance, the Trust would have no entitlement to any pension asset in the future and therefore it should not be accounted for in the year ended 31 March 2023.

Accordingly, the pension asset has been restricted and a £nil balance has been presented on the balance sheet of the Trust.

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

27. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor B Clark, Councillor S Harvey and Councillor A Lewis are elected members of Cheltenham Council and are the CBC nominated Trustees. Trustee Councillor A Lewis resigned 18 July 22. D Smith, Trustee, is Alderman of Cheltenham. Trustee D Smith resigned 30 September 22.

During the period the Trust received income amounting to £1,104,073 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, venue hires and project funding (2022: £1,365,594). At the period end there was £9,859 outstanding (2022: £25,030).

The Trust receives administrative and other support services from various related bodies including Publica (an employment company jointly owned by Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council) that delivers finance, HR, and ICT services. These bodies associated with CBC provide services under service level agreements with expenditure during the year as follows:

	2023 £	2022 £
Cheltenham Borough Council	510,390	411,416
Cotswold District Council	77,530	126,278
	<u>587,920</u>	<u>537,694</u>

Of these amounts £77,530 (2022: £61,352) was owing to Cotswold District Council at the year end and £119,770 (2022: £114,795) was owing to Cheltenham Borough Council.

During the year, the Trust made sales of £500 for venue hires (2022: £750) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council. £nil was outstanding at year end (2022: £nil). The Trust received goods and services from Cheltenham Borough Homes Ltd of £nil (2022: nil).

Ms J Meekings-Davis was appointed as a Trustee in October 2017 and resigned 30 September 2022. She is a Trustee of the Friends of The Wilson Art Gallery & Museum.

During the year the charity received £30,000 from the Friends (2022: £nil) and held a balance of £28,005 at 31 March 2023 (2022: £6,000). Expenditure in relation to Friends of the Wilson amounted to £nil (2022: £nil) for the year ended 31 March 2023.

See note 13 in respect of The Cheltenham Trust's subsidiary undertaking, Cheltenham Leisure and Culture Ltd (CLC Ltd). Advantage is taken of the FRS102 exemption from disclosure of certain intergroup transactions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

28. Post balance sheet events

Subsequent to the year end, The Cheltenham Trust agreed a 5 year extension to its existing Management Agreement with the Cheltenham Borough Council which allows for the Trust to continue to deliver its Charitable objectives and to independently operate buildings owned by Cheltenham Borough Council for the agreed term.

On October 25th 2023, the ballroom of Pitville Pump Rooms was closed following routine maintenance checks which identified the need for urgent remedial works at the site. The closure is not expected to have a material impact on the trading operations of the Trust and Management are working with customers to transfer event bookings to alternative venues in the Town. It is not currently known when the site will re-open. The costs of performing the remedial works are attributable to the Cheltenham Borough Council.

Phase I of a refurbishment project at The Wilson Art Galley and Museum was completed in July 2022. Subsequent to the end of the reporting period, The Cheltenham Trust committed to a significant capital contract for Phase II of the Wilson refurbishment project. The outstanding capital commitment at the date of approval of these financial statements is c.£350k. This project will be funded by grants received from DCMS and Friends of the Wilson.

THE CHELTENHAM TRUST

England & Wales - Charity number 1158606

Accounts

THE CHELTENHAM TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Louis Eperjesi, Chair
Duncan Smith (resigned 30 September 2022)
Benjamin Averis (appointed 2 July 2021)
Cllr Barbara Clark (appointed 28 July 2021)
Cllr Steve Harvey (appointed 19 July 2022)
Cllr Karl Hobley (end of term 5 May 2021)
Judith Hodsdon (end of term 30 April 2021)
Julie Jordan (appointed 1 October 2022)
Cllr Alisha Lewis (appointed 28 July 2021, resigned 18 July 2022)
Jacqueline Meekings-Davis (resigned 30 September 2022)
Sian Morgan
Elizabeth Narey
Sunita Nelson
Gary Hasley-Nejrup (appointed 1 October 2022)
Jeremy Owen (resigned 30 September 2022)
Kate Peden
Clive Rawlings
Gemma Taylor (appointed 2 July 2021)
Daniel Wilson (appointed 25 May 2022)
Jeanette Young (resigned 9 November 2021)

Company registered number

09021431

Charity registered number

1158606

Registered office

Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer & Senior management team

Laurie Bell, Chief Executive Officer
Tracey Larsson, Head of Finance
Sara Oliver, Head of Communications
Lisa Edgar, Head of Culture

THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Independent auditors

Randall & Payne LLP
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Bankers

Lloyds Bank PLC
130 High street
Cheltenham
Gloucestershire
GL50 1EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Financial and Human Resources Advisors

Publica Group Limited
Trinity Road
Cirencester
Gloucestershire
GL7 1PX

THE CHELTENHAM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Chair's Report

I am pleased to present this annual report and account for The Cheltenham Trust for the period April 2021 to end March 2022.

The report reflects another challenging year that saw the trust continue to manage the impact of the pandemic. It was a year that saw the venues partially reopen, in line with the government's guidance and, as a consequence, it was another year of substantially reduced events and activities for the community and visitors to the town.

The Trust is an independent charity and the lead provider of culture, entertainment, sport and leisure in Cheltenham. Through the five iconic and contemporary venues and two orangery cafes that it manages; Pittville Pump Room and the Heritage Cafe, The Wilson Art Gallery and Museum, Cheltenham Town Hall and the Garden Bar, Leisure at Cheltenham and the Prince of Wales Stadium, the Trust actively contributes to the local and visitor economy and to the provision of social activities that promote and improve health and wellbeing.

As the guardian of much of the town's heritage The Cheltenham Trust has a major role in sustaining these important, historic venues. As an ambitious, forward looking organisation our evidenced business model is one that blends culture, community and commercial to help achieve financial sustainability and investment in the heritage buildings, as well as a year round programme of inclusive and accessible free events and activities for visitors and the local community.

The Trust approved a new five-year business plan in December 2021 that reflected its revised business model as a consequence of the pandemic that forced reprioritisation and change. The new plan incorporates café culture and its value in helping the Trust to become self-sufficient and financially sustainable by 2027. It sets out planned growth over the five year period focused on maximising the potential of its venues as major visitor destinations.

Pre-covid the organisation relied predominantly on its income from pre-paid tickets, hires and memberships. In response to the pandemic the trust was forced to take an agile approach repurposing by opening two new outdoor cafes that have organically grown to generate one third of the annual income. The cafes have proven to be vital to the future sustainability of the historic venues and in delivering extensive social and economic benefit attracting around two million visitors in the 12 months. Both cafes have transformed from pop up models to large orangeries, erected late summer and autumn of 2021, creating popular community and visitor hubs that support the local and visitor economy.

The Trust set out 2021/22 as a Recovery year recognising the ongoing impact of the pandemic and the phased reopening of its venues. It continued to focus on its outdoor spaces and a year round programme of free and inclusive community events including music in the park and gardens, Christmas Lights switch on at the pump room, film screening in the gardens, children's fun days, and the launch of a new and immersive Heritage Trail at the pump room that showcases and narrates its history and heritage through visual and audio. The trust led events have grown to attract thousands helping to establish the venues and outdoor park and garden spaces as major visitor attractions and community destinations in the town.

Further government funding was secured from the final tranche of national covid grant schemes to aide recovery. The funding delivered improvements across the venues to enhance the customer experience and to help generate income as the venues reopened in September 2021 including a new sports bar at the Prince of Wales stadium, a new art deco bar at the pump room and investment in the two orangery cafes. In addition, the substantial funding secured for the refurbishment of The Wilson Art Gallery and Museum created a new community art gallery, a vibrant community arts café, new artist studios and the redisplay of the main galleries. The refurbishment incorporates café culture blended with art and heritage, creating a vibrant contemporary visitor destination for all ages.

THE CHELTENHAM TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

The Trust was recognised as Best Business in the face of Adversity in October 2021 based on its growth and contribution to Cheltenham in the most challenging of times. Its programme of events and customer focus has resulted in its social reach now extended to 1.4 million.

The Trust will continue to grow and improve and it is transforming its business systems to ensure it is fit for purpose to deliver its new 5 year plan. To enable an agile approach to resourcing and delivery it has brought the HR function in house and has recruited new senior roles including Head of HR and Head of Culture.

The Trust is focused on developing its diverse programme of events and activities to further strengthen its position as Cheltenham's leading cultural and leisure provider. Working with partners it seeks to continue to boost the local and visitor economy and enable everyone in the local community to have the opportunity to participate in the programme.

While the year was once again a year of challenges, the Trust continued to adapt and maximise opportunities. The Trust has adopted an agile and entrepreneurial approach that has proven to be effective in generating and securing income and in delivering a year end profit of £193,000 within its trading subsidiary Cheltenham Leisure and Culture Ltd. I fully recognise that with the current economic instability this approach will need to continue to combat the inevitability of further challenges ahead.

I would like to extend my thanks to all the staff, the trustees, our stakeholders and partners, and our customers for their ongoing support.

We look forward to better times ahead.



Signed: Louis Eperjesi

Chair of the Board of Trustees

Date 02/12/2022

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates The Wilson Art Gallery and Museum, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

Cheltenham Leisure and Culture Ltd is a trading subsidiary of The Cheltenham Trust.

The Trust's charitable objectives are set out below. Any financial surplus achieved by the Trust is re-invested in the charitable aims and objectives.

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:

- for the advancement and support of education, culture, arts and heritage including the provision of libraries, museums, galleries, learning and information centres, archives, activities, events, programmes and other related services.
- for the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large with special facilities being provided for various needs and demographics.
- for the promotion of good health and wellbeing through community and public participation in healthy recreation and activities.
- other such charitable purposes that are beneficial to the public and consistent with the objects as the Director Trustees shall determine.

Vision

As an independent charitable trust our vision is to enrich the lives of the residents of Cheltenham and visitors to the town through a vibrant cultural economy and helping to create a distinctive sense of place.

As a registered not for profit charity, the Trust manages Cheltenham's most iconic venues – the contemporary Wilson Art Gallery and Museum; the Grade I listed Pittville Pump Room; the Grade II listed Town Hall and Skillicorne Gardens, and the popular Leisure At Cheltenham and the Prince of Wales Stadium.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

(continued)

The Trust supports the economy, community, cultural and social offer in Cheltenham providing culture and heritage, entertainment, sport and leisure. Through its outreach work it delivers projects that benefit the community and enables all ages to access culture, heritage, leisure and sport.

The main activities at each of the Trust's five sites are:

The Wilson Art Gallery & Museum

The Wilson hosts a rich programme of exhibitions and events that is supported by a new vibrant arts café. The Wilson is available to hire as an alternative, contemporary venue. Its outdoor roof terrace is a unique setting for hosting events. The venue provides space for corporate meetings, launches, parties, dinners, dances and celebrations, as well as community events, activities, workshops and talks.

The Wilson re-opened to the public in July 2022 following major refurbishment creating a community arts and exhibition gallery, artist studios and a vibrant arts café. .

Pittville Pump Room

The magnificent Grade I Pittville Pump Room is the jewel of Cheltenham's regency architecture. Its location in the beautiful Pittville Park has made this award winning, landmark building one of Gloucestershire's most impressive venues for weddings, dinners, exhibitions, dances, corporate events and conferencing and community activities, as well as the extremely successful outdoor Heritage Café. A new Heritage Trail launched in September 2021 showcases the history and Regency splendour.

Cheltenham Town Hall

The elegant Edwardian Grade II listed Town Hall is a popular venue for community and further afield. It has a year round programme of entertainment, attracting more than 90,000 visitors each year to live comedy and celebrity speakers, music, concerts, dance and theatre. It is also available for hire for a wide range of events and activities, meetings and weddings. The Garden Bar Orangery and Skillicorne Garden, adjacent to the Town Hall, offer a cafe bar and a secret walled garden for a perfect private al fresco event.

Leisure At Cheltenham and The Prince of Wales Stadium

Leisure At Cheltenham attracts more than 2,000 visitors each day and provides state of the art leisure facilities with four pools; a fitness suite and more than 75 fitness classes. The Prince of Wales Stadium regularly hosts sports and track meetings, enhanced by the re-furbished sports bar with hire facilities for events, parties and corporate conferencing.

Management Agreement

The Trust operates independently, occupying buildings owned by Cheltenham Borough Council. A Management Agreement has been established between Cheltenham Borough Council and The Cheltenham Trust to deliver key outcomes that are consistent with the Borough Council's social objectives and the Trust's creation of social value..

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

(continued)

b. Activities during the year

Pittville Pump Room and Cheltenham Town Hall

- The pop-up Heritage Café operation expanded with the addition of mobile kiosks operating from under the portico, launching in summer 2021. The temporary orangery structure was installed and opened in October 2021.
- The Wilson on Tour summer and autumn series were created hosting cultural events at the pump room such as a plaster workshop, tiara event and children's creative crafters, Baby Babble and Tots and Tales enabling the community to access cultural events while The Wilson was closed which would transfer to the gallery when re-open.
- The series of Trust led events was further extended including Burn's Night, Valentine's Day and Mother's Day. The music in the park programme hosted free live music and entertainment throughout the summer and autumn. Children's Halloween events such as spooky storytelling sold out.
- The pump room's new free visitor experience, The Story of Pittville Pump Room, an immersive self-guided and audio tour opened in September 2021, attracted c500 over its first two days.
- The Trust's Christmas celebrations for the community was built on from the 2020 programme. As restrictions lifted events were hosted both inside the pump room and outside including choirs and carol singers at the Heritage Café, Christmas trees and lights, a visit by Father Christmas and his sleigh to turn on the lights, and the first Christmas artisan market inside the main hall showcasing local makers, creatives and producers.
- Following the success of the festive markets, a regular monthly Sunday artisan market was launched from February 2022 and has continued to build in popularity attracting c600 each month.
- As restrictions lifted, hires and events continued inside the venue, with strong demand for dates, particularly for re-scheduled private hires such as weddings.
- The pump room hosted a full programme for Cheltenham Race Week including live music and entertainment and themed food and drink.

