

**TRUSTEES ANNUAL REPORT
AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

FOR

**HARROGATE INTERNATIONAL FESTIVAL LIMITED
(A company Limited by guarantee)**

Registered Charity Number: 244861

REGISTERED NUMBER: 00858029

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HARROGATE INTERNATIONAL FESTIVAL LIMITED
CHARITY REFERENCE AND ADMINISTRATIVE DETAILS
YEAR ENDED 31 OCTOBER 2024

Charity registration number	244861
Company registration number	00858029
Honorary President	Peter Blackburn CBE
Trustees	Joanna Fiona Armitage – Chairman Matthew Osbourne - Treasurer John Bywater – resigned April 2024 Rod Findlay – appointed February 2024 Jenny Harris Lucy Hind Iain Jenkins Stan Lumley – resigned October 2024 Craig Ratcliffe Susan Rumfitt
Secretary	Sharon Canavar
Registered office	32 Cheltenham Parade Harrogate North Yorkshire HG1 1DB
Auditor	TC Group Registered Auditors 6 Queen Street Leeds LS1 2TW
Solicitor	McCormicks Solicitors Wharfedale House 37 East Parade Harrogate HG1 5LQ
Bankers	HSBC 7 Prospect Crescent Harrogate HG1 1RN
Key Staffing	
Chief Executive	Sharon Canavar
Literature Festivals Manager	Clemence Roux
Music & Events Manager	Rosie Gilbertson
Digital & Comms Manager	Lisa McKiddie
Financial Controller	Ruth Moody

HARROGATE INTERNATIONAL FESTIVAL LIMITED TRUSTEES' ANNUAL REPORT YEAR ENDED 31 OCTOBER 2024

The Trustees present their Annual Report (including the Strategic Report) and the audited financial statements of the charity for the year ended 31 October 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Directors and Trustees of the charity

The Board of Directors is the governing body of Harrogate International Festival Limited. Members of the Board are also Trustees as defined by the Charities Act. The Board meets at least four times a year and it sets the policies of the Charity. It is also responsible for overseeing the sound management of the organisation and for ensuring that its policies are carried out by the staff through the Chief Executive.

The Board is made up of a maximum of thirteen trustees. The Board has the power to appoint additional Trustees as it considers fit to do so. The Board keeps under review its skills mix, with the current Board having a broad range of professional, business and educational skills and experience. The trustees who have served during the year and since the year end were as follows:

Joanna Fiona Armitage – Chairman
Matthew Osbourne - Treasurer
John Bywater
Rod Findlay
Jenny Harris
Lucy Hind
Iain Jenkins
Stan Lumley
Craig Ratcliffe
Susan Rumfitt

All members of the Board have confirmed that they do not have and have not had any beneficial interest in any contract with Harrogate International Festival Limited. Board members receive no remuneration or other financial benefit. Harrogate International Festival Limited maintains a register of Trustees' interests.

Harrogate International Festival Limited ("Harrogate International Festivals") is a Registered Charity and a Registered Company limited by guarantee. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Objectives and activities

Vision:

To be Yorkshire's leading multi-arts cultural festival, delivering a creative and evolving programme that sparks joy, ignites insight and fosters connection and opportunity across all communities.

Mission:

To create distinctive and innovative cultural experiences for the communities we serve.

Principles:

- We have high artistic ambitions – we strive for excellence in the arts, creating work that inspires, challenges and enriches public life
- We're passionate about the social and wellbeing impact of the arts. We actively promote the role of the arts in improving mental health, social connection and community cohesion ensuring our work has meaningful impact
- We present art by, and for, as many communities as possible through diverse, inclusive and accessible programmes balancing free and low-cost opportunities alongside ticketed experiences
- We represent and engage diverse communities, platforming artists and stories from a wide range of backgrounds. We actively work with underserved audiences and remove barriers to participation

HARROGATE INTERNATIONAL FESTIVAL LIMITED TRUSTEES' ANNUAL REPORT YEAR ENDED 31 OCTOBER 2024

- We understand our role as a festival and platform, in a vibrant sustainable arts ecology, nurturing artists, collaborating with partners and contributing to the sector
- We're entrepreneurial, and also a charity. We encourage people to value (and pay for) unique experiences and human connection

We have referred to the public benefit guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and in planning our future activity.

The aims of Harrogate International Festival Limited are undertaken specifically to ensure the charitable objectives meet the public benefit requirement and the Charities Act 2011.

Directors and Trustees

The Board of Directors is the governing body of Harrogate International Festivals. Members of the Board are also Trustees as defined by the Charities Act. The Board meets at least four times a year and it sets the policies of the Charity. It is also responsible for overseeing the sound management of the organisation and for ensuring that its policies are carried out by the staff through the Chief Executive.

The Board is made up of a maximum of thirteen trustees. All of the Trustees named on page 2 served during the year. The Board has the power to appoint additional Trustees as it considers fit to do so. The Board keeps under review its skills mix, with the current Board having a broad range of professional, business and educational skills and experiences.

