

Company number 456573

CHELTENHAM FESTIVALS
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

REGISTERED CHARITY NUMBER 251765

CHELTENHAM FESTIVALS
DIRECTORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENTS

	Page no.
A Chair's Statement	2
B Festival Reports	3
C Directors' Annual Report	16
D Independent Auditor's Report	22
E Statement of Financial Activities & summary income and expenditure report)	26
F Balance sheet	27
G Statement of Changes in Equity	28
H Cash Flow Statement	29
I Notes to the Financial Statements	30

CHELTENHAM FESTIVALS
DIRECTORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

A Chair's Statement 2023

In my second year as Chair of Cheltenham Festivals, I have been keen to develop a board which represents our society and Gloucestershire even more deeply. I strive to get the best out of the amazing group of trustees we have; they all contribute, attend events and challenge the SMT across all aspects of the charity. I am hugely thankful for the support they give and look forward to growing the team in the future.

2023 was a challenging year for all arts charities and particularly for Cheltenham Festivals due to the extended period of absence of Ian George, co-CEO. I am really pleased to say that Ian has fully recovered from his illness and I would like to say a huge thank you to Ali Mawle, co-CEO, for the amount of work she had to do in his absence, and for keeping the ship both steady and moving forwards.

As Chair I am constantly looking to how we can improve and achieve greater impact through our Festivals and our schools and community programmes.

2023 was a building-back year post-covid but it brought with it a new host of challenges. Attendance figures are getting stronger, our reach and impact is getting deeper and wider, but the challenging funding landscape, rising cost of living, and increase in production costs combine to make it a testing time.

I would like to thank our festival-goers, patrons, partners, volunteers, sponsors and foundations which have given their support over these last 12 months, enabling us to progress our ambitious strategy towards a world where everyone can create and experience culture. Their support is needed now more than ever to secure the future we all want.

My final thanks goes to the Cheltenham Festivals team. Their creativity, skill, energy and commitment to creating cultural experiences of the highest quality for everyone is inspiring.

Mark Sorensen
Chair

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

B Festival & Year-Round Outreach Reports 2023

Jazz

Cheltenham Jazz Festival 2023 (28 April - 1 May) saw a well-balanced line-up of the biggest names in Jazz alongside rising stars and some of the biggest names in Pop and Soul. **30,000** people enjoyed events (44% of which were free) involving **572 artists** over the 6 days.

International pop sensation **Mika** opened the festival. Festival favourite and Artistic Curator, **Gregory Porter** delivered a phenomenal performance on the closing night as well as popping up unannounced at various free, late-night Jam Sessions.

The Big Top delivered its usual celebration of musical genres with sold-out shows from artists such as **Robert Plant, Squeeze, Will Young, Rodrigo Y Gabriela and Van Morrison**. While the festival curated several one-off shows in the venue such as Fridays Jazz Soul Summit with the BBC Concert Orchestra and Guy Barker Big Band being joined with vocalists such as Vanessa Haynes and Madeline Bell and then on Saturday Tony Hadley performing with the Ronnies Scott's Jazz Orchestra.

Elsewhere across the festival saw performances from jazz greats **Lizz Wright, Stanley Clarke and Andy Shepherd** while the blues was represented by **Connor Selby**.

The programme at the Parabola Arts Centre included a Norwegian series featuring artists such as drummer **Paal Nilsen-Love**, pianist **Espen Ericksen** and guitarist **Stian Westerhaus** joining **Chris Mapp and Mark Sanders** for a festival commission CollapseUnCollapse alongside Westerhaus doing his own solo concert. A second festival commission was a piece performed by trumpeter **Laura Jurd** marking the final year of the legendary programmer **Tony Dudley-Evans** as Programme Advisor for the festival.

As part of Cheltenham Jazz Festival's year-round commitment to **talent development**, a significant part of the Festival was given over to showcasing new and exciting young and early career artists:

This year, the **Jazz Festival Showcase** featured Scottish singer **Tamzene**, and Kent based singer songwriter **Immy**. The event was a great success, as was the subsequent mentoring session which was attended by a variety of industry professionals including Chris Gilyear (Jazz FM Head of Programmes), Hugh Phillimore (Festival promoter), Mike Flynn (Jazzwise editor), Joe Baxter (Director of Baxter PR), Dave Gaydon (Head of Programming at Cheltenham Jazz Festival), and John Oldham, and gave the artists a unique opportunity to gain advice from leading industry professionals.