Cheltenham Town Hall

- As restrictions lifted, co-productions, hires and events resumed at the town hall with audiences holding tickets returning. Classical audiences were slower to return but the venue saw new audiences particularly for comedy.
- The programme of free live music for the community was built on at the Garden Bar and Skillicorne Garden as a key part of the Cheltenham entertainment calendar.
- Events and free live music were programmed at The Garden Bar to support the big screen in Imperial Garden in July and August as part of the government's Welcome Back initiative, working collaboratively with Cheltenham Borough Council and Marketing Cheltenham.
- The temporary orangery structure was installed and opened August 2021.
- A Christmas programme included Santa's Grotto in Skillicorne Garden from mid-November to Christmas, themed music and entertainment, food and drinks in the Garden Bar including choirs to complement the adjacent ice rink.

Leisure At Cheltenham and The Prince of Wales Stadium

- When government restrictions allowed, the centre re-opened in line with government restrictions, operating with pre-booked sessions and reduced capacities, revised layout and operations.
- With indoor exercise not allowed by government restrictions, the Trust installed and opened the fitness marquee and outdoor Fitstop café marquee behind the centre in April 2021. The facility enabled members and the community to continue to exercise in a safe, outdoor environment in line with government restrictions. This included children's soft play sessions and activities.
- The programme of virtual classes and activities continued enabling people to stay fit at home for those who did not wish to exercise outdoors.
- Improvements were carried out with funding from Sport England including upgrading the health and wellness centre; creating a birthday party room; opening the Fitstop café first in the link corridor downstairs and then moving into the upstairs atrium in July 2021.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

(continued)

- A bespoke soft play zone was built in the downstairs atrium improving the centre's family offer, opening in October 2021. Inflatable soft play sessions were introduced in February 2022.
- The refurbished Prince of Wales stadium opened in December 2021 and hosted a programme of sport themed events including key rugby, football and boxing matches. The venue hosted Cheltenham Race Week activities with breakfasts, parking and post-race F&B.

The Wilson Art Gallery and Museum

- A programme of activities to keep the community engaged at a time of increased social isolation continued both online, and in person when restrictions allowed, including Artists in Their Residence online residencies, and The Wilson on Tour summer and autumn series hosted at Pittville Pump Room.
- The schools' outreach educational support programme continued making educational assets available to schools.
- Events were developed across other Trust sites to keep the community engaged while the art gallery and museum was closed such as the photographic walks around Cheltenham anchored from the Garden Bar.
- An exhibition programme and community exhibition programme was developed during this period ahead of the refurbishment work in readiness for re-opening.

Partnership working

- The Trust continues to work closely in partnership with a number of organisations including Cheltenham Borough Council; Marketing Cheltenham; Friends of The Wilson; Wilson Arts Collective; Cheltenham Festivals; Arts Council England; Sport England; Heritage Lottery Fund; Cheltenham BID; Cheltenham International Film Festival to help improve the cultural and community offer in Cheltenham.
- The Trust as a lead representative on the Cheltenham Culture Board was integral to the drafting of a new Culture Strategy (still in its formulation) for the town, particularly focused on economic recovery and encouraging footfall and visitors to return following the pandemic
- Working with Cheltenham Borough Council and Marketing Cheltenham, the Trust ran a programme of complementary music and entertainment, food and drink at the Garden Bar Orangery and Skillicorne Garden, to support the Welcome Back big screen initiative in Imperial Gardens.

c. Activities for achieving objectives

The covid pandemic profoundly changed the environment in which the Trust operated. 2021/22 was defined as a year of recovery and rebuilding our venue activities in order to protect the future sustainability of the Trust; continuing to strengthen our established partnerships and increase our community profile. Our vision remains consistent - for The Cheltenham Trust, and its venues, to be the go to destination for culture, heritage, and sport and wellbeing attracting growing footfall from residents and visitors.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

(continued)

d. Main activities undertaken to further the charity's purposes for the public benefit

Throughout the pandemic the Trust has supported the community at a time of social isolation from lockdowns and restrictions on the ability to meet and socialise and the impact on mental, and general, health and wellbeing.

- A multi-layered programme of free community events and activities across venues, and online, was provided including summer and autumn live music and events; Christmas programme; themed events, anchored by the cafes. This programme provided inclusive, free entertainment to the community combatting social isolation and the opportunity to meet in safe environments at a time of continued limitations due to the pandemic.

The Trust recognises that the blend of commercial and cultural activity is critical in supporting future sustainability of the venues and services provided. The venues all have hireable spaces to host a diverse range of events and activities. These spaces and opportunities are marketed across the partnership base and business and community networks that the Trust supports.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

(continued)

Achievements and performance

a. Key financial performance indicators

During the reporting period the Trust continued to operate within the volatility and business disruption of the ongoing covid pandemic. A 2021/22 recovery budget was set for the Trust with the strengthening of cash flow and recovery of our venues pre-covid operating income activities paramount to achievement of this plan.

The Trust continued to seek funding from local and national grant schemes to secure funds to support operational income recovery, including the Job Retention Scheme and Retail, Hospitality and Leisure grants.

External funding bids were secured during 2021/22, including:

- Arts Council England Cultural Recovery Fund; financial support for cultural organisations at imminent risk of failure due to covid pandemic
- Cheltenham Borough Council grant funding; supporting remobilisation of Trust activities severely impacted by covid pandemic, The Wilson refurbishment project and accreditation support.
- Joint funding from the National Lottery Community Fund and European Social Fund for the Go The Extra Mile (GEM) Navigator Developer project
- Sport England National Leisure Recovery Fund; supporting leisure facilities throughout covid pandemic

During 2021/22 the Trust had total incoming resources of £8,143k of which £432k was restricted grant funds.

Net operating surplus or the year was £980k on unrestricted funds (excluding FRS102 pension costs). As a not-for-profit-charity the Trust reinvests all surpluses within the business.

Cheltenham Leisure and Culture Ltd

The Trust's wholly owned trading subsidiary, Cheltenham Leisure and Culture Ltd, generated turnover of £2,125k and made a profit of £193k for the year. These profits are being gift-aided to the charity.

The principal activities of the trading company during 2021/22 were predominantly café and bar operations; venue hires for events and weddings and sales of retail items.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

b. Investment policy and performance

The Trustees have the power to invest the monies of organisation in such investments as they see fit. In order to support the growth and investment strategy of the Trust and maintain a positive cash flow at all times, surpluses are invested in interest bearing deposit accounts where appropriate.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

Financial review

a. Going concern and events since the Balance Sheet date

The covid pandemic continued to impact the 2021/22 financial year, in terms of ongoing disruption to our traditional business model and activities. The Trust's focus was on recovery and rebuilding of pre-covid venue activities and progressively increase usage of indoor spaces. It also continued to build on the success of new café and outdoor event activities introduced in the height of the pandemic in 2020/21.

The Trust continued to repurpose, learn and adapt in the most challenging of times and has forecast its 'recovery plus' budget plan for 2022/23.

Throughout the pandemic the Trust maintained robust controls and cash flow forecasts to minimise its costs and protect cash balances.

The Trust pursued all available government support and funding opportunities throughout the pandemic, including Business Support Grants, the Job Retention Scheme (furlough), Arts Council England Recovery Fund and Sport England National Leisure Recovery Fund. The Trust has worked closely with its key partner Cheltenham Borough Council throughout the pandemic and this relationship continues to provide vital support with our recovery.

A revised five-year business plan has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis.

b. Reserves policy

The Trustees' focus on building sufficient reserves to ensure that the Trust is able to deliver its charitable objectives and is resilient and sustainable in the long term. The policy is to utilise any surpluses to build income generating capacity.

The Trust aims to accumulate unrestricted reserves to a target of £975k, equivalent to eight weeks' operating income. The Trust holds unrestricted reserves (excluding the pension deficit) of £1,054k as at 31 March 2022.

The use of reserves is monitored by the Trust's Finance Committee.

The pension reserve deficit of £1,736k is explained in note 25, along with Cheltenham Borough Council's role as guarantor for any LGPS liability in the name of the Trust.

c. Principal funding

Cheltenham Borough Council is our key partner and principal funder of the Trust. During the reporting period, through a Management Fee representing 9% of total income.

Structure, governance and management

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

a. Constitution

The company and the Group is registered as a charitable company limited by guarantee and was set up by a Trust deed on 18 May 2014.

The company and the Group is constituted under a Trust deed dated 18 May 2014 and is a registered charity number 1158606.

b. Methods of appointment or election of Trustees

The Board shall be composed of at least seven and not more than fifteen Trustees, including two Council appointed Trustees nominated by Cheltenham Borough Council. The Trustees are appointed on a three year term, with an option to extend for a further three years. The Board meets on a minimum of five occasions during the year.

The process to select new Trustees is based on the skills and competencies required by the Board at the time the vacancy arises.

c. Policies adopted for the induction and training of Trustees

On joining the organisation, Trustees are given an induction and introduced to the organisation's culture.

Trustees have significant experience from various professions and use their skills to inform their responsibilities to ensure the good governance of the charity. The Board membership includes a balance of backgrounds and capabilities relevant to the overall strategic requirements of the Trust, and there is a recognised commitment by the Board to maintain this balance. The Board of Trustees participate in board development opportunities, and the overall board is subject to an annual skills audit that is aligned to the strategic direction of the Trust.

d. Directors indemnities

The Trust holds indemnity insurance with Zurich insurance for the directors with liability cover of £1 million (2021: £1 million). The annual premium for this is £915 (2021: £915).

e. Organisation

The business of the charitable company is delegated to and managed on a day to day basis by the Chief Executive, who is supported by an Executive Management Team of senior managers.

The Board of Trustees has established a Finance Committee, a Governance Committee and Culture and Communities Committee so that specific issues delegated can be studied in detail and recommendations made back to the Board. A Capital Development Committee is also in place to ensure that assets are developed appropriately, and a Trading Company has been established, Cheltenham Leisure and Culture Ltd.

The Chief Executive and the Executive Team advise the Board on strategy development and support for the Board's governance activities and have responsibility for operating the services of the charity on a day to day basis. The Board undertakes its role using the Code of Conduct for Good Governance and agrees the overall strategic direction of the Trust

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

f. Related party relationships

None of our Trustees receive remuneration from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

In the current year no such related party transactions were reported.

Two Trustees are nominated representatives of Cheltenham Borough Council. Transactions between the Trust and CBC, along with other related party disclosures are recorded in note 27.

The charity's wholly owned subsidiary, Cheltenham Leisure and Culture Ltd was established to operate commercial activities including retail activities, cafes and catering, venue hires and wedding packages

g. Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis.

The pay of the Chief Executive is reviewed annually by the Board of Trustees. The pay of the key management personnel is periodically reviewed and benchmarked against pay levels in similar professions when recruiting to these roles.

h. Trust staff

During 2021/22 the Trust employed an average of 157 staff.

The Trustees and Executive Management Team support the involvement and engagement of staff in the day to day running, policy making and general management of the charity. Members of staff are kept informed on matters affecting them as employees and on various factors affecting the performance of the Trust.

The policy of the Trust is to offer the same opportunities to a diverse range of people in respect of recruitment and career progression. Where employees of the Trust become disabled, the employee will wherever possible be retained, rehabilitated and retrained.

THE CHELTENHAM TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Structure, governance and management (continued)





i. Risk management

The Trustees have adopted a risk management policy from which they have identified potential risks and the likelihood of their occurrence. In addition, they have identified measures to be put in place to mitigate the risks and further action that might be necessary to limit that risk.

The Board receives quarterly risk information at board meetings and sufficient commitments are made to cover known liabilities. The Board and its committees receive regular financial information and manage financial risk accordingly.

The Governance Committee produced a 2021/22 annual report for the Board, reviewing the systems control environment during the period and concluded a 'partial assurance' overall assessment (referencing KPMG assurance level classification guidelines).

The key strategic risks facing the Trust are represented as follows:

<u>Change in risk from previous period</u>	<u>Risk Identified</u>	<u>Management Action</u>	<u>Managing Future Uncertainty</u>
	1 Economic recession, cost of living crisis, rising inflation and increasing supply costs.	2022/23 'recovery plus' budget plan and revised five year plan developed to demonstrate longer term sustainability. Monthly performance monitoring against budget plan, with mitigating actions identified to manage budget pressures and risks.	Continue to respond with agility to ongoing developments and maximise new business opportunities.
	2. Staff resource capacity and skills to deliver the five year plan. Challenges of industry skills shortages.	Ensure leadership model is aligned to five year plan. Development of people strategy to address industry recruitment challenges.	Seek optimal model for charitable and trading opportunities.
	3. Business systems - infrastructure transformation necessary to ensure the Trust's systems and corporate functions are robust, efficient and fit for purpose.	Audit of all business systems undertaken to identify key weaknesses and develop implementation roadmap including remedial actions and timelines.	Prioritisation of critical immediate remedial actions to address highest risk areas, within overall project mapping of the longer term plan.
	4. Growth in cyber-crime.	Maintain robust ICT security measures to mitigate increasing risks.	Continue to respond with agility to identified risks with remedial actions.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Plans for future periods

Future developments

Having responded, and adapted to the challenging environment of the covid pandemic, the Trust, as a charitable organisation, has had to respond to new challenge of the cost of living crisis. This has impacted on the cost of supplies and services, and customer confidence and spending, placing cash flow and income under further pressure.

Having re-purposed its business model and developed new and innovative ways to generate income during the pandemic, the trust has done so again responding swiftly to the new challenges of the economic crisis by reviewing its procurement and resources and delivering additional free and inclusive events and activities.

It continues to seek opportunities to access local and national grant schemes to secure funds to minimise the impact of a reduction in income. Customers and visitors are encouraged online, in the venues and cafes, and at events, exhibitions and activities to make a donation by rounding up at the till, or donating on site or online, or paying what they consider an events or activity were worth when offered for free. All donations help the Trust to continue the extensive, inclusive cultural programme for all the community to enjoy.