The Board interviews potential new Trustees prior to appointment. Each newly elected Board member receives guidance notes about their role and responsibilities as a charity Trustee and company Director as part of a comprehensive induction process. Training events are organised to update Trustees' knowledge on general charity topics and specific matters regarding Harrogate International Festivals.

In accordance with Article 37 of the Articles of Association Fiona Movley and Susan Rumfitt retire from the Board and, being eligible, offer themselves for re-election.

All members of the Board have confirmed that they do not have and have not had any beneficial interest in any contract with Harrogate International Festivals. Board members receive no remuneration or other financial benefit. Harrogate International Festivals maintains a register of Trustees' interests.

Remuneration of Key Management Personnel

The Resources sub-group determines the remuneration, benefits and pension arrangements of all staff including Key Management Personnel.

Subsidiary Company

The Company has a wholly owned subsidiary company, Harrogate Festival Development Ltd, which is engaged in fundraising activities.

STRATEGIC REPORT

Achievements in the year

Harrogate International Festivals produced a wide range of work throughout the year, but it must still be recognised that the impact of the pandemic both financial and social remains a challenge. Rebuilding programmes and partnerships, upskilling a new team alongside the continued delivery of programmes in innovative ways were the focus across this period.

2024 saw the Festivals deliver a wide range of festivals, events and outreach across the year with key outputs including:

Our year at a glance:

- 28,000 tickets issued
- Over 200 days of live events
- 2516 discounted tickets for children and young people
- 70,000 visitors to our free to access events
- Over 3.5m reached on social media
- 18.6m estimated reach of digital media press coverage

HARROGATE INTERNATIONAL FESTIVAL LIMITED TRUSTEES' ANNUAL REPORT YEAR ENDED 31 OCTOBER 2024

MUSIC

Harrogate International Sunday Series

Our classical music programme began in Spring 2024, inviting audiences to a full season of chamber concerts as part of the Harrogate International Sunday Series, including Robert Plane, Daniel Lehardt, Astatine Trio, Clare Hammond and Hyeyoon Park. Our programme focussed on the future with artists at the early to mid-stage of their careers. The programme is built primarily for our core classical audience as a daytime Sunday morning concert addressing issues and barriers to attendance as well as the associated social programmes addressing loneliness and wellbeing amongst this longstanding audience, who still value high quality recitals from a range of international artists. We are also working to further diversify this audience focussing on diversity on the stage as well as a range of ticketing options including *Under 35s for a Fiver* and our *Library of Live* programmes.

HACS Harrogate Music Festival

2024 was the 59th festival. Over 3 weeks the Festival produced 30 events in venues across the Harrogate area, welcoming 4748 people to the ticketed programme and over 200 young people to behind the scenes and masterclass programmes. This year, the Music Festival also attracted its first title sponsor with grateful thanks to The HACS Group.

The Spiegeltent returned in 2024 which is key for developing new audiences and partnerships removing barriers to attendance including fear of threshold and allowing us to programme in new ways including free lunchtime concerts, late night recitals, family events and pilot new ways to experience classical and contemporary music within new, temporary spaces.

Our summer programme welcomed the City of Birmingham Symphony Orchestra, the Gildas Quartet and Braimah Kanneh-Mason with Plinio Fernandes, the Young Musician's platform returned once again with the Dorothy Parkinson Memorial Award for Young British Artists being presented to pianist Amiri Harewood.

Interactive programmes focussed on well-being included mindfulness and yoga as part of the classical experience and our partnership with local bars included late nights shows post more formal recitals creating engagement between artist and audience in an informal setting without losing the quality of the performance and artist.

Literature

A host of literature events took place across the year, with the largest celebrating the very best in crime fiction with the **Theakston Old Peculier Crime Writing Festival**. Noted as a firm date in the literary calendar the 2024 Festival featured a varied line up of special guests alongside new voices and diverse panels. The 2024 programme was curated by award winning novelist Ruth Ware with the lineup including Abir Mukherjee and Vaseem Khan, Peter James, Dorothy Koomson, Elly Griffiths and Richard Osman. The festival also produces the most prestigious award in crime fiction; the Theakston Old Peculier Crime Novel of the Year with Jo Callaghan taking the crown in 2024 for her novel *In The Blink of an Eye*, and Martina Cole awarded the Theakston Old Peculier Outstanding Contribution Award to Crime Fiction. A new debut award was launched in 2024, the McDermid Debut with the inaugural winner being Marie Tierney for her book *Deadly Animals*. A celebratory anthology was also launched in 2024 featuring short stories inspired by the Theakston Old Peculier Crime Writing Festival curated and edited by Vaseem Khan and featuring stories from Ann Cleeves, Mark Billingham, Elly Griffiths and Abir Mukherjee. The book received critical acclaim, much publicity and a letter from HM Queen Camilla.

The **Raworths Harrogate Literature Festival** has become the host ticket on the national circuit. Hosted over 10 days in the autumn the programme included Victoria Hislop, Adam Kay and Teresa May, supported by a busy Children's Literature Festival with SEN focussed activities and featuring Rob Biddulph and Dr Amir Khan.