There were **59 acts** across the **Free Stage** on the Festival site plus eight '**Around Town**' venues. Each day, the free stage was opened by artists from the Festival's '**Jazz It Up**' programme where players from 10 schools across Gloucestershire and the county bands have the opportunity to perform to a warm and enthusiastic audience. The other acts include bands and individuals who can submit applications to perform through an open call-out which takes place in February. The festival collaborated with London-based talent development organisation **Tomorrow's Warriors**, who presented young artists from their programme across the weekend.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

In an ongoing project funded by **Jerwood Arts**, Cheltenham Jazz Festival produced new works by four young artists across Cheltenham Jazz Festival, Manchester Jazz Festival, Sage Gateshead, and Oxford Contemporary Music. This **Jazz Encounters** programme, which challenges the artists to find new ways of presenting jazz music, saw **Andrew Woodhead** produce *Waves II* a bellringing installation based on this new album *Pendulums*. Combining music and physics as eight different pendulums create a beautifully chaotic and complex pattern.

The Discovery Space was busier than ever, with a whole host of free and ticketed events available for families to explore, including pop-up concerts and hands-on music sessions. Featuring events as varied as indo-jazz music with **Arun Ghosh** and a family sing session with vocal supergroup **Black Voices**. In the Jazz Arena **Shlomo** wowed a sell out family audience with his world champion beatboxing skills getting audiences up on stage.

Cheltenham Jazz Festival produced a special concert for **BBC 4 TV** and broadcast on **BBC Radio 2** and **BBC Radio 3**. The Festival commissioned trumpeter and arranger **Guy Barker** to write new arrangements for a **Soul Jazz Summit** with Guy Barker's Big Band, the BBC Concert Orchestra and vocalists such as **Mica Miller**, **Ashton Jones** and **Vanessa Haynes**.

More than **1100 children from 22 primary schools** attended our Jazz concert for schools. Three of these schools were target schools (schools where more than 25% of pupils are in receipt of pupil premium) and received a travel subsidy. The concert is designed, arranged and hosted by musicians who have come through our Musicate programme who play alongside professional, established musicians. The concert provides children with an early experience of live Jazz music as well as being an interactive, educational experience in which they learn what makes jazz jazz.

Thank you for everything you do to support music making in Gloucestershire through the Cheltenham Festivals. It was a joy to be part of the Concert for Schools this year. I am sure there are many more young jazz fans as a result of the performance! **Clare Dudman, Gloucestershire Music Hub Lead, Make Music Gloucestershire.**

Twelve secondary school jazz bands played a 30 minute set each on our free stage across the two weekend mornings through our Jazz It Up programme, with nearly 200 young people experiencing playing at a festival in front of a large audience.

93 Connections tickets were distributed as follows, 34 through Cheltenham Welcomes Refugees and 59 through Caring for Communities and People.

We **reduced our Scope 1 carbon emissions by 99% this year** by powering the site with HVO rather than diesel.

What a fantastic Jazz Festival that was! Every year I wonder how the CF team is going to achieve the usual high standards without dumbing down, whilst still aiming to step up further, and every year you do it. A very well done to all involved, staff, volunteers, artists, everybody! Keith Norton

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Science

The **21st Cheltenham Science Festival (6-11 June)** consisted of six days packed with conversations, debates, workshops and hands-on activities. Continuing with 'Be The Change' as the theme, the Festival was host to 270 events (20% of which were free, 7 of which were live-captioned) which focussed on the big scientific and technological questions of our time, from artificial intelligence to the climate crisis, gender to mental health. 138 speakers participated in the Festival: 25% were representative of the global majority, 13% identified as being disabled or having a long-term health condition; and an even gender balance was achieved.

Visitors included **7,000 school students** from nearly 100 schools in Gloucestershire and beyond, while over **2,000** people attended free events on the Apollo stage, and **40,000** people enjoyed free hands-on interactive experiences in the Discover Zone, The Arcade and MakerShack (which had 2 quiet opening times for the neurodivergent community). With a total of almost **200,000** visitors across the six days and a building-back of audiences post-pandemic, the Science Festival cemented itself as a key touchpoint in the Cheltenham cultural calendar.

The day before the Festival began we hosted our first **ChelTechne**, an annual summit of leading thinkers from across government, academia, industry, and the cultural sector to discuss and debate the most pressing issue of the time for society at large through the dual lenses of science and technology and the arts and culture. This year's theme was **AI Narratives: Past, Present and Future** and was co-produced with the **University of Bristol's Research Institute for Sociotechnical Cyber Security (RISCS)**.

Our findings focussed on the critical importance of popular and media narratives around AI, and how these can influence - and distort - how not just the public but professionals understand, represent and develop AI technologies. Correcting this will require scientists and engineers to join forces with storytellers and philosophers to produce better stories about technology. We published a report which can be seen here: <https://www.cheltenhamfestivals.com/science/news/charity-report-finds-that-stories-around-artificial-intelligence-are-profoundly>

The Festival's **Young Changemakers programme** continued for its fourth year. Six changemakers across a range of topic areas (mental health, disability awareness, neurodiversity, climate and more) co-created events within the ticketed programme. This content is created by and for 18 – 30s and promoted intergenerational discussion across topics of significance to young people. In addition, the annual We Make Tomorrow event, bringing together the group, took place on the free Apollo Stage. A range of previous Young Changemakers were also involved in the programme.