The priority continues to be to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme. The learning and opportunities maximised throughout the pandemic and this first year of recovery are being built on to ensure that the venues indoor and outdoor space are fully utilised for the community, and effectively blend culture and commercial to ensure that the venues and the offer continue to grow and are destinations of choice in Cheltenham. The Trust is working to secure permanent outdoor cafes at the Garden Bar and the pump room as these cafes that grew organically during the pandemic deliver a third of the Trust's annual income and are the anchor for the community events such as the Queen's jubilee celebrations and beacon lighting, the Commonwealth Games Baton Relay stopover and the Trust led festivals.

The reopening of The Wilson Art Gallery and Museum has seen a new, vibrant and contemporary refurbishment that is attracting new and diverse audiences. The combination of national and local exhibitions and on site artists in residence is drawing increased footfall. The new arts café immerses visitors in art and the history of Cheltenham and generates income to support access to The Wilson and its exhibitions for free.

Cheltenham Borough Council (CBC) as lead partner and sponsor (both the management agreement fee and capital investment funding) supports the Trust's new five-year business plan that sets out the opportunities to achieve growth and to meet the vision and goals for the Trust and the council. The opportunities include delivering improvement in all the venues to increase the number of visitors and their experience, attract new audiences and improve the cultural and leisure offer ensuring that everyone can access these services and facilities.

We will continue to grow and further strengthen our position and reputation as Cheltenham's leading cultural and leisure provider and a major contributor in boosting the local and visitor economy and helping to improve the health and wellbeing of the local community.

Information on fundraising practices

Fundraising activities are carried out directly by the Trust, by the Trust's employees.

Fundraising activities involve identifying external grants and funding opportunities available to support our charitable, cultural and community activities, and inviting donations by those using and enjoying our facilities within the local community, in order that we can continue to invest in and develop in our facilities and programmes.

Access to our services

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods (continued)

The Trust remains committed to equal access to our services for everyone. The Trust strives to be an open employer; welcoming staff and volunteers from all backgrounds. The Trust aims to reflect the diversity of the population in both our user group and our staffing and Trustee mix.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

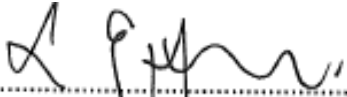
Auditors

A resolution to appoint Randall & Payne LLP as auditor of the company was approved at a meeting of Trustees on 21st June 2019 and is renewed annually.

Approved by order of the members of the board of Trustees and signed on their behalf by:

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022



.....
Louis Eperjesi
Chair

Date: 02/12/2022

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Charity's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Charity's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006, Charities Act 2011, relevant UK tax legislation and we enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records.

Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)



Ryan Moore CA (Senior statutory auditor)

For and on behalf of

Randall & Payne LLP

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

Date: **10 December 2022**

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	-	9,484	9,484	29,688
Charitable activities	4	432,358	5,576,655	6,009,013	3,681,987
Other trading activities	5	-	2,124,902	2,124,902	834,311
Investments	6	-	-	-	27
Total income		432,358	7,711,041	8,143,399	4,546,013
Expenditure on:					
Raising funds		-	1,932,306	1,932,306	555,448
Charitable activities	7	417,418	4,966,851	5,384,269	3,692,490
Total expenditure		417,418	6,899,157	7,316,575	4,247,938
Net movement in funds before other recognised gains/(losses)		14,940	811,884	826,824	298,075
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	25	-	1,165,000	1,165,000	(1,497,000)
Net movement in funds		14,940	1,976,884	1,991,824	(1,198,925)
Reconciliation of funds:					
Total funds brought forward		287,891	(2,658,203)	(2,370,312)	(1,171,387)
Net movement in funds		14,940	1,976,884	1,991,824	(1,198,925)
Total funds carried forward		302,831	(681,319)	(378,488)	(2,370,312)

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 53 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	114,747	77,373
		<u>114,747</u>	<u>77,373</u>
Current assets			
Stocks	14	78,207	52,297
Debtors	15	255,928	286,327
Cash at bank and in hand		2,545,730	1,804,450
		<u>2,879,865</u>	<u>2,143,074</u>
Creditors: amounts falling due within one year	16	(1,637,100)	(1,856,730)
Net current assets		<u>1,242,765</u>	<u>286,344</u>
Total assets less current liabilities		<u>1,357,512</u>	<u>363,717</u>
Creditors: amounts falling due after more than one year	17	-	(1,029)
Net assets excluding pension liability		<u>1,357,512</u>	<u>362,688</u>
Defined benefit pension scheme liability	25	(1,736,000)	(2,733,000)
Total net assets		<u><u>(378,488)</u></u>	<u><u>(2,370,312)</u></u>
Charity funds			
Restricted funds	19	302,831	287,891
Unrestricted funds			
General funds	19	1,054,681	74,797
Unrestricted funds excluding pension asset	19	1,054,681	74,797
Pension reserve	19	(1,736,000)	(2,733,000)
Total unrestricted funds	19	<u>(681,319)</u>	<u>(2,658,203)</u>
Total funds		<u><u>(378,488)</u></u>	<u><u>(2,370,312)</u></u>

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

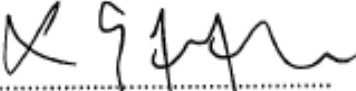
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Louis Eperjesi
(Chair of Trustees)
Date: 02/12/2022

The notes on pages 29 to 53 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	106,886	66,611
Investments	13	1	1
		<u>106,887</u>	<u>66,612</u>
Current assets			
Debtors	15	645,486	439,931
Cash at bank and in hand		1,256,681	1,544,121
		<u>1,902,167</u>	<u>1,984,052</u>
Creditors: amounts falling due within one year	16	(1,520,507)	(2,363,317)
Net current assets / liabilities		381,660	(379,265)
Total assets less current liabilities		488,547	(312,653)
Creditors: amounts falling due after more than one year	17	-	(1,029)
Net assets / liabilities excluding pension liability		488,547	(313,682)
Defined benefit pension scheme liability	25	(1,736,000)	(2,733,000)
Total net assets		(1,247,453)	(3,046,682)

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Charity funds			
Restricted funds:			
Restricted funds	19	302,831	287,891
Restricted funds excluding pension asset	19	302,831	287,891
Total restricted funds	19	302,831	287,891
Unrestricted funds			
General funds	19	185,716	(601,573)
Unrestricted funds excluding pension liability	19	185,716	(601,573)
Pension reserve	19	(1,736,000)	(2,733,000)
Total unrestricted funds	19	(1,550,284)	(3,334,573)
Total funds		(1,247,453)	(3,046,682)

The Charity's net movement in funds for the year was £1,799,228 (2021 - £(1,477,788)).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

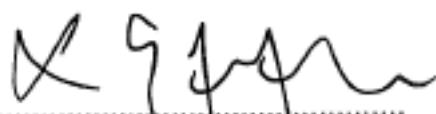
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Louis Eperjesi
 (Chair of Trustees)
 Date: 02/12/2022

The notes on pages 29 to 53 form part of these financial statements.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Net cash generated in operating activities	814,455	767,983
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	-	27
Purchase of tangible fixed assets	(73,176)	(3,145)
	<hr/>	<hr/>
Net cash used in investing activities	(73,176)	(3,118)
	<hr/>	<hr/>
Cash flows from financing activities		
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	741,279	764,865
Cash and cash equivalents at the beginning of the year	1,804,450	1,039,585
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	2,545,729	1,804,450
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 29 to 53 form part of these financial statements

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates 'The Wilson' Art Gallery and Museum, Tourist Information services, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cheltenham 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.

The Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

The financial statements consolidate the accounts of The Cheltenham Trust and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.2 Going concern

The covid pandemic continued to impact the 2021/22 financial year, in terms of ongoing disruption to our traditional business model and activities. The Trust's focus was on recovery and rebuilding of pre-covid venue activities and progressively increase usage of indoor spaces. It also continued to build on the success of new café and outdoor event activities introduced in the height of the pandemic in 2020/21.

The Trust continued to repurpose, learn and adapt in the most challenging of times and has forecast its 'recovery plus' budget plan for 2022/23.

Throughout the pandemic the Trust maintained robust controls and cash flow forecasts to minimise its costs and protect cash balances.

The Trust pursued all available government support and funding opportunities throughout the pandemic, including Business Support Grants, the Job Retention Scheme (furlough), Arts Council England Recovery Fund and Sport England National Leisure Recovery Fund. The Trust has worked closely with its key partner Cheltenham Borough Council throughout the pandemic and this relationship continues to provide vital support with our recovery.

A revised five-year business plan has been developed to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Group operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2017.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	9,484	9,484	29,688
<i>Total 2021</i>	<u>29,688</u>	<u>29,688</u>	

4. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Public engagements	30,557	912,321	942,878	447,594
Commercial and customer services	125,345	1,131,852	1,257,197	426,194
Content and programming	41,352	1,333,041	1,374,393	335,149
Corporate Income	235,104	1,089,652	1,324,756	1,116,251
Coronavirus Job Retention Scheme (CJRS)	-	53,623	53,623	1,055,297
Insurance income receivable	-	77,004	77,004	-
Arts Council Funding	-	979,162	979,162	301,502
	<u>432,358</u>	<u>5,576,655</u>	<u>6,009,013</u>	<u>3,681,987</u>
<i>Total 2021</i>	<u>588,434</u>	<u>3,093,553</u>	<u>3,681,987</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities (continued)

In 2022, £53,623 (2021:£1,055,297) was received by the Trust in respect of claims made under the Coronavirus Job Retention Scheme (CJRS).

In 2022, £77,004 (2021: £nil) was received by the Trust in respect of insurance claims made regarding business interruption and water damage.

Included within Corporate Income is £811,281 (2021: £811,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27.

During the year, the Trust was awarded grants from the Arts Council England under the cultural recovery fund scheme. The scheme provided financial support for cultural organisations that were financially stable before Covid-19, but were at imminent risk of failure. In total, £979,162 (2021: £301,502) was recognised during the year. A judgement has been applied in the recognition of the income within unrestricted funds, on the basis that the funds were substantially spent on the underlying costs of running the Trust's charitable activities.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Sales - operations of Cheltenham Leisure & Culture Limited	2,124,902	2,124,902	834,311
<i>Total 2021</i>	<u>834,311</u>	<u>834,311</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Bank interest receivable	-	-	27
<i>Total 2021</i>	<u>27</u>	<u>27</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
FRS102 Pension adjustment	-	168,000	168,000	27,000
Public engagements	19,142	501,246	520,388	155,919
Commercial and customer services	61,925	1,653,641	1,715,566	1,096,778
Content and programming	35,384	1,113,663	1,149,047	221,518
Corporate	300,967	1,530,301	1,831,268	2,191,275
	<u>417,418</u>	<u>4,966,851</u>	<u>5,384,269</u>	<u>3,692,490</u>
<i>Total 2021</i>	<u>332,956</u>	<u>3,359,534</u>	<u>3,692,490</u>	

Summary by expenditure type

	Staff costs 2022 £	Other costs 2022 £	Total 2022 £	<i>Total 2021 £</i>
FRS102 adjustment	111,000	57,000	168,000	27,000
Public engagements	381,696	138,692	520,388	155,919
Commercial and customer services	896,256	819,310	1,715,566	1,096,778
Content and programming	159,382	989,665	1,149,047	221,518
Corporate	643,678	1,187,590	1,831,268	2,191,275
	<u>2,192,012</u>	<u>3,192,257</u>	<u>5,384,269</u>	<u>3,692,490</u>
<i>Total 2021</i>	<u>2,440,294</u>	<u>1,252,196</u>	<u>3,692,490</u>	

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
FRS102 adjustment	168,000	-	168,000	27,000
Public engagements	520,388	-	520,388	155,919
Commercial and customer services	1,715,566	-	1,715,566	1,096,778
Content and programming	1,149,047	-	1,149,047	221,518
Corporate	541,607	1,289,661	1,831,268	2,191,275
	<u>4,094,608</u>	<u>1,289,661</u>	<u>5,384,269</u>	<u>3,692,490</u>
<i>Total 2021</i>	<u>1,501,215</u>	<u>2,191,275</u>	<u>3,692,490</u>	

9. Auditors' remuneration

	2022 £	<i>2021 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	9,500	8,800
Fees payable to the Charity's auditor in respect of: All non-audit services	4,000	3,750
	<u>4,000</u>	<u>3,750</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Staff costs

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Wages and salaries	1,818,911	2,152,902	1,818,911	2,152,902
Social security costs	176,248	152,803	137,483	144,816
Contribution to defined contribution pension schemes	235,618	142,577	235,618	142,577
	<u>2,230,777</u>	<u>2,448,282</u>	<u>2,192,012</u>	<u>2,440,295</u>

Redundancy payments totalling £9,605 (2021: £48,855) were made to 6 employees (2021:15 employees) during the year ended 31 March 2022. All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	<i>Group 2021 No.</i>
Average monthly headcount	<u>176</u>	<u>182</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £80,001 - £90,000	1	1

The key management personnel of the charity, The Cheltenham Trust, comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel of the Trust was £316,510 (2021: £291,450).