Berwins Salon North remains a key series across the year consisting of the most stimulating ideas in art, science and psychology designed to change your life for the better. Speakers imparting their knowledge in 2024 included a range of high profile speakers focussed on our changing world, the healing power of sound and the connection between games and maths, with speakers including Dr Phoenix Andrews, Robert McCrum and Nels Abbey.

Theatre & Family

Oddsocks Theatre returned to the Festival once more with another high energy production of Shakespeare, whilst the specially curated **Children's Festival** brought a diverse programme of fun to the programme including Punjabi Roots and Hoglets Theatre.

HARROGATE INTERNATIONAL FESTIVAL LIMITED TRUSTEES' ANNUAL REPORT YEAR ENDED 31 OCTOBER 2024

Outdoor and Immersive

Outdoor work once again was a big part of our outreach and opportunity for our community with a newly produced light festival **BEAM**. Delivered over two nights in March this spectacular event lit up and animated key buildings and spaces across the town attracting 70,000 people to the town centre. As series of workshops and make and take participatory events supported this delivery.

Our **Taproom Sessions** returned again in 2024 programming chamber music in unique settings to reach new audiences with our partners Lilypad, with other outreach including projector bikes, partnerships with run clubs and Book Trails across the town.

HIF+

Across the year the Harrogate International Festivals directly engaged with 1000s of young people and underrepresented communities through our range of work under the umbrella of HIF+ which provides opportunities for learning and engagement throughout our programmes.

Our goal is to ensure provision of high-quality live arts experiences for people of all ages across Harrogate and the north. Our HIF+ strand runs through all our programmes through an inclusive and accessible arts programme, with a number of priorities shaping our work, addressing issues of health, education and opportunity.

Our work across the year included:

- Young Musicians Platform for the rising stars of the future
- Community Libraries on buses
- Emerging Writers Programme – New Blood Platform for debut writers
- Jane Gregory Bursaries supporting under represented writers
- Creative Writing Days for aspiring authors
- Children's Festival across music, science and literature
- Library of Live
- Family Literature Trail across the local parks and woods
- North Pole Post Office
- Big Read | the North of England's Biggest Book Club touring libraries with our Reader in Residence and a host of free books
- Open rehearsals
- Masterclasses
- Creative Writing Days for aspiring authors
- BEAM – lighting spectacular
- HIF@ Home Digital deliver which is free to access including a range of podcasts and events for our at home audiences

HIF Player

A large part of our work over the last four years has taken the form of digital events within our online communities. From free to access and ad free podcasts to live and online events, HIF continues to attract a wide range of artists and audiences for this continued strand of our work. Our podcasts are downloaded thousands of times across the world and regularly chart in the podcast charts.

2024 continued to be a period of growth and challenge. The organisation demonstrated itself to be agile, to lead and continue during unknown times and to continue our work bringing arts to communities. The Board of Trustees has also developed a new business plan to support the vision of becoming a fit for purpose 21st century arts festival.

Despite the financial and resource challenges we are incredibly proud of the work we have done and our achievements over the last 12 months. We remain incredibly grateful to our many partners and supporters who have enabled us to continue our vital work including the Liz & Terry Bramall Foundation, North Yorkshire Council, and our title sponsors Raworths, T&R Theakston, The HACS Group and Berwins, along with the many sponsors and donors who have continued to support us over this period.

HARROGATE INTERNATIONAL FESTIVAL LIMITED TRUSTEES' ANNUAL REPORT YEAR ENDED 31 OCTOBER 2024

Future 50 Appeal

Harrogate International Festivals relies on the generous support of many funders, donors and sponsors. Each year HIF has to raise over 98% of its income to deliver our year-round programme. As a charity with no core funding it is a priority that these funds are raised annually in order to continue our vibrant programme of work.

In 2015, HIF launched our Future 50 Appeal to address this ongoing deficit of managing ambition against resource, launching an Appeal to raise £1m and create a secure future for the charity. The Appeal is critical to HIF being a sustainable organisation, with the ability to make full use of our artistic and cultural inheritance and create life changing opportunities in the arts. It will ensure that we continue to create access to the arts for the widest range of audiences and participants regardless of background and personal circumstance. The fundraising for the Appeal continues and is led by the Chairman of the Appeal; Fiona Movley. The Board thank her and the donors, for their support and generosity.

In line with the ambitions for the Future 50 Appeal, we intend to build on the success of large-scale outdoor arts delivery such as Carabosse programmed in 2016 which reached over 25,000 people, Luminarium from Architects of Air which reached a capacity audience of 5000 and commissions such as Museum of the Moon and the 1571 lighting installation.

Funds are traditionally set aside to support new work, live art installation and diverse and accessible programmes, and this fund supported the two day light spectacular BEAM as well as invested in resource and staffing to support the objectives associated with the new business plan.

This financial resource is key in enabling the charity to deliver ambitious and financially challenging artistic projects and reflects our ambition to use the Future 50 funding to develop and deliver an arts festival that is fit for purpose in the 21st century, reflecting our charitable objectives.