The Science Festival hosted its first **VOICEBOX** pop-up stage in The Arcade as part of the free Friday Lates. VOICEBOX, Cheltenham Festivals' flagship project for 18 – 30s, has a dedicated audience within this age range. Six short-form events took place across the evening and included a range of local and national participants. Dedicated social media was created to support this programme digitally.

50% of the VOICEBOX pop-up VOICEBOX programme was created in collaboration with individuals and groups from the local community, including Cheltenham Pride, Planet Cheltenham and Tolmeia Gregory. The programme also commissioned local artist Emily Shilton to produce a zine capturing the evening. **102 free tickets** were given to local people who access services at CPP (Caring for Communities and People) through Cheltenham Festivals' Connections Scheme.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7170 KS1-KS4 students from 88 **schools** attended the Festival, many returning over multiple days. 96% of schools rated the speaker as good or excellent, while 86% of schools rated the content as good or excellent.

The headline speaker was astronaut **Tim Peake**. Returning speakers included **Stefan Gates, Jamie Gallagher, Russell Arnott, Maddie Moate and Elizabeth Mills** and first-timers included **Jess French, Mark Langtry, James Piercy, Sun Space Art and FameLab finalist Daniel Olaiya**.

We delivered 2 workshops specifically designed for SEND audiences, similarly to 2022. In addition, one Key Stage 2 show was supported by a British Sign Language interpreter, allowing pupils with hearing impairments to enjoy the show. The L&P Team provided direct support to the SEND schools whilst on site to ensure accessibility needs were met.

The **family programme** consisted of 16 shows and 14 workshops. 6 of the shows were on the free Apollo Stage, welcoming all audiences to take part in the Festival. The programme featured several returning speakers, including **Stefan Gates, Sarah Bearchell, pyka, and Tim Peake**. It also included many new speakers to the festival, including **Raksha Dave, Science+Nature Magazine, Science And Sorcery and Chris van Tulleken**.

The programme featured an event for SEND audiences, to coincide with a quiet opening slot in the interactive zones. We also produced our first baby event, welcoming 30 babies and their parents in a relaxed event around baby psychology. All the family events were on the weekend of the Festival, except one event which took place on Tuesday evening, a format that we continued from 2022. 6 of the family workshops took place offsite, at The Wilson and the Cheltenham Children's Library Lab. All of these workshops were free and well attended and offered a solution to limited venues to run workshops on site.

The shows and workshops were complimented by the free interactive zones, which families could explore to engage with researchers and industries. A late-night opening of the zones also allowed families to explore the site during the week. The Science Trail offered a free interactive activity for children aged 5-12, along with a free copy of the Science+Nature magazine.

FameLab UK was re-launched at the Festival. FameLab, created by Cheltenham Festivals in 2005, is the world's largest science communication competition involving over 35 countries since the International version launched in 2014 in collaboration with the British Council. In 2023 11 countries across 4 continents hosted the competition, culminating in a live-streamed digital final in November.

The UK version of the competition re-launched in 9 regions. Representatives from each attended the Festival for Hub training and for a celebration event of FameLab (past, present and future, featuring participants from 2007, 2020, FameLab International and FameLab Academy) on the Friday night Apollo stage:

East of England - University of Cambridge

The East Midlands - a consortium of several of the region's Higher Education providers

North West - University of Liverpool (UoL) and University of Salford (UoS)

North East - Teesside University

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Northern Ireland - Science Festivals NI

Scotland - University of Aberdeen and Edinburgh Science Festival South East - KMTV Ltd

South-West - Plymouth Marjon University and Gloucestershire

West Midlands - University of Gloucestershire

FameLab Academy, the schools version of FameLab, culminated at the Gloucestershire Final in March 2023 at the Roses Theatre, Tewkesbury. 2250 students participated in the programme from 23 Gloucestershire secondary schools. The finalists presented their scientific speeches to a panel of established judges before two incredible winners and four runners up were selected. FLA is funded by EDF Energy which enables teachers to receive specialist training and for pupils to use a wide range of engaging resources throughout the project.

DataFace – our trail-blazing collaboration with the **Jean Golding Institute, University of Bristol** and **CyberFirst** to inspire school students towards cyber skills and careers in big data – was launched at the Festival ahead of its first academic year in 20 Gloucestershire secondary schools. Teachers from participating schools and partners had the opportunity to meet and begin training ahead of the new term. Pupils from our pilot scheme also presented their projects to their peers within the Discover Zone during the Festival. DataFace is funded by the government through the UK Shared Prosperity Fund and by AWS.

CEP Young Changemakers. Six secondary schools from the Cheltenham Education Partnership participated in a project focused on the SDG Gender Equality which culminated at the Festival. Pupils produced and presented their finished piece within the Discover Zone for a peer-to-peer stand to visiting schools.