No staff are directly employed by the subsidiary, Cheltenham Leisure and Culture Ltd.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2021	15,843	200,015	215,858
Additions	621	72,555	73,176
At 31 March 2022	<u>16,464</u>	<u>272,570</u>	<u>289,034</u>
Depreciation			
At 1 April 2021	5,082	133,403	138,485
Charge for the year	3,522	32,280	35,802
At 31 March 2022	<u>8,604</u>	<u>165,683</u>	<u>174,287</u>
Net book value			
At 31 March 2022	<u>7,860</u>	<u>106,887</u>	<u>114,747</u>
<i>At 31 March 2021</i>	<u>10,762</u>	<u>66,611</u>	<u>77,373</u>

Charity

	Office equipment £
Cost or valuation	
At 1 April 2021	200,015
Additions	72,555
At 31 March 2022	<u>272,570</u>
Depreciation	
At 1 April 2021	133,403
Charge for the year	32,280
At 31 March 2022	<u>165,683</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Tangible fixed assets (continued)

Charity (continued)

**Office
equipment
£**

Net book value

At 31 March 2022

106,887

At 31 March 2021

66,611

13. Fixed asset investments

**Investments
in
subsidiary
companies
£**

Charity

Cost or valuation

At 1 April 2021

1

At 31 March 2022

1

Net book value

At 31 March 2022

1

At 31 March 2021

1

14. Stocks

**Group
2022
£**

**Group
2021
£**

Finished goods and goods for resale

78,207

52,297

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Due within one year				
Trade debtors	167,746	233,783	53,503	40,864
Other debtors	41,126	27,201	544,926	373,725
Prepayments and accrued income	47,056	25,343	47,057	25,342
	255,928	286,327	645,486	439,931

16. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Trade creditors	190,453	121,773	86,041	108,759
Amounts owed to group undertakings	3,199	1,244	142,646	687,618
Amounts owed to joint ventures	-	-	-	-
Other creditors	418	-	-	-
Accruals and deferred income	1,443,030	1,733,713	1,291,820	1,566,940
	1,637,100	1,856,730	1,520,507	2,363,317

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Opening Deferred Income	1,423,749	880,862	1,256,977	880,862
Resources deferred during the year	994,945	1,423,749	843,734	1,256,977
Amounts released from previous periods	(1,423,749)	(880,862)	(1,256,977)	(880,862)
	994,945	1,423,749	843,734	1,256,977

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2021-22 and for advance memberships at the recreation centre and for venue hires.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Creditors: Amounts falling due after more than one year

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Other creditors	-	1,029	-	1,029

18. Financial instruments

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	2,545,730	<i>1,804,450</i>	1,256,681	<i>1,544,121</i>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds - all funds	74,796	7,711,041	(6,731,157)	-	1,054,680
Share capital	1	-	-	-	1
Pension reserve	(2,733,000)	-	(168,000)	1,165,000	(1,736,000)
	<u>(2,658,203)</u>	<u>7,711,041</u>	<u>(6,899,157)</u>	<u>1,165,000</u>	<u>(681,319)</u>
Restricted funds					
Archaeology	4,849	-	(531)	-	4,318
Memory Café	1,000	-	-	-	1,000
Hidden Trails	5,000	-	(5,000)	-	-
Arts award	2,000	-	-	-	2,000
#FuelThursdays	17,804	-	(17,804)	-	-
GEM - Go the Extra Mile Navigator Developer	-	30,557	(30,557)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	38,952	(38,952)	-	-
Friends of the Wilson Project	6,000	-	-	-	6,000
Charles Irving Trust	245,188	-	(27,545)	-	217,643
Pittville Pump Room Heritage Cafe Project	-	125,345	(61,925)	-	63,420
Summerfield Trust	-	2,400	-	-	2,400
Cheltenham Borough Council/ National Leisure Recovery Fund	-	235,104	(235,104)	-	-
	<u>287,891</u>	<u>432,358</u>	<u>(417,418)</u>	<u>-</u>	<u>302,831</u>
	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Total of funds	<u><u>(2,370,312)</u></u>	<u><u>8,143,399</u></u>	<u><u>(7,316,575)</u></u>	<u><u>1,165,000</u></u>	<u><u>(378,488)</u></u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£	£
Unrestricted funds						
General Funds - all funds	7,199	3,949,325	(3,881,729)	-	-	74,795
Pension reserve	(1,211,000)	-	(25,000)	-	(1,497,000)	(2,733,000)
	<u>(1,203,801)</u>	<u>3,949,325</u>	<u>(3,906,729)</u>	<u>-</u>	<u>(1,497,000)</u>	<u>(2,658,205)</u>
Restricted funds						
Art Fund Kauffman Portrait	-	24,000	(24,000)	-	-	-
Archaeology	5,676	-	(826)	-	-	4,850
Wilson Arts Collective	4,124	-	(3,124)	(1,000)	-	-
Street Games	5,687	-	-	(5,687)	-	-
Community Takeover Exhibition	-	6,000	-	50	-	6,050
#FuelThursdays	3,500	17,700	(2,083)	(1,313)	-	17,804
Roaming Arts Project	-	1,000	(950)	(50)	-	-
GEM - Go the Extra Mile Navigator Developer	-	25,145	(25,145)	-	-	-
Gimson	7,427	-	(7,427)	-	-	-
ACE Community Fund COVID-19	-	28,617	(28,617)	-	-	-
Friends of the Wilson Project	6,000	-	-	-	-	6,000
Memory Cafe	-	-	-	1,000	-	1,000
Hidden Trails	-	-	-	5,000	-	5,000

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£	£
Arts Award	-	-	-	2,000	-	2,000
COVID 19 Re- mobilisation	-	222,980	(222,980)	-	-	-
Charles Irving Trust	-	250,000	(4,812)	-	-	245,188
Cheltenham Borough Council - Accreditation & Social Grants	-	12,992	(12,992)	-	-	-
	<u>32,414</u>	<u>588,434</u>	<u>(332,956)</u>	<u>-</u>	<u>-</u>	<u>287,892</u>
Total of funds	<u><u>(1,171,387)</u></u>	<u><u>4,537,759</u></u>	<u><u>(4,239,685)</u></u>	<u><u>-</u></u>	<u><u>(1,497,000)</u></u>	<u><u>(2,370,313)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. **Statement of funds (continued)**

Details of the Restricted Funds are as follows:

Archaeology - Contributions from local archaeology groups towards shelving and storage for finds.

Wilson Arts Collective - An arts collective group of young people aged 11-25 years who meet and run projects within The Wilson.

Memory Café - A monthly meet for people with dementia to visit The Wilson and engage with objects that may trigger memories. Presently digital due to covid.

Street Games - National Lottery funding supporting delivery of projects in hard to reach communities.
Hidden Trails - A project encouraging community exploration of Cheltenham through guided maps and clues.

Arts Award - Funding to support an arts award programme.

#Fuel Thursdays - National Lottery funding a programme of positive activities such as sport, cooking, music, art and life skills for young people in the community.

GEM – Go The Extra Mile Navigator Developer - Funding for Navigator Developer roles supporting those who are furthest away from employment in to employment.

Roaming Arts Project - Funding to support the 'Art In Your Quarter' project for community artists to create visual art displays exhibited at Cheltenham Trust venues.

Community Takeover Exhibition - Funding from The Community Resilience Fund to support community artists exhibit their work.

Cheltenham Borough Council - Accreditation & Social Grants, Researching and documenting of The Wilson's Collection supporting Accreditation; Funding a programme of local music performances in Cheltenham parks

Friends of The Wilson - Friends of the Wilson funding supporting specific projects at The Wilson.

ACE Community Fund COVID-19 - Arts Council England funding supporting art galleries and museums during early stage of Covid-19 pandemic.

Art Fund Kauffman Portrait - Art fund grant supporting object acquisition.

COVID 19 Re-mobilisation - Cheltenham Borough Council funding to support remobilisation of Trust activities severely impacted by Covid-19 pandemic.

Gimson - DCMS/Wolfson Museum and Galleries Improvement Fund exhibition support - Observation, Imagination and Making; 100 years on - Ernest Gimson and the Arts and Crafts Movement.

Charles Irving Trust / Wilson Refurbishment project- A bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

Pittville Pump Room Heritage Café Project - Funding to support Heritage café development project.

Cheltenham Borough Council/ National Leisure Recovery Fund - Covid-19 support funding to enable leisure centres to reopen and recover as sustainable operations.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	(2,658,203)	7,711,041	(6,899,157)	1,165,000	(681,319)
Restricted funds	287,891	432,358	(417,418)	-	302,831
	<u>(2,370,312)</u>	<u>8,143,399</u>	<u>(7,316,575)</u>	<u>1,165,000</u>	<u>(378,488)</u>

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	(1,203,801)	3,949,325	(3,906,729)	-	(1,497,000)	(2,658,205)
Restricted funds	32,414	588,434	(332,956)	-	-	287,892
	<u>(1,171,387)</u>	<u>4,537,759</u>	<u>(4,239,685)</u>	<u>-</u>	<u>(1,497,000)</u>	<u>(2,370,313)</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	114,747	114,747
Current assets	302,831	2,577,034	2,879,865
Creditors due within one year	-	(1,637,103)	(1,637,100)
Provisions for liabilities and charges	-	(1,736,000)	(1,736,000)
Total	<u>302,831</u>	<u>(681,319)</u>	<u>(378,488)</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Restricted funds - class ii 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	77,372	77,372
Current assets	287,892	-	1,855,182	2,143,074
Creditors due within one year	-	-	(1,856,730)	(1,856,730)
Creditors due in more than one year	-	-	(1,029)	(1,029)
Provisions for liabilities and charges	-	-	(2,733,000)	(2,733,000)
Total	287,892	-	(2,658,205)	(2,370,313)

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	826,824	298,075
Adjustments for:		
Net cash provided by operating activities	826,824	298,075

23. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	2,545,729	1,804,450
Total cash and cash equivalents	2,545,729	1,804,450

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,804,450	741,280	2,545,730
	<u>1,804,450</u>	<u>741,280</u>	<u>2,545,730</u>

25. Pension commitments

The Group operates a defined benefit pension scheme.

On 1 October 2014 the charitable company became a scheduled member into the Local Government Superannuation Scheme. At that date the liability relating to employees transferred under TUPE became the liability of the charitable company.

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability on the pension scheme remains a liability for the Trust but the Council is guarantor for any liability for the Local Government Pension Scheme in the name of the Trust.

This is a funded defined benefit scheme. This is a closed scheme for new employees unless the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply. The contribution rates are those recommended by the fund's actuary, Hymans Robertson, and were set on the basis of:

- the relationship between the assessed value of assets and the accrued value of liabilities of pensionable service to 31 March 2019.
- the level of contribution needed to meet the cost of the year by year accrued benefits in future.
- the change in terms of contracting out of SERPS.

The actuarial valuation was based on economic and statistical assumptions, the main ones being:

- the rate of accumulation of income and capital on new investments over the long term and the increase from time to time of income from existing investments.
- future rises in pensionable pay due to inflation etc. and pension increases.
- withdrawals from membership due to mortality, ill health and ordinary retirement.
- progression of pensionable pay due to promotion.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was as at 31 March 2019 with the next formal valuation due currently.

The market value figures below are based on assumptions required by FRS 102 standards. The assumptions that have the most significant effect on the results of the FRS102 valuation are detailed below. Mortality follows the standard tables known as PFA92 and PMA92 with improvements in line with the Medium Cohort. The life expectancy used is based upon mortality assumptions. Assuming retirement at age 65, the life expectancies in years used in the valuation are as follows:

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2022	<i>At 31 March 2021</i>
	%	%
Discount rate	2.75	2.05
Future salary increases	3.45	3.10
Future pension increases	3.15	2.8

	At 31 March 2022	<i>At 31 March 2021</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.7	21.9
- at 65 for a male aged 45 now	22.6	22.9
- for a female aged 65 now	24.1	24.3
- at 65 for a female aged 45 now	25.8	26.0

The Group's share of the assets in the scheme was:

	At 31 March 2022	<i>At 31 March 2021</i>
	£	£
Equities	4,429,000	4,040,000
Corporate bonds	1,185,000	1,154,000
Property	562,000	404,000
Cash and other liquid assets	62,000	174,000
Total fair value of assets	6,238,000	5,772,000

The actual return on scheme assets was £436,660 (2021 - £1,535,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2022	<i>2021</i>
	£	£
Current service cost	206,000	141,000
Past service cost	-	10,000
Interest income	(119,000)	(104,000)
Interest cost	176,000	131,000
Total amount recognised in the Consolidated Statement of Financial Activities	263,000	178,000

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2022	<i>2021</i>
	£	£
Opening defined benefit obligation	8,505,000	<i>5,653,000</i>
Interest cost	176,000	<i>131,000</i>
Contributions by scheme participants	25,000	<i>27,000</i>
Actuarial (gains)/losses	(879,000)	<i>2,590,000</i>
Benefits paid	(59,000)	<i>(47,000)</i>
Current service cost	206,000	<i>141,000</i>
Past service cost	-	<i>10,000</i>
Closing defined benefit obligation	<u>7,974,000</u>	<i><u>8,505,000</u></i>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022	<i>2021</i>
	£	£
Opening fair value of scheme assets	5,772,000	<i>4,442,000</i>
Expected return on assets	119,000	<i>104,000</i>
Actuarial gains	286,000	<i>1,093,000</i>
Contributions by employer	95,000	<i>153,000</i>
Contributions by scheme participants	25,000	<i>27,000</i>
Benefits paid	(59,000)	<i>(47,000)</i>
Closing fair value of scheme asset	<u>6,238,000</u>	<i><u>5,772,000</u></i>

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

27. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor B Clark, Councillor S Harvey, Councillor K Hobley and Councillor A Lewis and elected members of Cheltenham Council, are the CBC nominated Trustees. Trustee Councillor K Hobley resigned 5 May 2021 and Trustee Councillor A Lewis resigned 18 July 22. D Smith, Trustee, is Alderman of Cheltenham. Trustee D Smith resigned 30 September 22.

During the period the Trust received income amounting to £1,365,594 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, venue hires and project funding (2021: £1,502,988). At the period end there was £25,030 outstanding (2021: £64,068).

The Trust receives administrative and other support services from various related bodies including Publica (an employment company jointly owned by Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council) that delivers finance, HR, and ICT services. These bodies associated with CBC provide services under service level agreements with expenditure during the year as follows:

	2022 £	2021 £
Cheltenham Borough Council	411,416	137,939
West Oxfordshire District Council	-	4,531
Cotswold District Council	126,278	141,255
	<u>537,694</u>	<u>283,725</u>

Of these amounts £61,352 (2021: £106,482) was owing to Publica at the year end date and £114,795 (2021: £26,846) was owing to Cheltenham Borough Council.

During the year, the Trust made sales of £750 for venue hires (2021: £nil) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council. £nil (2021: £nil) was outstanding at year end. The Trust received goods and services from Cheltenham Borough Homes Ltd of £nil (2021: nil), and £nil was outstanding at year end (2021: £nil).

Ms J Hodsdon was appointed as a Trustee in May 2014 and resigned in April 2021. She is an ordinary member of the Friends of the Wilson Art Gallery & Museum.

Ms J Meekings-Davis was appointed as a Trustee in October 2017 and resigned 30 September 2022. She is a Trustee of the Friends of The Wilson Art Gallery & Museum.