As the Festival approaches the 60th Anniversary, the Board of Trustees are exploring the opportunity to finalise the original Future 50 appeal which was paused during the pandemic to focus on survival and continued operational delivery.

Financial review

Following the pandemic this year continues to be a challenging period of planning and delivery against a number of unknowns. Ensuring that audiences remain confident of attending events remains a challenge and ensuring sufficient resource for the level of delivery has been difficult with competition to recruit the best candidates being fierce.

Ticket sales for classical music continue to be a challenge, whilst sponsorship remained steady. Operational costs have increased significantly across a range of suppliers across the year, further challenging budgets during delivery.

The outturn for the year is an operational deficit of -£1,227.

The Future 50 Appeal continued, and HIF was able to add £26,136 after expenses to this Appeal which aims to create £1m in order to secure a long term future for the charity. During the year, £59,725 was utilised from this fund to support BEAM and other operational delivery as part of the agreed business plan investments.

General review of the Charity's financial position

Total income of the Charity and its subsidiary for 2024 was £1,225,664 (2023: £1,129,238), of which £1,195,846 supported the year round operational delivery and £29,818 was raised towards the Future 50 Appeal.

Total resources used amounted to £1,260,481 (2023: £1,082,333) of which £1,197,073 was operational delivery, and £63,408 (2023: £700) supported costs to deliver and run events associated with the Future 50 Appeal. Across the operational funds there was a deficit of £1,227 (2023: £1,294) after transfers and across all funds there was a deficit of -£34,817 (2023: £46,905).

At 31 October 2024 the Charity's consolidated net assets were £745,107 (2023: £779,924).

Principal sources of funding

Voluntary income and incoming resources from charitable activities are as follows: 34% of income was generated through ticket sales (2023: 33%), 24% through corporate sponsorships (2023: 21%) and 22% from grants and donations (2023: 21%). Additional income is made up of income on accommodation packages associated with the Theakston Old Peculier Crime Writing Festival, and miscellaneous income from Friends of the Festival, bank interest and consultancy.

HARROGATE INTERNATIONAL FESTIVAL LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2024

Reserves policy

The Festival is most reliant on ticket income and sponsorship which are recognised as the income streams most at risk and susceptible to public tastes and business strategies. Therefore, our cash reserves are an essential defence to the inevitably cyclical nature of Festival funding, enabling us to fund developmental work throughout the year to support artistic risk or marketing investment.

The Charity's reserves policy is to build and maintain sufficient operating reserves to provide cover for the inevitable fluctuations in revenue income, thus ensuring continuity of the Charity's services. The charity bases this on six months of overhead running costs which is in the range of £150,000 to £200,000 per annum.

As at 31 October 2024 total reserves were £745,107 (2023: £779,924) of which £195,590 (2023: £196,534) was free reserves excluding designated funds.

As a celebration and legacy of the 50th Anniversary celebrations the Festival launched a Future 50 appeal to raise £1m to support the ambition of the organisation and protect the Festivals during difficult financial times.

Whilst our approach of anticipating financial challenges with reserves has, so far, proven sustainable, the funding landscape in the north of England continues to shrink. The charity has no regular annual income to plan beyond six months ahead, and this has an impact on both the scale and reach of our delivery. In short, the Festival's ambition is hindered by resource.

We are determined to invest in our strengths of raising aspirations, creating opportunity and nurturing excellence, and this Appeal funding will allow us to make full use of our artistic and cultural inheritance, take more artistic risks to create life changing opportunities in the arts.

As at 31 October 2024 the amount of Future 50 fund held as a separate designated reserve was £519,943 (2023: £553,533).

Restricted funds held at 31 October 2024 totalled £NIL (2023: £NIL).

Volunteers

The Board acknowledges with gratitude the work and commitment of the many volunteers who willingly give their time to the considerable benefit of the charity. The total number of hours donated to the Charity by its volunteers in the year estimated to be in excess of 3000 hours.

Risk Assessment

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity. The Trustees are satisfied that management and control systems are in place to mitigate the Charity's exposure to the major risks and the Trustees undertake to review those risks and controls each year.

Key principal risks and plans and strategies for managing were

Risk	Management
Financial: - Weak Budgetary Controls and finance reporting	-Budget linked to business planning and objectives, with timely & accurate monitoring & reporting, Management accounts provided for all Trustee meetings, monthly meet with Financial Controller.
-System and controls not operating as intended	-Financial control procedures, defined responsibilities and authorisation limits.
-New programming strands and more sophisticated marketing methods expose greater financial risk	-Annual review of aims and objectives with budgets linked to business planning and objectives.
-Inadequate insurance cover	-Annual review of cover.
-Lack of financial supervision by the Board	-Ongoing analysis and review, Treasurer's report at Board meeting + rigorous analysis within the Resources Sub-group.
-Dependency on income sources	-Trustee engagement and commitment to fundraising, Regular identification of major dependencies and diversification plans.
-Level of unrestricted reserves held by the charity detrimental to obtaining voluntary income	-Adequate disclosures made in the reserves policy.
-Pandemic related shutdown	-Awareness of govt comms to keep staff/audiences safe -Reflate reserves where possible to support long-term health of the organisation