The Festival was powered by **fossil-fuel free sources** (a combination of HVO and green tariff) for the second year in a row, with improvements in reporting allowing us to gather consumption figures for Cheltenham Trust properties for the first time.

We continue to monitor waste-management onsite, seeking ways to exceed to claim that “100% of waste is diverted from landfill”. To address this, we have joined the Vision2025 Zero Waste pilot and established a trail with the Gloucestershire Resource Centre to explore reuse our material waste via their Scrapstore.

Emerging partnerships with transport companies are helping us to develop a foundation to promote informed, sustainable travel choices to our audiences. Additionally, we have captured audience travel data for the first time, and will use this to establish a baseline to help us measure the effectiveness of our sustainable audience travel strategy.

Goods & procurement processes incorporating sustainable benchmarks have been introduced, and we moved to a new marquee supplier which is recognised as having good sustainability credentials within our sector. There is much progress to be made, where processes and provisions will continue to be reviewed as suppliers and contracts renew.

Programming contained a significant number of events that incorporated sustainability as a thread, where climate change and environmental sustainability were represented as themes within multiple programming strands.

CHELTENHAM FESTIVALS
DIRECTORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Music

2023 was the 78th Cheltenham Music Festival (8-15 July). Over eight days the Festival saw **32** events fill spaces around Cheltenham and Gloucestershire with music, welcoming in **4,735** people to the ticketed programme and **730** pupils and teachers to the Concerts for Schools, with further audiences reached through the free Around Town programme.

Develop new audiences and new relationships

In 2023, we focused on taking the festival to new venues in Cheltenham to create different kinds of experiences and to remove barriers to those who might be reluctant to engage with our work in more traditional spaces, such as the Pittville Pump Room. This included events at The Old Courthouse, DEYA, John Lewis and Queens Hotel.

We also introduced new strands such as late-night programming and family events to begin a journey of audience development that will lay the foundation for future growth in engagement.

This year's Around Town programme focused on experiences that were interactive and promoted music and wellbeing. This included:

A Song Surgery with soprano **Bibi Heal** that prescribed songs to audience members depending on how they were feeling

Sensory Moments, a multi-sensory experience created by **Bittersuite and Phaedra Ensemble** in which audiences heard music blindfolded while having their senses of smell, taste and touch stimulated

Music and Mindfulness, sessions led by guitarist and mindfulness practitioner **Will Crawford** that introduced audiences to using music within mindfulness practice.

The introduction of a new, multi-year community outreach programme was paused due to funding constraints however the Connections scheme ran again.

Connections is a funded scheme that gives free tickets via our local social prescribing team at **Caring for Communities and People (CCP)** and other partners, to local people who would otherwise not access Cheltenham Festivals. A total of 89 tickets were taken up for this year's Music Festival: 71 via CCP and 18 via **Cheltenham Welcomes Refugees**.

A notable success was a group booking for the men's Group. Run by CCP and CBH, this group supports local men with a range of wellbeing challenges. They meet weekly for activities, conversation and group support.

We attended a performance by Masabane Cecilia Rangwanasha & Kunal Lahiry. They performed for an hour. After the performance the men's feedback was that they were so glad they attended. It opened their minds to other kinds of music, and they were so glad they attended as a group. They all want to go on further Cheltenham Festival event - 9 of them had never been before despite all having lived in Cheltenham for the last 5+ years. 'I had a wonderful experience, and loved singing along to the songs I knew.' A member of the Social Prescribing team.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

2. Show how classical music is vibrant and relevant

The festival wants to push the boundaries of how people experience classical music, and provide different routes in for audiences who may not be looking for the traditional concert experience. In the 2023 festival programme this included:

Byrdwatching, an intimate concert experience taking place in the front rooms of private residences around Imperial Square. The programme included music by English renaissance composer **William Byrd**, whose 400th anniversary was marked this year, and a commission from **Composer Academy alum Aileen Sweeney** who responded to Byrd's work.

Another instalment of **Mixtape**, which took place in DEYA Brewery (a festival first) to a sell-out audience. The programme included Manchester Collective, The Carice Singers, Jordan Ashman and reflected the industrial setting with works by Philip Glass, Bryce Dessner and electronic interpolations from DJ NikNak.

A new **late night series** that took place in The Old Courthouse featuring musicians who combine acoustic and electronic soundworlds, multi-instrumentalist **Laura Cannell**, and violinist **Rakhi Singh**.

We reintroduced **family events** on Saturdays, which saw the **CBSO** present Musical Storytime and a new production from **MishMash Productions**, MishMash Ensemble.

To make it easier for people to get to know the music and the artists we:

Encouraged more artists to introduce the programmes from the stage, providing personalised insight into both the music and their choices

Revised digital programme notes to make them more accessible, and provided a printed alternative

Reconfigured Composium into two showcases that we more targeted towards a public audience, both in terms of timing and location and in ensuring that the composers were given the opportunity to talk about their works. Each showcase was followed by a short networking session, enabling the audience to meet the composers and performers.