During the year the charity received £nil from the Friends (2021: £nil) and held a balance of £6,000 at 31 March 2022 (2021: £6,000). Expenditure in relation to Friends of the Wilson amounted to £nil (2021: £nil) for the year ended 31 March 2022.

See note 19 in respect of The Cheltenham Trust's subsidiary undertaking, Cheltenham Leisure and Culture Ltd (CLC Ltd). Advantage is taken of the FRS102 exemption from disclosure of certain intergroup transactions.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

28. Post balance sheet events

Subsequent to the end of the reporting period, the Cheltenham Trust remains committed to a significant capital contract relating to the refurbishment project at The Wilson Art Gallery and Museum which was completed in July 2022. The outstanding capital commitment as at 31 March 2022, is c. £468k. The bequest from the The Charles Irving Trust held in restricted funds is aligned to this project.

29. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Cheltenham Leisure & Culture Limited	09133998	Cheltenham Town Hall, Imperial Square, Cheltenham, Gloucestershire, GL50 1QA	Leisure & culture activities on behalf of the council

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cheltenham Leisure & Culture Limited	2,124,902	(1,932,307)	192,595	188,902

THE CHELTENHAM TRUST

England & Wales - Charity number 1158606

Accounts

THE CHELTENHAM TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Louis Eperjesi, Chair (appointed as chair 17 April 2020)
Benjamin Averis (appointed 2 July 2021)
Peter Harkness, Chair (resigned 3 July 2020)
Duncan Smith, Vice Chair
Laura Brookes (resigned 3 July 2020)
Jacqueline Grange (resigned 17 April 2020)
Cllr Karl Hobley (end of term 2 July 2021)
Judith Hodsdon (end of term 30 April 2021)
Stephen Limbrick (resigned 1 October 2020)
Jacqueline Meekings-Davis
Sian Morgan
Elizabeth Narey (appointed 3 July 2020)
Sunita Nelson (appointed 3 July 2020)
Jeremy Paul Owen
Cllr Dennis Parsons (resigned 16 June 2020)
Kate Peden (appointed 3 July 2020)
Clive Rawlings (appointed 3 July 2020)
Jeanette Young (resigned 9 November 2021)
Gemma Taylor (appointed 2 July 2021)

Company registered number

09021431

Charity registered number

1158606

Registered office

Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer & Senior management team

Laurie Bell, Chief Executive Officer
Tracey Larsson, Head of Finance
Sara Oliver, Head of Communications
Jonathan Munoz, Head of Commercial and Catering
Riah Pryor, Head of Culture and Communities (resigned 06/09/2021)

THE CHELTENHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Independent auditors

Randall & Payne LLP
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Bankers

Lloyds Bank PLC
130 High street
Cheltenham
Gloucestershire
GL50 1EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Financial and Human Resources Advisors

Publica Group Limited
Trinity Road
Cirencester
Gloucestershire
GL7 1PX

THE CHELTENHAM TRUST

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Chair's Report

I am pleased to present the sixth annual report and account for The Cheltenham Trust that reflects the most challenging and unprecedented year that the organisation has faced since its inception in 2014.

The Trust is an independent charity and the lead provider of culture, entertainment, sport and leisure in Cheltenham. Through the five iconic and contemporary venues that it manages; Pittville Pump Room, The Wilson Art Gallery and Museum, Cheltenham Town Hall, Leisure at Cheltenham and the Prince of Wales Stadium, the Trust actively contributes to the local and visitor economy and improving the health and wellbeing of the local community.

As the guardian of much of the town's heritage The Cheltenham Trust has a major role in sustaining these important, historic venues. As an ambitious, forward looking organisation we recognise that a business model that blends culture, community and commercial activities will help the venues financial sustainability.

In December 2019, the Trust approved a five-year business plan to achieve financial resilience, continual improvement and to further establish the venues as destinations of choice for local residents and visitors to Cheltenham.

Prior to March 2020, and the adverse impact of the pandemic, the transformation of the business was starting to be realised. On March 17 2020, the Trust's five venues closed and all income streams stopped effecting the year end outturn position, which saw a surplus of c£46,000, the first in the Trust's history and a significant achievement based on the approved annual budget that assumed a breakeven position.

As an organisation that relies on income from pre-paid tickets, hires and memberships, its cash flow position was high risk. At the point of closure the Trust held almost £1m in its account, but minimal reserves. Of this sum, less than half was free cash and with monthly expenditure at c£330,000 (including staff salaries) it was clear that without mitigating action the organisation was unsustainable. There was an immediate need to respond to the impact of the pandemic and to repurpose the business.

A small business critical team was retained and the government's job retention furlough scheme was utilised for other staff. A small customer contact team engaged with every customer to encourage deferrals, rescheduling of tickets, freezing memberships and donating monthly fees to protect the non-free cash.

The in-house catering service was remobilised to support Cheltenham Borough Council as part of the Gloucestershire Community Help Hub delivering more than 5,000 meals to those most vulnerable in the community as the impact of the pandemic was felt. This helped to maintain the profile of the organisation in the local community while the venues remained closed.

Recognising the opportunities presented by the outside spaces at the Trust venues at a time when government guidance stated that meeting outdoors was the only permitted way to meet socially, the Trust adapted, creating a new business model. New outdoor cafes opened at Pittville Pump Room and the Garden Bar in Imperial Gardens, adjacent to Cheltenham Town Hall. It was the first time since the 1930s that there had been a café at the pump room. The pop-up café was established in June 2020 with two trestle tables and a barista machine. The outdoor cafes offered Covid-19 safe social environments for the community to meet friends and family, socialise and engage at a time when everyday life was restricted by the pandemic and lockdowns.

The community response to the two cafes was immediate and overwhelmingly positive, described as 'lifelines' and visited by more than 502,000 since summer 2020. Both cafes are now permanent and a vital income stream generating more than £1m in the first year.

The impact on the Trust and the community during the pandemic was significant. Enriching the lives of the people of Cheltenham and improving their health and wellbeing is at the heart of everything the Trust delivers. With those venues closed, the organisation innovated to support the community in new ways, with the cafes as the focal point the Trust introduced a programme of free live music in the park and the marquee to promote wellbeing and a much needed boost in dark times. The programme had a huge impact on visitor numbers and

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

the income generated.

Funding was applied for from local and national grant schemes to secure funds to minimise the impact of lost income, assist with remobilisation and recovery. The funding enabled the cafes to become permanent destinations and to continue a programme of free community events including music, dance, theatre and festivals. Next year (2022) will see the delivery of an American Retro Festival at the pump room to mark 80 years since the GI's commissioned the building in the 1942.

Funding was also allocated to support the remobilisation of leisure activities while guidance permitted limited activity inside the venue. An outdoor marquee was erected hosting around 50 exercise classes each week and activities for the under 5s at weekends. Additional enhancements in the centre including the launch of a new café, soft play area, health spa and sports bar will also aide recovery and boost memberships and income.

In addition, funding secured will enable the refurbishment of The Wilson Art Gallery and Museum to create a new community art gallery, a vibrant community arts café on the ground floor using space inside and to the rear of the venue, and new artist studios. The refurbishment is modelled on an understanding and learning of café culture and creating a vibrant visitor destination. While The Wilson remains closed a series of cultural talks, workshops, activities and exhibitions (virtual and live) have taken place and continue to be scheduled, attracting established and new audiences.

As we recover from the impact of Covid-19, the Trust is revising its five-year business plan to reflect its new business model and to achieve financial resilience through its ambitious plans for all venues. The learning throughout the pandemic will be built on to ensure that all the venues fully utilise both the indoor and outdoor spaces, effectively blending culture and commercial to ensure future sustainability and creating destinations of choice for residents and visitors to Cheltenham.

The Trust will continue to grow its successful and diverse programme of events and activities to further strengthen its position as Cheltenham's leading cultural and leisure provider boosting the local economy and tourism and delivering community objectives.


The Trust engaged the community throughout the pandemic and its social media reach is now c250k. Community initiatives such as the Lets Meet Again bunting project engaged people in creative activity that also contributed to improving wellbeing and combating isolation.

The new café at the pump room has given the Grade 1 listed regency gem a new, and ongoing, relevance to the community and visitors as a place for everyone to enjoy. A new immersive Heritage Trail will open in September 2021 showcasing its history and Regency splendour.

The Garden Bar has recently implemented a new Orangery, replacing the marquee, creating a new café, bar and events space.

While the year was extraordinary and fraught with challenges, the Trust maximised opportunities through its agile and entrepreneurial approach and I would like to extend my thanks to all the staff, trustees, stakeholders and partners, and our customers for their contribution and support throughout this most difficult and unsettling times. We look forward to recovering and to better times ahead.

Signed: Louis Eperjes



Chair of the Board of Trustees

Date 3rd December 2021

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates The Wilson Art Gallery and Museum, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

Cheltenham Leisure and Culture Ltd is a trading subsidiary of The Cheltenham Trust.

The Trust's charitable objectives are set out below. Any financial surplus achieved by the Trust is re invested in the charitable aims and objectives.

Objectives and activities

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:

- for the advancement and support of education, culture, arts and heritage including the provision of libraries, museums, galleries, learning and information centres, archives, activities, events, programmes and other related services.
- for the provision of facilities for recreation or other leisure time occupation in the interest of social welfare such facilities being provided to the public at large with special facilities being provided for various needs and demographics.
- for the promotion of good health and wellbeing through community and public participation in healthy recreation and activities.
- other such charitable purposes that are beneficial to the public and consistent with the objects as the Director Trustees shall determine.

Vision

As an independent charitable trust our vision is to enrich the lives of the residents of Cheltenham and visitors to the town through a vibrant cultural economy and helping to create a distinctive sense of place.

As a registered not for profit charity, the Trust manages Cheltenham's most iconic venues – the contemporary Wilson Art Gallery and Museum; the Grade I listed Pittville Pump Room; the Grade II listed Town Hall and Skillicorne Gardens, and the popular Leisure At Cheltenham and the Prince of Wales Stadium.

The Trust supports the economy, community, cultural and social offer in Cheltenham providing culture and heritage, entertainment, sport and leisure. Through its outreach work it delivers projects that benefit the community and enables all ages to access culture, heritage, leisure and sport.

The main activities at each of the Trust's five sites are:

The Wilson Art Gallery & Museum

The Wilson hosts a rich programme of exhibitions and events supported by a vibrant café. The Wilson is available to hire as an alternative, contemporary venue. Its outdoor roof terrace is a unique setting for hosting events. The venue provides space for corporate meetings, launches, parties, dinners, dances and celebrations.

Pittville Pump Room

The magnificent Grade I Pittville Pump Room is the jewel of Cheltenham's regency architecture. Its location in the beautiful Pittville Park has made this award winning, landmark building one of Gloucestershire's most impressive venues for weddings, dinners, exhibitions, dances, corporate events and conferencing and community activities, as well as a new and popular outdoor cafe.

Cheltenham Town Hall

The elegant Edwardian Grade II listed Town Hall is a popular venue. It has a packed programme of entertainment, attracting around 90,000 visitors each year, to live comedy and celebrity speakers, music, concerts, dance and theatre. It is also available for hire for a wide range of events and activities, meetings and weddings. The Garden Bar and Skillicorne Garden, adjacent to the Town Hall, offers a cafe bar and a secret walled garden for a perfect private al fresco event.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Leisure At Cheltenham and The Prince of Wales Stadium

Leisure At Cheltenham attracts more than 2,000 visitors each day and provides state of the art leisure facilities with three swimming pools; a fitness suite and more than 60 fitness classes. The Prince of Wales Stadium regularly hosts sports and track meetings and offers hire facilities for events, parties and activities.

Management Agreement

The Trust operates independently, occupying buildings owned by Cheltenham Borough Council. A Management Agreement has been established between Cheltenham Borough Council and The Cheltenham Trust to deliver key outcomes that are consistent with the Borough Council's social objectives and the Trust's creation of social value.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

b. Activities during the year

The Wilson Art Gallery and Museum

A programme of activities to keep the community engaged at a time of increased social isolation was developed both online, and in person when restrictions allowed, including #Humankind online exhibition, #Colourways online exhibition, Art in Your Quarter exhibition at the Heritage Café at the pump room, Artists in Their Residence online residences.

The schools' outreach educational support programme has continued making educational assets available to schools, when restrictions have allowed.

Pittville Pump Room and Cheltenham Town Hall

The outdoor Heritage Café launched in summer 2020 operated through the year, except for a brief period in January and February, when lockdown was implemented to minimise rising Covid-19 cases and to safeguard staff and customers. The new cafe was visited by more than 250,000 people.

A programme of Trust led events was programmed, the music in the park programme hosted free live music and entertainment throughout the summer and autumn at the Heritage Café. Christmas festivities included choirs and carol singers outdoors at the Heritage Café and the building was showcased with Christmas trees and lights. When restrictions and lockdowns have permitted, hires and events have continued inside the venue, with rising demand for dates.

Leisure At Cheltenham and The Prince of Wales Stadium

The centre has opened in line with the government's Covid-19 roadmap out of lockdown, operating with pre-booked sessions and reduced capacities, revised layout and operations.

A programme of virtual classes and activities was developed, #stayfit, to keep members and the community engaged during lockdowns and while the centre was closed.

Cheltenham Town Hall

The Garden Bar and Skillicorne Garden have become go-to destinations visited by more than 262,000.

A programme of weekend live music and entertainment in the marquee has been established as a key part of the Cheltenham entertainment calendar.

When restrictions allowed, a programme of Trust led events was held including comedy club and new drag show events.

Co-productions have continued to be re-scheduled and new shows added to the programme with ticket sales continuing throughout the pandemic.

Partnership working

The Trust, working as part of the Gloucestershire help hub, delivered more than 5,000 food parcels to the vulnerable and those in need working in partnership with Gloucestershire County Council and Cheltenham Borough Council.

The Trust continues to work closely in partnership with a number of organisations including Cheltenham Borough Council; Marketing Cheltenham; Friends of The Wilson; Wilson Arts Collective; Cheltenham Festivals; Arts Council England; Sport England; Heritage Lottery Fund; Cheltenham BID to help improve the cultural and community offer in Cheltenham.