**HARROGATE INTERNATIONAL FESTIVAL LIMITED
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 OCTOBER 2024**

Risk	Management
Reputational: -Decline in public perception of the charity	-Communication with supporters and beneficiaries, Quality financial, annual report and review reporting, PR training/procedures.
-Adverse publicity	-Review complaints procedures, review procedures, crises management strategy for handling consistency of key messages, nominated spokesperson etc.
-Breakdown in relationships with key stakeholders and supporters	-Regular contact and briefings, meet T&F of funders, ongoing sponsor comms beyond the agreed term of support. Keep funders up to date on progress, issues and build good understanding of and relationships with similar organisations through collaborative working and sharing good practice.
Talent: -No succession planning for key Board or senior management positions	-Review succession planning to identify skills gap, early anticipation of Trustees/staff stepping down, open dialogue
-Loss of key members of staff or trustees	-Effective HR policies and procedures. Acknowledge the risk for organisations the size of HIF.
-Dependents on key individuals	-Knowledge transfer. Empowerment and delegation.
Political/Regulatory: -Failure to comply with operational regulations (data, H&S, Child Protection)	-Monitor the legal and regulatory changes, membership of umbrella bodies/partner organisations.
-Data breach	-Appraise systems and revise as appropriate, appraise security and authorisation procedures, implement measure to secure and protect data including secure back up and regular review of procedures.
-Change in political climate regarding culture/festivals & funding	-Regular review with partners and shared information through umbrella bodies and national organisations.
-Failure to meet statutory report requirements	-Identification and access to professional advice, compliance reviews.
-Failure to operate within charitable objects of powers	-Annual review of charitable objectives, access to professional advice.
-Charity lacks direction, strategy and forward planning	-Annual review of aims and objectives, timely and accurate financial and project reporting, regular contact between Board and staff.
-Trustees insufficiently aware of the charity's objectives and legal powers	-Induction training and appraisals.
-Ineffective contribution from trustees	-Attendance, contribution and action at Board, engagement in fundraising, annual appraisal, recruitment and appointment process.

AUDITORS

In accordance with the Companies Act 2006 a resolution proposing the reappointment of TC Group as Auditor will be put to the members.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Harrogate International Festival Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**HARROGATE INTERNATIONAL FESTIVAL LIMITED
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 OCTOBER 2024**

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

In so far as the trustees are aware:

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

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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

On behalf of the board

DocuSigned by:
Sharon Canavar
215C113AF9FE4D7...

Sharon Canavar, Secretary

Date: 22/5/2025

HARROGATE INTERNATIONAL FESTIVAL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE INTERNATIONAL FESTIVAL LIMITED
YEAR ENDED 31 OCTOBER 2024

Opinion

We have audited the financial statements of Harrogate International Festival Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 October 2024 which comprise the Consolidated Statement of Financial Activities (Including Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows, the Charity Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 October 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 Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE INTERNATIONAL FESTIVAL LIMITED
YEAR ENDED 31 OCTOBER 2024
Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and the strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 151 of the Charities Act 2011, the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

- enquiring of the directors on procedures relating to their processes for identifying, evaluating and complying with laws and regulations and for detecting and responding to the risks of fraud;

HARROGATE INTERNATIONAL FESTIVAL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARROGATE INTERNATIONAL FESTIVAL LIMITED
YEAR ENDED 31 OCTOBER 2024

- obtaining an understanding of the legal and regulatory frameworks applicable to the entity. The most significant considerations identified were the Companies Act 2006, employment tax legislation, employment law and health and safety; and
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:
 - management override of controls; and
 - revenue recognition.

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations and to identify any irregularities or instances of fraud;
- We tested the appropriateness of a sample of accounting journals;
- We reviewed the Company's accounting policies for non-compliance with relevant accounting standards;
- We considered significant accounting estimates for evidence of misstatement; and
- We considered the appropriateness of the revenue recognition policies.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements. There are inherent limitations in the audit procedures performed not least due to the following:

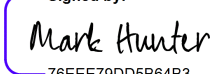
- the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve deliberate concealment; and
- the further removed the non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

Signed by:



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Mark Hunter FCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditors

Office: Leeds, West Yorkshire

Date: 22/5/2025

HARROGATE INTERNATIONAL FESTIVAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 OCTOBER 2024

		Unrestricted operational funds £	Restricted funds £	Operational total £	Unrestricted designated funds £	Total 2024 £	Total 2023 £
Income:							
Donations and legacies	2	145,963	95,000	240,963	20,000	260,963	229,709
Charitable activities	3	922,561	-	922,561	30	922,591	865,336
Other trading activities	4	23,291	-	23,291	13	23,304	22,219
Investments	5	9,031	-	9,031	9,775	18,806	11,974
Total income		1,100,846	95,000	1,195,846	29,818	1,225,664	1,129,238
Expenditure on:							
Raising funds		25,032	-	25,032	8,633	33,665	30,078
Charitable activities	6	1,076,758	95,283	1,172,041	54,775	1,226,816	1,052,255
Total expenditure		1,101,790	95,283	1,197,073	63,408	1,260,481	1,082,333
Net income		(944)	(283)	(1,227)	(33,590)	(34,817)	46,905
Transfer		-	-	-	-	-	-
Net movement in funds		(944)	(283)	(1,227)	(33,590)	(34,817)	46,905
Reconciliation of funds:							
Total funds brought forward		196,534	-	196,534	583,390	779,924	733,019
Total funds carried forward	16	195,590	(283)	195,307	549,800	745,107	779,924

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 17 to 26 from part of these financial statements.