Byrdwatching was followed by a reception at which the audience members had the opportunity to get to know the performers.

As a signatory to **Keychange**, we worked hard to ensure greater representation of women across the festival, both as performers and composers. **17 of 25 paid events in the public programme included music by women and non-binary composers.** The new late night series was also headlined by women artists.

We also made a conscious effort to programme more ethnically diverse musicians with performances from artists including: Chineke!, Masabane Cecilia Rangwanasha and Kunal Lahiry, and Rakhi Singh. From the data available we believe around **8.6% of artists performing at this year's festival were from ethnically diverse backgrounds.**

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

The **Sound Voice Project** placed lived experience of voice loss at the centre of the work, creating a moving sonic picture that was both heart-rending and uplifting. The Sound Voice Project explored notions of identity through our relationship to our voices in three portraits of individuals who have lived experience of voice loss. The installation ran throughout the festival.

James Newby's recital as part of the BBC Radio 3 New Generation Artist series explored the idea of displacement and forced migration through a sequence of works predominantly by German and Austrian composers who migrated to the USA during the 1930s, with some additional works by Ukrainian composer **Valentyn Silvestrov** showing how pertinent these experiences remain in the contemporary world.

3. Embrace the future

The festival included a large number of artists who are at the early- to mid-stage of their careers and who are fast making names for themselves as names to watch. We were delighted to welcome ensembles including **Manchester Collective** (RPS Award Ensemble winners 2023), **12 Ensemble**, **The Carice Singers** and the **Maxwell Quartet**. Similarly we saw a number of trailblazing soloists join us on stage including clarinettist **Mark Simpson**, cellist **Laura van der Heijden**, pianist **Pavel Kolesnikov**, singers **Masabane Cecilia Rangwanasha** and **James Newby** and violinist **Rakhi Singh**.

In 2023, Cheltenham Music Festival remained committed to **commissioning and presenting new music with 9 world premieres, 1 UK premiere and 4 commissioned works presented at the festival for the first time**. This is included 6 works from Composer Academy participants premiered at the Composium showcases.

Cheltenham Music Festival continued to work with **BBC Radio 3** to bring the best emerging talent to Cheltenham, showcasing tomorrow's most celebrated classical artists before they become household names in the BBC Radio 3 New Generation Artist Recitals. All concerts were recorded for broadcast on BBC Radio 3 (during the week of 17 July). This year's artists included: **Leonkoro Quartet**, **Masabane Cecilia Rangwanasha** (soprano), **Kunal Lahiry** (piano), **Mithras Trio** and **James Newby** (baritone). The series gives the artists the opportunity to experiment and collaborate with each other, with strikingly high-quality results.

The **Spotlight recitals** provided space for young artists at the very start of their careers. This series was programmed in strategic partnership with YCAT (Young Classical Artists Trust), Gloucestershire Young Musician of the Year, and the Keith Nutland Award. Featured artists this year were BBC Young Musician of the Year winner, percussionist **Jordan Ashman**, Gloucestershire Young Musician winner, violinist **Isaac Williams**, and **Wendy Qi** (clarinettist) winner of the Keith Nutland Award.

A longstanding partnership for the festival, the **Royal Philharmonic Society Composer Programme** provides them opportunity for us to develop a new commission with an early-career composer and a festival artist. This year the RPS paired the festival with British-Iranian composer **Soosan Lolavar** who we subsequently introduced to The Carice Singers and George Parris. The resulting work was *The World is the Active String*, a haunting work that hypnotically explored the timbre and texture of the voice. The work has subsequently received a London premiere with The Carice Singers.

This year saw partnerships with both **Royal Birmingham Conservatoire** and the **University of Gloucestershire**. Students from RBC's historical performance and vocal programmes joined Byrdwatching providing them the opportunity to delve into the music of William Byrd and his contemporaries and present

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

recitals in unusual locations. Students from UoG's sound engineering department worked with us to capture the work created during Composer Academy. Alongside, we offered the students shadowing opportunities with sound engineers and designers working on other projects in the festival.

The tenth edition of Cheltenham Music Festival's flagship programme **Composer Academy** took place during this year's Festival. The scheme supports early career composers (aged 18+).

The course took place between 10 and 14 July, welcoming six participating composers and six observing composers¹. The course was led by composer **Daniel Kidane**, who is himself a Composer Academy alumnus (from the first course in 2013), supported by professional musicians **The Carice Singers** directed by **George Parris**.

"The course content was artistically nourishing and technically rigorous." Participant

Two **Concerts for Schools** were programmed again this year: the Concert for Schools, and the Relaxed Concert for Schools. The format and content of both concerts was co-created with the Musicate musicians who presented them.