The Trust as a lead representative on the Cheltenham Culture Board was integral to the drafting of a new Culture Strategy (still in its formulation) for the town, particularly focused on recovery and encouraging footfall and visitors to return following the pandemic.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Activities for achieving objectives

The Covid-19 pandemic profoundly changed the environment in which the Trust operated throughout 2020/21. During the year our focus has been on responding and adapting to Government Covid-19 restrictions and guidance in order to protect and sustain the viability of the Trust; significantly strengthening our established partnerships and significant role and positive reputation in the community. Our vision remains consistent - for The Cheltenham Trust, and its venues, to be the go to destination for culture, heritage, and sport and wellbeing attracting growing footfall from residents and visitors.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

d. Main activities undertaken to further the charity's purposes for the public benefit

Throughout the pandemic the Trust has supported the community at a time of social isolation from lockdowns and restrictions on the ability to meet and socialise and the impact on mental, and general, health and wellbeing.

- Virtual community projects such as the #letsmeetagain bunting project where people were invited to make bunting with whatever they had available to decorate the venues when they were able to reopen.
- The Trust, working as part of the Gloucestershire help hub, delivered more than 5,000 food parcels to the vulnerable and those in need working in partnership with Gloucestershire county council and Cheltenham Borough Council.
- A programme of Trust led events, virtual and physical, was implemented, #stayfit #humankind, Colourways exhibition, Art in your Quarter exhibition, Artists in their Residence, Music in the Park at the Heritage Café and Garden Bar, comedy nights, drag show, live music and dance lessons.

The Trustees have had due regard to the Charity Commission's public benefit when exercising any powers or duties to which the guidance is relevant

External funding bids were secured including:

- Arts Council England Cultural Recovery Fund; financial support for cultural organisations at imminent risk of failure due to Covid-19 pandemic
- Arts Council England Community Fund; supporting art galleries and museums during early stage of Covid-19 pandemic
- Cheltenham Borough Council grant funding; supporting remobilisation of Trust activities severely impacted by Covid-19 pandemic, accreditation support for The Wilson to confirm to national standard, and community art projects
- Charles Irving Trust; a bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community
- Joint funding from the National Lottery Community Fund and European Social Fund for the Go The Extra Mile (GEM) Navigator Developer project
- Sport England National Leisure Recovery Fund; supporting leisure facilities throughout Covid-19 pandemic

The Trust recognises that the blend of commercial and cultural activity is critical in supporting future sustainability of the venues and services provided. The venues all have hireable spaces to host a diverse range of events and activities. These spaces and opportunities are marketed across the partnership base and business and community networks that the Trust supports.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Achievements and performance

a. Key financial performance indicators

The Trust continued to operate in a challenging environment, which was compounded by the impact of the Covid-19 pandemic. The cash flow and income was placed under extreme and unprecedented pressure.

The Trust recognised the need to repurpose its business model and find new and innovative ways to generate income. It responded swiftly and optimised the use of its in-house catering service and outdoor spaces.

It also sought funding from local and national grant schemes to secure funds to minimise the impact of lost income, including the Job Retention Scheme and Retail, Hospitality and Leisure grants.

External funding bids were secured during 2020/21, including:

- Arts Council England Cultural Recovery Fund; financial support for cultural organisations at imminent risk of failure due to Covid-19 pandemic
- Arts Council England Community Fund; supporting art galleries and museums during early stage of Covid-19 pandemic
- Cheltenham Borough Council grant funding; supporting remobilisation of Trust activities severely impacted by Covid-19 pandemic, accreditation support for The Wilson to confirm to national standard, and community art projects
- Charles Irving Trust; a bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community
- Joint funding from the National Lottery Community Fund and European Social Fund for the Go The Extra Mile (GEM) Navigator Developer project
- Sport England National Leisure Recovery Fund; supporting leisure facilities throughout Covid-19 pandemic

Customers were encouraged to defer or donate their pre-paid tickets and a “donate up” scheme was implemented to support community cultural activities such as music in the outdoor spaces.

During 2020/21 the Trust had total incoming resources of £4,537k of which £588k was restricted grant funds.

Net operating surplus or the year was £68k on unrestricted funds (excluding FRS102 pension costs). As a not-for-profit-charity the Trust reinvests all surpluses within the business.

Cheltenham Leisure and Culture Ltd

The Trust's wholly owned trading subsidiary, Cheltenham Leisure and Culture Ltd, generated turnover of £826k and made a profit of £283k for the year. These profits are being gift-aided to the charity.

The principal activities of the trading company during 2020/21 were predominantly the Pittville Pump Room café and Town Hall Garden Bar operations; with intermittent venue hires for events and weddings (subject to Covid-19 restrictions) and sales of retail items.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

b. Investment policy and performance

The Trustees have the power to invest the monies of organisation in such investments as they see fit. In order to support the growth and investment strategy of the Trust and maintain a positive cash flow at all times, surpluses are invested in interest bearing deposit accounts where appropriate.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Financial review

a. Going concern and events since the Balance Sheet date

The Covid-19 pandemic and associated government lockdown restrictions had a significant impact on the 2020/21 financial year – in terms of disruption to our traditional business model and activities. The Trust initially responded and adapted to the national crisis with agility, and repurposed its resources and activities to support the local community safely throughout the pandemic.

The Trust has continued to repurpose, learn and adapt in the most challenging of times to continue to make the best use of its spaces and activities at its venues and has forecast its recovery budget plan.

The Trust continues to respond to the Government's Covid-19 roadmap, and maximise the opportunities to increase capacities and usage progressively, improving income generation prospects. The Trust has robust controls and cash flow forecasts in place to minimise its costs and protect cash balances.

The Trust has pursued all available government support and funding opportunities throughout the pandemic, including Business Support Grants, the Job Retention Scheme (furlough), Arts Council England Recovery Fund and Sport England National Leisure Recovery Fund. The Trust has worked closely with its key partner Cheltenham Borough Council throughout the pandemic and this relationship continues to provide vital support with our recovery.

As the pandemic continues the priority is the development of a revised five-year business plan to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis.

b. Reserves policy

The Trustees' continue to focus on building sufficient reserves to ensure that the Trust is able to deliver its charitable objectives and is resilient and sustainable in the long term.

The policy is to utilise any surpluses to build income generating capacity and to accumulate unrestricted reserves to a target of £500k. The Trust holds unrestricted reserves (excluding the pension deficit) of £75k as at 31 March 2021.

The use of reserves is monitored by the Trust's Finance Committee.

The pension reserve deficit of £2,733k is explained in note 25, along with Cheltenham Borough Council's role as guarantor for any LGPS liability in the name of the Trust.

THE CHELTENHAM TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

c. Principal funding

Cheltenham Borough Council is our key partner and principal funder of the Trust. During the reporting period, through a Management Fee representing 18% of total income.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

The company and the Group is registered as a charitable company limited by guarantee and was set up by a Trust deed on 18 May 2014.

The company and the Group is constituted under a Trust deed dated 18 May 2014 and is a registered charity number 1158606.

b. Methods of appointment or election of Trustees

The Board shall be composed of at least seven and not more than fifteen Trustees, including two Council appointed Trustees nominated by Cheltenham Borough Council. The Trustees are appointed on a three year term, with an option to extend for a further three years. The Board meets on a minimum of five occasions during the year.

The process to select new Trustees is based on the skills and competencies required by the Board at the time the vacancy arises.

c. Policies adopted for the induction and training of Trustees

On joining the organisation, Trustees are given an induction and introduced to the organisation's culture.

Trustees have significant experience from various professions and use their skills to inform their responsibilities to ensure the good governance of the charity. The Board membership includes a balance of backgrounds and capabilities relevant to the overall strategic requirements of the Trust, and there is a recognised commitment by the Board to maintain this balance. The Board of Trustees participate in board development opportunities, and the overall board is subject to an annual skills audit that is aligned to the strategic direction of the Trust.

d. Directors indemnities

The Trust holds indemnity insurance with Zurich insurance for the directors with liability cover of £1 million (2020: £1 million). The annual premium for this is £915 (2020: £915).

e. Organisation

The business of the charitable company is delegated to and managed on a day to day basis by the Chief Executive, who is supported by an Executive Management Team of senior managers.

The Board of Trustees has established a Finance Committee, a Governance Committee so that specific issues delegated can be studied in detail and recommendations made back to the Board. A Capital Assets Working Group is also in place to ensure that assets are developed appropriately, and a Trading Company has been established, Cheltenham Leisure and Culture Ltd.

The Chief Executive and the Executive Team advise the Board on strategy development and support for the Board's governance activities and have responsibility for operating the services of the charity on a day to day basis. The Board undertakes its role using the Code of Conduct for Good Governance and agrees the overall strategic direction of the Trust.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

f. Related party relationships

None of our Trustees receive remuneration from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, contracted actor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Two Trustees are nominated representatives of Cheltenham Borough Council. Transactions between the Trust and CBC, along with other related party disclosures are recorded in note 27.

The charity's wholly owned subsidiary, Cheltenham Leisure and Culture Ltd was established to operate commercial activities including retail activities, cafes and catering, venue hires and wedding packages..

g. Pay policy for senior staff

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis.

The pay of the Chief Executive is reviewed annually by the Board of Trustees. The pay of the key management personnel is periodically reviewed and benchmarked against pay levels in similar professions when recruiting to these roles.

h. Trust staff

During 2020/21 the Trust employed an average of 176 staff.

The Trustees and Executive Management Team support the involvement and engagement of staff in the day to day running, policy making and general management of the charity. Members of staff are kept informed on matters affecting them as employees and on various factors affecting the performance of the Trust.

The policy of the Trust is to offer the same opportunities to a diverse range of people in respect of recruitment and career progression. Where employees of the Trust become disabled, the employee will wherever possible be retained, rehabilitated and retrained.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

i. Risk management

The Trustees have adopted a risk management policy from which they have identified potential risks and the likelihood of their occurrence. In addition, they have identified measures to be put in place to mitigate the risks and further action that might be necessary to limit that risk.

The Board receives quarterly risk information at board meetings and sufficient commitments are made to cover known liabilities. The Board and its committees receive regular financial information and manage financial risk accordingly.






The Governance Committee produced a 2020/21 annual report for the Board, reviewing the systems control environment during the period and concluded a 'partial assurance' overall assessment (referencing KPMG assurance level classification guidelines).

The key strategic risks facing the Trust are represented as follows:

THE CHELTENHAM TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Structure, governance and management (continued)

Risk Identified	Management Action	Managing Future Uncertainty	Change in risk since prior period
1. Impact of Covid-19 and recovery to pre-pandemic income levels. Business agility to maximise income potential.	Robust control of costs and cash flow. 2021/22 recovery budget plan implemented. All available opportunities to secure government covid support funding pursued. Development of 2022/23 budget plan and revised five year plan to demonstrate longer term sustainability.	Continue to respond with agility to ongoing developments throughout the pandemic crisis and adapt plans to mitigate risks and maximise new business opportunities.	
2. Staff resource capacity and skills to deliver the revised five year plan. Challenges of industry skills shortages.	Ensure leadership model is aligned to five year plan. Development of people strategy to address industry recruitment challenges.	Seek optimal model for charitable and trading opportunities.	
3. Business systems - infrastructure transformation necessary to ensure the Trust's systems and corporate functions are robust, efficient and fit for purpose.	Audit of all business systems undertaken to identify key weaknesses and develop implementation roadmap including remedial actions and timelines.	Prioritisation of critical immediate remedial actions to address highest risk areas, within overall project mapping of the longer term plan.	
4. Capital Project – risk of delays.	Robust project and risk management through a dedicated Capital Assets Working Group.	High-risk supplies identified to ensure early procurement. Continual updates and monitoring of project.	
5. Growth in cyber-crime.	Maintain robust ICT security measures to mitigate increasing risks.	Continue to respond with agility to identified risks with remedial actions.	

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

Future developments

The Trust as a charitable organisation continues to operate in a challenging environment, which was compounded by the impact of the Covid-19 pandemic. The cash flow and income was placed under extreme and unprecedented pressure.

The Trust recognised the need to repurpose its business model and find new and innovative ways to generate income. It responded swiftly and optimised the use of its in-house catering service and outdoor spaces.

It also sought funding from local and national grant schemes to secure funds to minimise the impact of lost income.

Customers were encouraged to defer or donate their pre-paid tickets and a "donate up" scheme was implemented to support community cultural activities such as music in the outdoor spaces.

As the pandemic continues the priority is the development of a recovery plan for 2021-22 and a revision of the five-year business plan to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme. The learning and opportunities maximised throughout the pandemic will be built on to ensure that the venues indoor and outdoor space are fully utilised for the community and effectively blend culture and commercial to ensure that the venues and the offer continue to grow and are destinations of choice in Cheltenham.

Cheltenham Borough Council (CBC) is our lead partner and sponsor and with their support (both the management agreement fee and capital investment funding) a revised five-year business plan will set out the opportunities to meet the vision and goals for the Trust and the council, and to continue as the lead provider of culture and leisure for Cheltenham. The opportunities include delivering improvements in all the venues to increase the number of visitors, attract new audiences and improve the cultural and leisure offer ensuring that everyone can access these services and facilities.

We will continue to grow our successful and diverse programme of events and activities across all our venues to further strengthen our position and reputation as Cheltenham's leading cultural and leisure provider and a key player in boosting the local economy and tourism.

Information on fundraising practices

Fundraising activities are carried out directly by the Trust, by the Trust's employees.

Fundraising activities involve identifying external grants and funding opportunities available to support our charitable, cultural and community activities, and inviting donations by those using and enjoying our facilities within the local community, in order that we can continue to invest in and develop in our facilities and programmes.

Access to our services

The Trust remains committed to equal access to our services for everyone. The Trust strives to be an open employer; welcoming staff and volunteers from all backgrounds. The Trust aims to reflect the diversity of the population in both our user group and our staffing and Trustee mix.