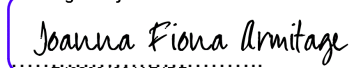
**HARROGATE INTERNATIONAL FESTIVAL LIMITED
CONSOLIDATED AND CHARITY BALANCE SHEETS
YEAR ENDED 31 OCTOBER 2024**

	Note	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
Fixed assets					
Investments	11	-	-	2	2
		-	-	2	2
Current assets					
Debtors	12	42,725	71,299	42,725	71,299
Cash at bank and in hand		911,118	986,301	911,118	986,301
		953,843	1,057,600	953,843	1,057,600
Creditors: amounts falling due within one year	13	(208,736)	(277,676)	(208,738)	(277,678)
Net current assets		745,107	779,924	745,105	779,922
Total assets less current liabilities		745,107	779,924	745,107	779,924
Charity Funds					
Restricted funds	16	(283)	-	(283)	-
Unrestricted funds	16	745,390	779,924	745,390	779,924
Total charity funds		745,107	779,924	745,107	779,924

The trustees have prepared consolidated financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved and authorised for issue by the Board.

Signed on behalf of the board of trustees

Signed by:

 E492864204AF4DF
 Joanna Fiona Armitage, Trustee
 30/4/2025
 Date:

The notes on pages 17 to 26 form part of these financial statements.

Company registration number: 00858029

HARROGATE INTERNATIONAL FESTIVAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 OCTOBER 2024

	Note	2024 £	2023 £
Net cash flow from operating activities	18	(93,989)	34,262
Cash flow from investing activities			
Interest received		18,806	11,974
Net cash flow from investing activities		18,806	11,974
Net increase / (decrease) in cash and cash equivalents		(75,183)	46,236
Cash and cash equivalents brought forward		986,301	940,065
Cash and cash equivalents carried forward		911,118	986,301
Cash and cash equivalents consists of:			
Cash at bank and in hand		911,118	986,301

The notes on pages 17 to 26 form part of the financial statements.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
CHARITY STATEMENT OF CASH FLOWS
YEAR ENDED 31 OCTOBER 2024

	Note	2024 £	2023 £
Net cash flow from operating activities	18	(99,023)	32,424
Cash flow from investing activities			
Interest received		18,806	11,974
Loans with subsidiary undertaking		5,034	1,838
Net cash flow from investing activities		23,840	13,812
Net increase / (decrease) in cash and cash equivalents		(75,185)	46,236
Cash and cash equivalents brought forward		986,301	940,065
Cash and cash equivalents carried forward		911,118	986,301
Cash and cash equivalents consists of:			
Cash at bank and in hand		911,118	986,301

The notes on pages 17 to 26 form part of these financial statements.

HARROGATE INTERNATIONAL FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2024

1 Summary of significant accounting policies

(a) General information and basis of preparation

Harrogate International Festival Limited is a registered charity and a company limited by guarantee incorporated in England. The address of the registered office is given in the charity information in the Charity information section of these financial statements. The nature of the charity's operations and principal activities are given in the Strategic Report.

The charity constitutes a public benefit entity. The accounts have been prepared in accordance with the Charities SORP (FRS 102): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Group financial statements

The group financial statements consolidate the results of the charitable company and its wholly owned subsidiary Harrogate Festival Development Ltd on a line by line basis. A separate statement of financial activities for the Charitable Company itself is not presented as allowed by section 408 of the Company's Act 2006.

The parent company's deficit for the financial year was £34,817 (2023: Surplus of £46,905).

(c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

1 Summary of significant accounting policies (continued)

(d) Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants. Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

(f) Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(g) Investments

Investments in subsidiaries are measured at cost less impairment.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

1 Summary of significant accounting policies (continued)

(j) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

(k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(l) Going concern

In assessing the company's ability to continue as a going concern, the directors are fully aware of their responsibilities with regard to maintaining a sufficient level of funds within the charity and the need to carefully manage cash flows. They have considered current cash availability and prepared high level cash flow forecasts that cover a period of 12 months from the date of sign off of these statements.

In the opinion of the directors, this information provides assurance that the company has sufficient available reserves and cash to continue to meet its liabilities as they fall due, even at existing levels of revenue – which are, in the opinion of the directors, a reasonable approximation of 'worst case'.

On this basis, and after consideration of all other factors, the directors continue to adopt the going concern basis in preparing the financial statements.

(m) Financial instruments

The Group only has financial assets and 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 financing transactions that do not qualify as concessionary loans, which are subsequently measured at amortised cost using the effective interest method.