This year's **Concert for Schools** involved 20 local young musicians from **Gloucestershire Youth Chamber Orchestra (GYCO)**, 12 local professional musicians, and four **Musicats**, all led by conductor **Glyn Oxley**. The Concert was presented by musician and producer **Soweto Kinch**.

585 pupils and teachers from 10 local schools attended the concert, 3 schools for the first time.

After the concert the children took part in **Music Explorer sessions** where they had a go on brass, string and percussion instruments. The percussion element this year involved up to 100 children at a time creating a rainstorm on the Town Hall stage, which was very effective.

GYCO also performed the programme for the **Relaxed Concert for Schools**, alongside four Musicats. The format and content of the concert had been carefully curated to take the audience on an engaging musical journey, beginning and ending with hello and goodbye songs. Based on feedback from last year's inaugural relaxed concert, we included an additional piece of music, and also upped the range of rhythms and tempos in the music selected.

There were many highlights, including a fun arrangement of the 'Can Can' performed by the four Musicats. One pupils stood and conducted, in perfect time, every piece of music throughout the entire concert. Another young person with significant attachment needs, who never strays far from a trusted adult, happily wandered around the auditorium to the astonishment and delight of his teachers.

Everyone who spoke during the concert also used Makaton signing, and two large screens either side of the orchestra displayed key information with Makaton signs. Dedicated volunteers greeted and stayed with their school; a Mobiloo was on site; and quiet rooms were available throughout the concert if needed. The five schools that attended last year returned, and an additional school brought a group, making six schools in total and a comfortably full auditorium. Seating was arranged informally in school groups, with large floor cushions also available – and very popular.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

After the concert ended, schools stayed to eat lunch and to meet the musicians and get closer to/have a go on some instruments. This resulted in some very special, musically intimate moments that will linger long in the memory.

We thought last year was great, but you blew our socks off even more! We made a booking because we know how dedicated you are to SEN and know that all musical offerings through you are outstanding! This was a great touch in bringing the liveliness, encouraging anticipation and re-establishing calm before anyone was overstimulated. The children enjoyed dancing and being able to participate. A perfect balance. We enjoyed hearing each part of the orchestra separately! Teacher, The Shrubberies

Workshops in Schools. 316 pupils enjoyed one of 13 workshops which took place in 8 schools in the weeks prior to the Festival. For two of the schools it was their first contact with the Festival, and 4 workshops took place in SEND settings. The workshops are co-created with Musicats, and are designed to give children a fun and engaging experience of music that will include both learning and music-making.

A further 11 workshops took place in 8 schools during December with 331 pupils between Y2 and Y6. Five of these workshops took place in target schools and one in an SEND school.

We knew it would be good, but it exceeded expectations. The children really enjoyed the mix of activities, and it was pitched just at the right level for them. Teacher, The John Moore Primary School.

Literature

The Times and Sunday Times Cheltenham Literature Festival took place 6 –15 October, the 74th year that the Festival has been held in Cheltenham. The Festival site was centred on Montpellier Gardens once again, with a purpose-built tented village constructed in the Regency square.

This year's programme featured over **500 events**, more than a quarter of which were **free**. Venue sizes ranged from 80 to 1500 seats and included purpose-built marquees, our specially commissioned VoiceBox pod, an art deco restaurant, a performing arts centre, the Edwardian Cheltenham Town Hall, and various pubs, bookshops and miscellaneous venues across the centre of Cheltenham.

Cheltenham Literature Festival is known for the breadth of the programme and the huge variety of events and formats it offers. This year was no exception as we hosted poets, spoken word artists, novelists, biographers, historians, playwrights, chefs, economists, columnists, editors, investigative reporters, broadcasters, critics, children's authors, campaigners, psychologists, dramatists, curators, film directors, actors, politicians, doctors, scientists, Festival directors, bookstagrammers, tiktokers, influencers and international delegates to celebrate the written word in its amazing variety, and its ability to connect us, challenge us and inspire us.

Over **900 speakers** participated, of which **59% identified as female**, **25% as being representative of the global majority** and **6% as being disabled or as having a long-term health condition**.

Our **Read the World** theme continued into its third year – and authors from Ireland, The Netherlands, Japan, Norway, Taiwan, India, Ghana, Spain, USA, New Zealand and Iceland joined us. Generous funding from cultural bodies enables us to connect these authors with each other, with UK writers, and with new audiences.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Building on our Ukraine day in 2022, we continued our collaboration with Ukraine with Ukrainian writers including Andrey Kirkov appearing on both the adult and family programme. We welcomed delegates from Argentina, India, Turkiye, Botswana and Nigeria for our second **International Delegates Programme** – generously supported by the British Council.

Our Guest Curators this year were **Peter Frankopan, Anne Marie Imafidon, Alex George and Caleb Azumah Nelson** and our Literary Explorer in Residence **Ann Morgan** joined us once more – picking out the best new writing from all corners of the globe.