THE CHELTENHAM TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

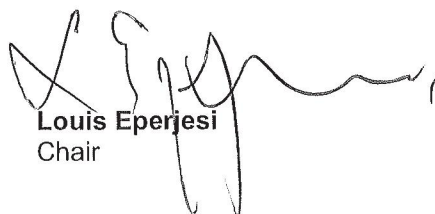
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

A resolution to appoint Randall & Payne LLP as auditor of the company was approved at a meeting of Trustees on 21st June 2019 and is renewed annually.

Approved by order of the members of the board of Trustees on 3 December 2021 and signed on their behalf by:



Louis Eperjesi
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2021 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

we obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include but are not limited to:

- Compliance with the Companies Act 2006, Financial Reporting Standard applicable in the UK and the Charities SORP 2019;
- we agreed the financial statement disclosures to supporting documentation;
- we made enquiries of management; and
- we reviewed board minutes throughout the year.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ryan Moore CA (Senior statutory auditor)

For and on behalf of

Randall & Payne LLP

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

3 December 2021

Randall & Payne LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	29,688	29,688	14,228
Charitable activities	4	588,434	3,093,553	3,681,987	5,121,680
Other trading activities	5	-	826,057	826,057	1,124,862
Investments	6	-	27	27	5,264
		<u>588,434</u>	<u>3,949,325</u>	<u>4,537,759</u>	<u>6,266,034</u>
Total income					
Expenditure on:					
Raising funds		-	547,195	547,195	873,163
Charitable activities	7	332,956	3,359,534	3,692,490	5,502,767
		<u>332,956</u>	<u>3,906,729</u>	<u>4,239,685</u>	<u>6,375,930</u>
Total expenditure					
Net movement in funds before other recognised gains/(losses)					
		255,478	42,596	298,074	(109,896)
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(1,497,000)	(1,497,000)	999,000
		<u>255,478</u>	<u>(1,454,404)</u>	<u>(1,198,926)</u>	<u>889,104</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		32,414	(1,203,801)	(1,171,387)	(2,060,491)
Net movement in funds		255,478	(1,454,404)	(1,198,926)	889,104
		<u>287,892</u>	<u>(2,658,205)</u>	<u>(2,370,313)</u>	<u>(1,171,387)</u>
Total funds carried forward					

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 58 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	77,373	106,669
		<u>77,373</u>	<u>106,669</u>
Current assets			
Stocks	14	52,297	63,685
Debtors	15	286,327	859,313
Cash at bank and in hand		1,804,450	1,039,585
		<u>2,143,074</u>	<u>1,962,583</u>
Creditors: amounts falling due within one year	16	(1,856,731)	(2,028,610)
Net current assets / liabilities		<u>286,343</u>	<u>(66,027)</u>
Total assets less current liabilities		<u>363,716</u>	<u>40,642</u>
Creditors: amounts falling due after more than one year	17	(1,029)	(1,029)
Net assets excluding pension liability		<u>362,687</u>	<u>39,613</u>
Defined benefit pension scheme liability	25	(2,733,000)	(1,211,000)
Total net assets		<u><u>(2,370,313)</u></u>	<u><u>(1,171,387)</u></u>
Charity funds			
Restricted funds	19	287,892	32,414
Unrestricted funds			
Unrestricted funds excluding pension asset	19	74,795	7,199
Pension reserve	19	(2,733,000)	(1,211,000)
Total unrestricted funds	19	<u>(2,658,205)</u>	<u>(1,203,801)</u>
Total funds		<u><u>(2,370,313)</u></u>	<u><u>(1,171,387)</u></u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

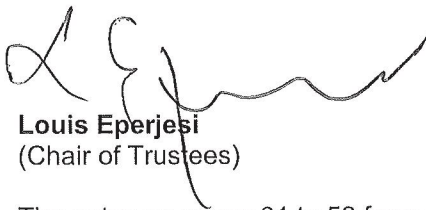
THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 03 December 2021 and signed on their behalf by:



Louis Eperjesi
(Chair of Trustees)

The notes on pages 31 to 58 form part of these financial statements.

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	66,611	92,472
Investments	13	1	1
		66,612	92,473
Current assets			
Debtors	15	439,824	446,137
Cash at bank and in hand		1,544,121	337,359
		1,983,945	783,496
Creditors: amounts falling due within one year	16	(2,363,330)	(1,232,954)
Net current liabilities		(379,385)	(449,458)
Total assets less current liabilities		(312,773)	(356,985)
Creditors: amounts falling due after more than one year	17	(1,029)	(1,029)
Net liabilities excluding pension liability		(313,802)	(358,014)
Defined benefit pension scheme liability	25	(2,733,000)	(1,211,000)
Total net assets		(3,046,802)	(1,569,014)
Charity funds			
Restricted funds:			
Restricted funds excluding pension asset	19	287,891	32,414
Total restricted funds	19	287,891	32,414
Unrestricted funds			
Unrestricted funds excluding pension liability	19	(601,693)	(390,428)
Pension reserve	19	(2,733,000)	(1,211,000)
Total unrestricted funds	19	(3,334,693)	(1,601,428)
Total funds		(3,046,802)	(1,569,014)

The Company's net movement in funds for the year was £(1,477,788) (2020 - £637,404).

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 03 December 2021 and signed on their behalf by:



Louis Eperjesi
(Chair of Trustees)

The notes on pages 31 to 58 form part of these financial statements.

THE CHELTENHAM TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Cash flows from operating activities		
Net cash generated in operating activities	767,983	142,299
Cash flows from investing activities		
Dividends, interests and rents from investments	27	5,264
Purchase of tangible fixed assets	(3,145)	(92,928)
Net cash used in investing activities	(3,118)	(87,664)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	764,865	54,635
Cash and cash equivalents at the beginning of the year	1,039,585	984,950
Cash and cash equivalents at the end of the year	1,804,450	1,039,585

The notes on pages 31 to 58 form part of these financial statements

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The Cheltenham Trust, a company limited by guarantee (No. 09021431), was incorporated on 1 May 2014 and obtained charitable status on 18 September 2014. It is governed by its Memorandum and Articles of Association. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Cheltenham Trust commenced operations on 1 October 2014 and currently operates 'The Wilson' Art Gallery and Museum, Tourist Information services, 'Leisure At' Recreational Facilities at Pittville including the Prince of Wales Stadium, plus the Cheltenham Town Hall and Pittville Pump Room entertainment venues on behalf of Cheltenham Borough Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Cheltenham 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.

The Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

The financial statements consolidate the accounts of The Cheltenham Trust and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.2 Going concern

The Covid-19 pandemic and associated government lockdown restrictions had a significant impact on the 2020/21 financial year – in terms of disruption to our traditional business model and activities. The Trust initially responded and adapted to the national crisis with agility, and repurposed its resources and activities to support the local community safely throughout the pandemic.

The Trust has continued to repurpose, learn and adapt in the most challenging of times to continue to make the best use of its spaces and activities at its venues and has forecast its recovery budget plan.

The Trust continues to respond to the Government's Covid-19 roadmap, and maximise the opportunities to increase capacities and usage progressively, improving income generation prospects. The Trust has robust controls and cash flow forecasts in place to minimise its costs and protect cash balances.

The Trust has pursued all available government support and funding opportunities throughout the pandemic, including Business Support Grants, the Job Retention Scheme (furlough), Arts Council England Recovery Fund and Sport England National Leisure Recovery Fund. The Trust has worked closely with its key partner Cheltenham Borough Council throughout the pandemic and this relationship continues to provide vital support with our recovery.

As the pandemic continues the priority is the development of a revised five-year business plan to ensure financial resilience and a robust organisation that can achieve its vision and ambitious programme.

Having considered all these factors, the Trustees believe there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the financial statements have been prepared on this basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% straight line
Office equipment	- 33% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Group operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2017.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	29,688	29,688
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	14,228	14,228
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Public engagements	272,825	174,769	447,594
Commercial and customer services	-	426,194	426,194
Content and programming	315,609	321,042	636,651
Corporate	-	1,116,251	1,116,251
Coronavirus Job Retention Scheme (CJRS)	-	1,055,297	1,055,297
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	588,434	3,093,553	3,681,987
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from charitable activities (continued)

In 2021, £1,055,297 was received by the Trust in respect of claims made under the Coronavirus Job Retention Scheme (CJRS).

Included within Corporate Income is £811,281 (2020: £811,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27.

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Public engagements	50,052	1,176,087	1,226,139
Commercial and customer services	-	1,281,368	1,281,368
Content and programming	206,170	1,442,396	1,648,566
Corporate	-	965,607	965,607
	<u>256,222</u>	<u>4,865,458</u>	<u>5,121,680</u>

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Sales - operations of Cheltenham Leisure & Culture Limited	<u>826,057</u>	<u>826,057</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Sales - operations of Cheltenham Leisure & Culture Limited	<u>1,124,862</u>	<u>1,124,862</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest receivable	27	27
<i>Unrestricted funds 2020 £</i>		
Bank interest receivable	5,264	5,264

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
FRS102 Pension adjustment	-	27,000	27,000
Public engagements	31,302	124,617	155,919
Commercial and customer services	222,980	873,798	1,096,778
Content and programming	78,674	142,843	221,517
Corporate	-	2,191,276	2,191,276
	332,956	3,359,534	3,692,490

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
FRS102 pension adjustment	-	155,000	155,000
Public engagements	34,231	562,030	596,261
Commercial and customer services	-	1,758,930	1,758,930
Content and programming	223,551	1,351,239	1,574,790
Corporate	-	1,417,786	1,417,786
	<u>257,782</u>	<u>5,244,985</u>	<u>5,502,767</u>

Summary by expenditure type

	Staff costs 2021 £	Other costs 2021 £	Total funds 2021 £
FRS102 adjustment	-	26,999	26,999
Public engagements	100,173	55,746	155,919
Commercial and customer services	641,202	455,576	1,096,778
Content and programming	79,244	142,274	221,518
Corporate	1,619,675	571,600	2,191,275
	<u>2,440,294</u>	<u>1,252,195</u>	<u>3,692,489</u>

	<i>Staff costs 2020 £</i>	<i>Other costs 2020 £</i>	<i>Total funds 2020 £</i>
FRS102 adjustment	102,000	53,000	155,000
Public engagements	472,016	124,245	596,261
Commercial and customer services	1,314,430	444,500	1,758,930
Content and programming	369,710	1,205,080	1,574,790
Corporate	549,065	868,721	1,417,786
	<u>2,807,221</u>	<u>2,695,546</u>	<u>5,502,767</u>

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type (continued)

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
FRS102 adjustment	26,999	-	26,999
Public engagements	155,919	-	155,919
Commercial and customer services	1,096,778	-	1,096,778
Content and programming	221,518	-	221,518
Corporate	-	2,191,275	2,191,275
	<u>1,501,214</u>	<u>2,191,275</u>	<u>3,692,489</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
FRS102 adjustment	155,000	-	155,000
Public engagements	596,261	-	596,261
Commercial and customer services	1,758,930	-	1,758,930
Content and programming	1,574,790	-	1,574,790
Corporate	-	1,417,786	1,417,786
	<u>4,084,981</u>	<u>1,417,786</u>	<u>5,502,767</u>

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. Auditors' remuneration

	2021	<i>2020</i>
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	8,800	8,600
Fees payable to the Company's auditor in respect of: All non-audit services	3,750	3,400
	12,550	12,000

10. Staff costs

	Group 2021	<i>Group 2020</i>	Company 2021	<i>Company 2020</i>
	£	£	£	£
Wages and salaries	2,151,503	2,599,896	2,152,902	2,333,072
Social security costs	156,680	248,919	144,816	185,623
Contribution to defined contribution pension schemes	349,010	362,375	142,577	288,527
	2,657,193	3,211,190	2,440,295	2,807,222

Redundancy payments totalling £48,855 (2020: £nil) were made to 15 employees (2020: nil employees) during the year ended 31 March 2021. All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

The average number of persons employed by the Company during the year was as follows:

	Group 2021	<i>Group 2020</i>
	No.	No.
Average monthly headcount	176	182
	176	182

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021	<i>Group 2020</i>
	No.	No.
In the band £80,001 - £90,000	1	1

The key management personnel of the charity, The Cheltenham Trust, comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel of the Trust was £291,450 (2020: £273,551).