2 Income from donations and legacies

	2024	2023
	£	£
Arts Council England - Cultural Recovery Fund	2,131	-
Harrogate Borough Council – Grants	49,000	24,000
Harrogate Borough Council – Carnival	-	100,000
Future 50 (including gift aid)	20,000	40,000
NYCC Councillor grants	5,000	-
Friends Subscriptions and Events	88,851	49,517
Other donations and legacies	95,981	16,192
UK Government Small Business Support Grant	-	-
	260,963	229,709

Income from donations and legacies was £260,963 (2023: £229,709) of which £95,000 (2023: £100,000) was attributable to restricted, £20,000 (2023: £40,000) was attributable to unrestricted designated funds and £145,963 (2023: £89,709) was attributable to unrestricted funds.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

3 Income from charitable activities

	2024	2023
	£	£
Ticket and programme sales	431,039	360,770
Income from commercial trading operation	491,552	504,566
	<u>922,591</u>	<u>865,336</u>

Income from charitable activities was £922,591 (2023: £865,336) of which £30 (2023: £120) was attributable to unrestricted designated funds and £922,561 (2023: £865,216) was attributable to unrestricted funds.

4 Income from other trading activities

	2024	2023
	£	£
Income from commercial trading operation	18,704	7,606
Other trading	4,600	14,613
	<u>23,304</u>	<u>22,219</u>

Income from other trading was £23,304 (2023: £22,219) of which £13 (2023: £160) was attributable to unrestricted designated funds and £23,291 (2023: £22,059) was attributable to unrestricted funds.

5 Income from investments

	2024	2023
	£	£
Interest – deposits	9,031	5,943
Interest - Future 50	9,775	6,031
	<u>18,806</u>	<u>11,974</u>

Income from investments was £18,806 (2023: £11,974) of which £9,031 (2023: £5,943) was attributable to unrestricted funds and £9,775 (2023: £6,031) was attributable to unrestricted designated funds.

6 Analysis of expenditure on charitable activities

	Festivals and Events	Education	Total 2024	Total 2023
	£	£	£	£
Direct costs	1,041,313	-	1,041,313	941,731
Support costs				
Staff costs	74,328	-	74,328	64,936
Other support costs	98,715	-	98,715	35,041
Governance costs	12,460	-	12,460	10,547
	<u>1,226,816</u>	<u>-</u>	<u>1,226,816</u>	<u>1,052,255</u>

£95,283 (2023: £100,000) of the above costs were attributable to restricted funds. £1,076,758 (2023: £952,255) of the above costs were attributable to unrestricted funds. £54,775 (2023: Nil) of the above costs were attributable to unrestricted designated funds.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

7 Trading subsidiary

Harrogate Festival Development Ltd (Company number 02593892) is a wholly owned subsidiary incorporated in England and Wales. Its principal activity is that of providing advertising services. Its profit is gift aided to the Charity.

Harrogate Festival Development Ltd

Summary Profit and Loss Account

	2024	2023
	£	£
Turnover	504,395	519,179
Cost of sales	(110,551)	(130,749)
Gross profit	<u>393,844</u>	<u>388,410</u>
Administrative expenses	-	-
Profit on ordinary activities before taxation	<u>393,844</u>	<u>388,410</u>
Tax on profit on ordinary activities	-	-
Profit for the year	<u>393,844</u>	<u>388,410</u>

Turnover is disclosed as:

Turnover as above	504,395	517,226
Less other trading income	(12,843)	(14,613)
Income from charitable activities	<u>491,552</u>	<u>502,613</u>

Resources expended disclosed as:

Cost of sales	(110,551)	(130,769)
Trading subsidiary costs	<u>381,001</u>	<u>371,844</u>

The assets and liabilities of the subsidiary were:

Current assets	23,113	18,079
Current liabilities	(23,111)	(18,077)
Total net assets	<u>2</u>	<u>2</u>
Called up share capital	2	2
Profit and loss account	-	-
Shareholders' funds	<u>2</u>	<u>2</u>

All of the profit for the years presented above were distributed to Harrogate International Festival Limited by means of Gift Aid.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

8 Auditor's remuneration

	2024	2023
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	11,500	8,000

9 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2023: £Nil).

The total amount of employee benefits received by key management personnel is £191,062 (2023: £212,624).

During the year expenses were reimbursed to the trustees amounting to £172 (2023: £Nil).

10 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2024	2023
	Number	Number
Charitable activities	8	8
Raising funds	-	-
	<u>8</u>	<u>8</u>

The total staff costs and employee benefits were as follows:

	2024	2023
	£	£
Wages and salaries	308,535	271,211
Social security	25,219	24,467
Other related staff costs	12,584	13,295
	<u>346,338</u>	<u>308,973</u>

One employee received total employee benefits (excluding employer pension costs) between £60,000 and £70,000.