The ticketed programme had an uplift in both ticket sales and revenue, with audience numbers recovering after some post-pandemic hesitancy in 2022. Over **100,000 tickets** were sold and tens of thousands of people visited the site, including **12,700 school children** (a record).

Our Family and schools programmes were exceptionally well attended this year, with many events selling out – and a lively and diverse free programme of storytelling, craft workshops, character costume appearances and mystery trails ensured that the Wild Wood family area was busy throughout the Festival.

Lit Crawl, our free literary bar crawl around Cheltenham on the first Saturday of the Festival also saw record attendances, and our **free Huddle programme** delivered a strong series of community-linked events exploring our Read the World theme.

Cheltenham Festivals has been battling strong headwinds since the pandemic: reduced audience numbers (now recovering but still 2000 bookers down on 2019) and rampant inflation have made delivering a Festival of this scale more and more challenging. We are grateful to the Arts Council, Cunard, Baillie Gifford, Waterstones and the Unwin Charitable Trust as principle partners and the many Trusts, Foundations, individuals givers and Festival patrons who so generously support the charity and our year-round work in the community.

Our title sponsors have been supporting the Festival since 2005, one of the longest of such partnerships in the Festival world– The Times, The Sunday Times and Times Radio inspire and challenge us in the best possible way. Their award-winning journalists give generously of their time, chairing, broadcasting and participating in the programme, and, behind the scenes, helping, advising and supporting the programming team.

Our groundbreaking **VOICEBOX** venue had its 3rd year and is now a firmly established part of the Festival's offering, particularly targeted at young people (aged 18-30). The venue is free, drop in (i.e. un-ticketed) and offers a rich, eclectic mix of formats with events focusing particularly on new voices and issues of interest to the local community.

With over 2,500 visitors to the space over 5 days and 2 evenings of events, the VOICEBOX programme ranged from co-curated events with local individuals and organisations including **Cheltenham Pride, This Ends Now and Planet Cheltenham**, to established and emerging national talent including **Monika Radojevic, Poorna Bell, Dr Alex George, Fats Timbo and Ellie Middleton**. In a continued commitment to supporting new talent across the publishing industry, the 2023 programme hosted its first proof party with Brazen Books and a takeover event with The Black British Book Festival.

As part of the Festival's commitment to providing a platform for **new talent**, both in the publishing industry and the wider creative sphere (creative writing, broadcasting, presenting, chairing and moderating and so on)

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

we hosted events in a number of unique formats. Our proof parties feature yet-to-be published authors who often experience their first ever live event at Cheltenham. We work throughout the programming process to identify and advocate for the best new writing, and in particular debut novelists and early-career academics working in the non-fiction sphere. We are grateful to the publishing industry for their continued support in enabling us to bring the best new and established authors to our stages.

We supported emerging talent by showcasing debut children's writers of colour from the **BookTrust Represents** project, intentionally pairing debut writers with established writers and our Debut's and Mocktails event highlighted three outstanding new YA novelists. In addition, local BTECH drama students performed on our free programme and local school children and **BAFTA Young Presenters** made their first live introduction.

149 tickets were given away to beneficiaries of our community partner organization Caring for Communities and People (CPP) as part of CF's Connections Scheme.

The schools programme included **71 shows, workshops and storytelling sessions (99% rated as excellent or good)** enjoyed by 12,019 pupils from 109 schools (91% from Gloucestershire, 74/26% Primary/Secondary, 17% Glos Schools serving low-income communities and). Favourites included Michael Rosen, Pamela Butchart, Julian Sedgwick and Joe Todd Stanton.

Reading Teachers = Reading Pupils ran for its 8th year. In 2022-2203 are were 30 RT=RP teachers reading groups running across the UK: six in Gloucestershire, fourteen through our Strategic Partners, and ten through Independent Partners. Our Strategic Partners this year were Bradford Literature Festival, CLPE, KEAP: The Writer's Block, National Literacy Trust, The English and Media Centre, Seven Stories, Wigtown Festival Company, The Story Museum, Books Council of Wales, Peters, The Reader and the National Centre for Writing. The programme was revised for academic year 2023-2024 with the Strategic Partner element coming to an end. Instead the programme now runs with 31 Independent Partner groups in Gloucestershire and nationally and the focus is more on ensuring there are a range of author engagement opportunities and teacher and pupil resources available for all of the RT=RP books. We are continuing to work in partnership with CLPE and The English and Media Centre to provide teacher resources. In Gloucestershire a year-long CPD programme was established from September with 30 teachers from Lower KS2, Upper KS2 and KS3 exploring reading for joy, reading for connection and reading for inspiration using the five books as the basis.

Teachers from 65 schools, including 9 target schools, attended the **Reading Teachers = Reading Pupils conference** at Cheltenham Racecourse with keynote speeches from Candy Gourlay, Christopher Edge and Sinead Burke, workshops run by Manjeet Mann, Sarah Crossan CLPE, EMC among others. There was also a panel discussion on the power of reading to inspire and motivate us to change the world for the better? with Sharna Jackson, A.M. Dassu, Piers Torday and Dr Alison Waller.