No staff are directly employed by the subsidiary, Cheltenham Leisure and Culture Ltd.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

12. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2020	15,842	196,871	212,713
Additions	-	3,145	3,145
At 31 March 2021	15,842	200,016	215,858
Depreciation			
At 1 April 2020	1,646	104,399	106,045
Charge for the year	3,436	29,005	32,441
At 31 March 2021	5,082	133,404	138,486
Net book value			
At 31 March 2021	10,760	66,612	77,372
At 31 March 2020	14,197	92,472	106,669

Company

	Office equipment £
Cost or valuation	
At 1 April 2020	196,871
Additions	3,145
At 31 March 2021	200,016

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Tangible fixed assets (continued)

Company (continued)

	Office equipment £
Depreciation	
At 1 April 2020	104,399
Charge for the year	29,005
	133,404
At 31 March 2021	133,404
 Net book value	
At 31 March 2021	66,612
<i>At 31 March 2020</i>	92,472

13. Fixed asset investments

	Investments in subsidiary companies £
Company	
Cost or valuation	
At 1 April 2020	1
	1
At 31 March 2021	1
 Net book value	
At 31 March 2021	1
<i>At 31 March 2020</i>	1

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Stocks

	Group 2021 £	<i>Group 2020 £</i>
Finished goods and goods for resale	52,297	63,685

15. Debtors

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Due within one year				
Trade debtors	40,864	71,560	40,864	71,560
Amounts owed by group undertakings	-	-	-	100,997
Other debtors	220,121	773,120	373,618	258,947
Prepayments and accrued income	25,342	14,633	25,342	14,633
	286,327	859,313	439,824	446,137

16. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Trade creditors	121,774	403,580	108,772	34,467
Amounts owed to group undertakings	-	-	687,618	-
Other taxation and social security	-	53,461	-	53,461
Accruals and deferred income	1,734,957	1,571,569	1,566,940	1,145,026
	1,856,731	2,028,610	2,363,330	1,232,954

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Opening Deferred Income	880,862	613,551	880,862	613,551
Resources deferred during the year	1,423,749	880,862	1,256,977	880,862
Amounts released from previous periods	(880,862)	(613,551)	(880,862)	(613,551)
	1,423,749	880,862	1,256,977	880,862

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Creditors: Amounts falling due within one year (continued)

Group	<i>Group</i>	Company	<i>Company</i>
2021	<i>2020</i>	2021	<i>2020</i>
£	£	£	£

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2020-21 and for advance memberships at the recreation centre and for venue hires.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Creditors: Amounts falling due after more than one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Other creditors	1,029	<i>1,029</i>	1,029	<i>1,029</i>

18. Financial instruments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	1,804,450	<i>1,039,585</i>	1,544,121	<i>337,359</i>

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General Funds - all funds	7,199	3,949,325	(3,881,729)	-	-	74,795
Pension reserve	(1,211,000)	-	(25,000)	-	(1,497,000)	(2,733,000)
	<u>(1,203,801)</u>	<u>3,949,325</u>	<u>(3,906,729)</u>	<u>-</u>	<u>(1,497,000)</u>	<u>(2,658,205)</u>
Restricted funds						
Art Fund Kauffman Portrait	-	24,000	(24,000)	-	-	-
Archaeology	5,676	-	(826)	-	-	4,850
Wilson Arts Collective	4,124	-	(3,124)	(1,000)	-	-
Street Games	5,687	-	-	(5,687)	-	-
Community Takeover Exhibition	-	6,000	-	50	-	6,050
#FuelThursdays	3,500	17,700	(2,083)	(1,313)	-	17,804
Roaming Arts Project	-	1,000	(950)	(50)	-	-
GEM - Go the Extra Mile Navigator Developer	-	25,145	(25,145)	-	-	-
Gimson	7,427	-	(7,427)	-	-	-
ACE Community Fund COVID-19	-	28,617	(28,617)	-	-	-
Friends of the Willson Project	6,000	-	-	-	-	6,000
Memory Café	-	-	-	1,000	-	1,000
Hidden Trails	-	-	-	5,000	-	5,000
Arts award	-	-	-	2,000	-	2,000
COVID 19 Re-mobilisation	-	222,980	(222,980)	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds					
General Funds - all funds	(39,465)	6,009,812	(5,963,148)	-	7,199
Pension reserve	(2,055,000)	-	(155,000)	999,000	(1,211,000)
	<u>(2,094,465)</u>	<u>6,009,812</u>	<u>(6,118,148)</u>	<u>999,000</u>	<u>(1,203,801)</u>
Restricted funds					
Art Fund Kauffman Portrait	1,135	-	(1,135)	-	-
Archaeology	4,709	1,635	(668)	-	5,676
Wilson Arts Collective	676	12,140	(8,692)	-	4,124
Street Games	3,681	10,702	(8,696)	-	5,687
Community Takeover Exhibition	15,582	-	(15,582)	-	-
#FuelThursdays	-	5,903	(2,403)	-	3,500
Roaming Arts Project	2,190	-	(2,190)	-	-
GEM - Go the Extra Mile Navigator Developer	-	21,306	(21,306)	-	-
Gimson	-	99,715	(92,288)	-	7,427
ACE Community Fund COVID- 19	-	58,829	(58,829)	-	-
Friends of the Willson Project	6,001	45,992	(45,993)	-	6,000
	<u>33,974</u>	<u>256,222</u>	<u>(257,782)</u>	<u>-</u>	<u>32,414</u>
Total of funds	<u><u>(2,060,491)</u></u>	<u><u>256,222</u></u>	<u><u>(6,375,930)</u></u>	<u><u>999,000</u></u>	<u><u>(1,171,387)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds (continued)

Details of the Restricted Funds are as follows:

Archaeology - Contributions from local archaeology groups towards shelving and storage for finds.

Wilson Arts Collective - An arts collective group of young people aged 11-25 years who meet and run projects within The Wilson.

Memory Café - A monthly meet for people with dementia to visit The Wilson and engage with objects that may trigger memories. Presently digital due to covid.

Street Games - National Lottery funding supporting delivery of projects in hard to reach communities.
Hidden Trails - A project encouraging community exploration of Cheltenham through guided maps and clues

Arts Award - Funding to support an arts award programme.

#Fuel Thursdays - National Lottery funding a programme of positive activities such as sport, cooking, music, art and life skills for young people in the community.

GEM – Go The Extra Mile Navigator Developer - Funding for Navigator Developer roles supporting those who are furthest away from employment in to employment.

Roaming Arts Project - Funding to support the 'Art In Your Quarter' project for community artists to create visual art displays exhibited at Cheltenham Trust venues.

Community Takeover Exhibition - Funding from The Community Resilience Fund to support community artists exhibit their work.

Cheltenham Borough Council - Accreditation & Social Grants, Researching and documenting of The Wilson's Collection supporting Accreditation; Funding a programme of local music performances in Cheltenham parks

Friends of The Wilson - Friends of the Wilson funding supporting specific projects at The Wilson.

ACE Community Fund COVID-19 - Arts Council England funding supporting art galleries and museums during early stage of Covid-19 pandemic.

Art Fund Kauffman Portrait - Art fund grant supporting object acquisition.

COVID 19 Re-mobilisation - Cheltenham Borough Council funding to support mobilisation of Trust activities severely impacted by Covid-19 pandemic.

Gimson - DCMS/Wolfson Museum and Galleries Improvement Fund exhibition support - Observation, Imagination and Making; 100 years on - Ernest Gimson and the Arts and Crafts Movement.

Charles Irving Trust - A bequest supporting a new community art and exhibition gallery at The Wilson, where local artists and groups will have an opportunity to display their work, and network as a creative community.

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	(1,203,801)	3,949,325	(3,906,729)	-	(1,497,000)	(2,658,205)
Restricted funds	32,414	588,434	(332,956)	-	-	287,892
	<u>(1,171,387)</u>	<u>4,537,759</u>	<u>(4,239,685)</u>	<u>-</u>	<u>(1,497,000)</u>	<u>(2,370,313)</u>

Summary of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
General funds	(2,094,465)	6,009,812	(6,118,148)	999,000	(1,203,801)
Restricted funds	33,974	256,222	(257,782)	-	32,414
	<u>(2,060,491)</u>	<u>6,266,034</u>	<u>(6,375,930)</u>	<u>999,000</u>	<u>(1,171,387)</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Restricted funds - class ii 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	77,372	77,372
Current assets	287,892	-	2,542,801	2,830,693
Creditors due within one year	-	-	(2,544,349)	(2,544,349)
Creditors due in more than one year	-	-	(1,029)	(1,029)
Provisions for liabilities and charges	-	-	(2,733,000)	(2,733,000)
Total	<u>287,892</u>	<u>-</u>	<u>(2,658,205)</u>	<u>(2,370,313)</u>

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Other Restricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	106,669	106,669
Current assets	1	37,839	1,924,743	1,962,583
Creditors due within one year	-	(5,425)	(2,023,185)	(2,028,610)
Creditors due in more than one year	-	-	(1,029)	(1,029)
Provisions for liabilities and charges	-	-	(1,211,000)	(1,211,000)
Other allocations	(1)	-	1	-
Total	-	32,414	(1,203,801)	(1,171,387)

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	<i>Group 2020 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	298,074	(109,896)
Adjustments for:		
Net cash provided by/(used in) operating activities	298,074	(109,896)

23. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	1,804,450	1,039,585
Total cash and cash equivalents	1,804,450	1,039,585

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	1,039,585	764,865	1,804,450
	1,039,585	764,865	1,804,450
	1,039,585	764,865	1,804,450

25. Pension commitments

The Group operates a defined benefit pension scheme.

On 1 October 2014 the charitable company became a scheduled member into the Local Government Superannuation Scheme. At that date the liability relating to employees transferred under TUPE became the liability of the charitable company.

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability on the pension scheme remains a liability for the Trust but the Council is guarantor for any liability for the Local Government Pension Scheme in the name of the Trust.

This is a funded defined benefit scheme. This is a closed scheme for new employees unless the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply. The contribution rates are those recommended by the fund's actuary, Hymans Robertson, and were set on the basis of:

- the relationship between the assessed value of assets and the accrued value of liabilities of pensionable service to 31 March 2018.
- the level of contribution needed to meet the cost of the year by year accrued benefits in future.
- the change in terms of contracting out of SERPS.

The actuarial valuation was based on economic and statistical assumptions, the main ones being:

- the rate of accumulation of income and capital on new investments over the long term and the increase from time to time of income from existing investments.
- future rises in pensionable pay due to inflation etc. and pension increases.
- withdrawals from membership due to mortality, ill health and ordinary retirement.
- progression of pensionable pay due to promotion.

The latest formal valuation of the fund for the purpose of setting employer's actual contributions was as at 31 March 2017 with the next formal valuation due currently.

The market value figures below are based on assumptions required by FRS 102 standards. The assumptions that have the most significant effect on the results of the FRS102 valuation are detailed below. Mortality follows the standard tables known as PFA92 and PMA92 with improvements in line with the Medium Cohort. The life expectancy used is based upon mortality assumptions. Assuming retirement at age 65, the life expectancies in years used in the valuation are as follows:

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

25. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2021 %	At 31 March 2020 %
Discount rate	2.05	2.3
Future salary increases	3.10	2.1
Future pension increases	2.8	1.8

	At 31 March 2021 Years	At 31 March 2020 Years
Mortality rates (in years)		
- for a male aged 65 now	21.9	21.7
- at 65 for a male aged 45 now	22.9	22.4
- for a female aged 65 now	24.3	23.9
- at 65 for a female aged 45 now	26.0	25.3

The Group's share of the assets in the scheme was:

	At 31 March 2021 £	At 31 March 2020 £
Equities	4,040,000	2,843,000
Corporate bonds	1,154,000	1,155,000
Property	404,000	400,000
Cash and other liquid assets	174,000	44,000
Total fair value of assets	5,772,000	4,442,000

The actual return on scheme assets was £1,535,000 (2020 - £-266,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	141,000	243,000
Past service cost	10,000	-
Interest income	(104,000)	(123,000)
Interest cost	131,000	176,000
Total amount recognised in the Consolidated Statement of Financial Activities	178,000	296,000

THE CHELTENHAM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

25. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2021 £	2020 £
Opening defined benefit obligation	5,653,000	6,903,000
Interest cost	131,000	176,000
Contributions by scheme participants	27,000	35,000
Actuarial losses/(gains)	2,590,000	(1,635,000)
Benefits paid	(47,000)	(69,000)
Current service cost	141,000	243,000
Past service cost	10,000	-
Closing defined benefit obligation	8,505,000	5,653,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	3,922,000	4,259,000
Expected return on assets	104,000	123,000
Actuarial gains/(losses)	1,093,000	(636,000)
Contributions by employer	153,000	141,000
Contributions by scheme participants	27,000	35,000
Closing fair value of scheme asset	5,299,000	3,922,000

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

27. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor D Parsons and Councillor K Hobley, elected members of Cheltenham Council, are the CBC nominated Trustees. Trustee Councillor D Parsons resigned 16 June 2020 and Councillor K Hobley resigned 5 May 2021. D Smith, Trustee, is Alderman of Cheltenham.

During the period the Trust received income amounting to £1,502,988 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, Community Food Hub operations and restricted funding projects (2020: £1,063,313). At the period end there was £64,068 outstanding (2020: £60,315).

The Trust receives administrative and other support services from various related bodies including Publica (an employment company jointly owned by Cotswold, West Oxfordshire, and Forest of Dean District Councils and Cheltenham Borough Council) that delivers finance, HR, and ICT services. These bodies associated with CBC provide services under service level agreements with expenditure during the year as follows:

	2021 £	2020 £
Cheltenham Borough Council	137,939	308,670
Publica	141,255	134,878
West Oxfordshire District Council	4,531	-
	<u>283,725</u>	<u>443,548</u>

THE CHELTENHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

27. Related party transactions (continued)

Of these amounts £106,482 (2020: £36,332) was owing to Publica at the year end date and £26,846 (2020: £137,618) was owing to Cheltenham Borough Council.

During the year, the Trust made sales of £nil for venue hires (2020: £11,063) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council. £nil (2020: £nil) was outstanding at year end. The Trust received goods and services from Cheltenham Borough Homes Ltd of £nil (2020: nil), and £nil was outstanding at year end (2020: £nil).

Mr P Harkness was appointed as a Trustee in May 2014 and resigned in July 2020. He is an ordinary member of the Friends of The Wilson Art Gallery & Museum.

Ms J Hodsdon was appointed as a Trustee in May 2014 and resigned in April 2021. She is an ordinary member of the Friends of the Wilson Art Gallery & Museum.

Ms J Meekings-Davis was appointed as a Trustee in October 2017. She is a Trustee of the Friends of The Wilson Art Gallery & Museum.

During the year the charity received £nil from the Friends (2020: £45,992) and held a balance of £6,000 of this sum at 31 March 2021 (2020: £6,000). Expenditure in relation to Friends of the Wilson amounted to £nil (2020: £45,993) for the year ended 31 March 2021.

Mr D Brookes, husband of Trustee Mrs L Brookes, is employed by The Cheltenham Trust in the role of Communities and Learning Manager. During the year ended 31 March 2021 he received remuneration of £32,363, total employer pension contributions of £7,485 were made along with £3,146 employer National Insurance contributions.

See note 29 in respect of The Cheltenham Trust's subsidiary undertaking, Cheltenham Leisure and Culture Ltd (CLC Ltd). Advantage is taken of the FRS102 exemption from disclosure of certain intergroup transactions.

28. Post balance sheet events

Subsequent to end of the reporting period, during December 2021 the Cheltenham Trust is committing to a significant capital contract c.£470k relating to a refurbishment project at The Wilson Art Gallery and Museum.

29. Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Cheltenham Leisure & Culture Limited	09133998	Cheltenham Town Hall, Imperial Square, Cheltenham, Gloucestershire, GL50 1QA	Leisure & culture activities on behalf of the council

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Principal subsidiaries (continued)

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cheltenham Leisure & Culture Limited	826,057	(543,422)	282,635	279,064