11 Investments

Investments held by the Charity amounted to £2 being its investment in the subsidiary at cost.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

12 Debtors

	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
Trade debtors	14,533	54,947	14,533	54,947
Other debtors	17,895	8,143	17,895	8,143
Prepayments and accrued income	10,297	8,209	10,297	8,209
	42,725	71,299	42,725	71,299

13 Creditors: amounts falling due within one year

	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
Trade creditors	54,488	99,586	54,488	99,586
Amounts owed to subsidiary	-	-	23,113	18,079
Other tax and social security	5,760	5,718	5,760	5,718
Other creditors	12,796	30,096	12,796	30,096
Accruals and deferred income	135,692	142,276	112,581	124,199
	208,736	277,676	208,738	277,678

14 Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Not later than one year	3,112	211
Later than one and not later than five years	389	-
	3,501	211

15 Deferred income

	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
Amounts brought forward	79,842	51,291	61,765	35,052
Amounts released to income	(79,842)	(51,291)	(61,765)	(35,052)
Incoming resources deferred in the year	69,854	79,842	46,743	61,765
Deferred income at 31 October	69,854	79,842	46,743	61,765

Deferred income relates to grants and ticket income received in advance.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

16 Fund reconciliation

Unrestricted funds

	Brought forward	Income	Expenditure	Transfer	Carried forward
	£	£	£	£	£
Unrestricted	190,128	1,100,846	(1,101,790)	-	189,184
Designated - Future 50	553,533	29,818	(63,408)	-	519,943
Designated – Covid resumption	36,263	-	-	-	36,263
	779,924	1,130,664	(1,165,198)	-	745,390

Restricted funds

	Brought forward	Income	Expenditure	Transfer	Carried forward
	£	£	£	£	£
Restricted- BEAM	-	95,000	(95,283)	-	(283)
	-	95,000	(95,283)	-	(283)

Fund descriptions

a) Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

b) Designated funds

Harrogate International Festival Limited relies on the generous support of many funders, donors and sponsors. Each year Harrogate International Festival Limited has to raise over 98% of its income to deliver our year-round programme. As a charity with no core funding it is a priority that these funds are raised annually in order to continue our vibrant programme of work.

In our 50th year Harrogate International Festival Limited launched our Future 50 Appeal to address the ongoing challenge of managing ambition against resource, launching an Appeal to raise £1m and create a secure future for the charity. The Appeal is critical to Harrogate International Festival Limited being a sustainable organisation, with the ability to make full use of our artistic and cultural inheritance and create life changing opportunities in the arts. It will ensure that we continue to create access to the arts for the widest range of audiences and participants regardless of background and personal circumstance.

In addition to the Future 50 fund, the Trustees occasionally designate certain donations to fund the future costs of programmes.

c) Restricted funds

Funding was secured for one event: BEAM in March 2024.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

17 Analysis of net assets between funds

	Group		Charity	
	Restricted £	Unrestricted £	Restricted £	Unrestricted £
Fixed assets	-	-	-	2
Current assets	-	42,725	-	42,725
Cash and current investments	95,000	816,118	95,000	816,118
Current liabilities	(95,283)	(113,453)	(95,283)	(113,455)
Total	(283)	745,390	(283)	745,390

18 Reconciliation of net income/(expenditure) to net cash flow from operating activities

Group	2024 £	2023 £
Net income for the year	(34,817)	46,905
Interest receivable	(18,806)	(11,974)
Decrease / (increase) in debtors	28,574	(34,227)
Increase / (decrease) in creditors	(68,940)	33,558
Net cash flow from operating activities	(93,989)	34,262
Charity	2024 £	2023 £
Net income for the year	(34,817)	46,905
Interest receivable	(18,806)	(11,974)
Decrease / (increase) in debtors	28,574	(34,227)
Increase / (decrease) in creditors	(73,974)	31,720
Net cash flow from operating activities	(99,023)	32,424

19 Related party transactions

Sharon Canavar is a director of Harrogate BID Limited. During the year Harrogate International Festivals received income of £33,750 (2023 - £8,900) from Harrogate BID Limited and made purchases of £437 (2023 - £524) from Harrogate BID Limited.

Sharon Canavar is a director of Hubert Swainson Funeral Services Limited. During the year Harrogate International Festivals received a donation of £4,000 (2023 - £4,000) from Hubert Swainson.

HARROGATE INTERNATIONAL FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2024

20 Financial instruments

The carrying amounts of the group's financial instruments are as follows:

	2024	2023
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors (note 12)	14,533	54,947
	<u>14,533</u>	<u>54,947</u>
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 13)	54,488	99,586
- Other creditors (note 13)	12,796	30,096
- Accruals (note 13)	65,838	76,111
	<u>133,122</u>	<u>205,793</u>

The carrying amounts of the charity's financial instruments are as follows:

	2024	2023
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors (note 12)	14,533	54,947
- Amounts owed from group undertakings (note 12)	-	-
	<u>14,533</u>	<u>54,947</u>
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 13)	54,488	99,586
- Other creditors (note 13)	12,796	30,096
- Amounts owed to group undertakings (note 13)	23,113	18,079
- Accruals (note 13)	65,838	76,111
	<u>156,235</u>	<u>223,872</u>