CF is a national partner for **Words that Burn**, an Amnesty International UK project for secondary school pupils on human rights and poetry. This year, we worked with three Gloucestershire secondary schools, who all worked with the poet Deanna Rodger in a series of workshops: All Siants Academy, Newent School and Rednock School. Students were given a platform to share their poetry and learnings in an event in VOICEBOX at the Festival.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

A copy of **The Scribbled Self**, a creative writing for wellbeing guide for young people co-curated by a team of six young people who were previously part of the Beyond Words programme, alongside professional writers Caleb Parkin, Miranda Walker, Jane Bailey and Sue Mayfield, is now in every secondary school in the county. An online CPD session was run by Caleb Parkin for teachers from 6 schools and writing for wellbeing workshops were run with pupils in year 9 and 10 in three Secondary schools: Pittville School, Bournside School and Severn Vale School. Students from Pittville and Bournside schools participated in an event in VOICEBOX during the festival hosted by Caleb Parkin, where the audience were taken through a writing for wellbeing activity and students from the participating schools shared their own writing.

To help make all **families** feel welcome and take away some of the perceived barriers parents/carers may feel about their children having to be quiet and sit still during an event, the Family Programme offered **59 Relaxed Performances**, following the introduction of 17 events in 2022, the majority of which were for young families. The Family programme manager worked with the Innovation Manager on revising the definition and format of a relaxed performance from practice established last year. This was covered as part of the internal Accessibility Working Group, and shared again in collaboration with the organisations Active Impact and You're Welcome, who helped co-create the wording as well as listing on their platforms that connect disabled communities around Gloucestershire.

A hybrid event around disability and inclusion within the literary industry was codesigned with key figures within the sector. Chair Claire Wade (of the ADCI) was joined by award-winning author **Penny Parkes**, poet and founder of CRIPTic Arts **Jamie Hale** and **Penelope Batchelor**, author and founder of Keep Festivals Hybrid discuss why the literary world needs to be more accessible and inclusive. The event was warmly received and was covered in articles in the Bookseller and numerous comments on social media. The event resulted in a demonstrable carbon saving of 70kg CO₂e on panelists alone, and just under 205kg CO₂e from audience travel (based on car-petrol, travelling an average of 10 miles) and can be used as a template for hybrid formats for the programming teams to consider as part of a more accessible, sustainable offer for 2024.

2023 built upon our shared commitments to **environmental responsibility** in line with Cheltenham Festivals' 3-year strategy. New processes implemented included collecting audience travel and carbon emission data for analysis and reporting. For the first time Cheltenham Literature Festival was run fossil free for consecutive years. **14.27 tonnes of waste** was removed from the festival site (under forecast of 15t), none of which ended up in landfill, although questions remain around the percentage that is diverted to energy recovery (i.e. incineration).

The year's **press and PR** had a **reach of 14.3 billion** and mention levels of 4.51K. Highlights included Good Morning Britain, TODAY on NBC (USA), appearances across regional and local BBC radio and TV, and significant mention on the top-ten UK podcast, The Rest is Politics. At least one national print story appeared during every day of the Festival itself. Beforehand, the Festival was noted in leading lifestyle magazines included Country Life, Vanity Fair, and Good Housekeeping. Ample online coverage both domestically and worldwide, powered by the Press Association syndication of our programme announcement, and persisting throughout the period of promotion.

As we head to our 75th anniversary – we should briefly consider what explains the global appeal of these bookish gatherings? Cheltenham was the first Literature Festival, but they are now a global phenomena, with Festivals from Adelaide to Accra and from Buenos Aires to Belfast. Putting aside the obvious business of promoting and celebrating great writing and selling books – lots of books, the answer in the appeal of, and the need for, human connection. Writers with their readers, readers with each other, and the Festival with the community it serves and is rooted within. This is at the heart of everything we do at Cheltenham Festivals and we look forward to our significant anniversary next year.

CHELTENHAM FESTIVALS
DIRECTORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

C Directors Report

The directors are pleased to present their annual report and the financial statements of the company for the year ended 31 December 2023.

1. Reference and administrative details of the company

Company number	456573
Charity number	251765
Registered office	34 Imperial Square, Cheltenham, GL50 1QZ
Business address	Unit H2, The Brewery Quarter, High Street, Cheltenham GL50 3FF

Auditors

Hazlewoods LLP, Windsor House, Bayshill Road, Cheltenham GL50 3AT

Bankers

HSBC plc, 2 The Promenade, Cheltenham, Gloucestershire, GL50 1LR

Solicitors

Willans LLP, 34 Imperial Square, Cheltenham, GL50 1QZ

The directors who served during the year ended 31 December 2023 were as follows:

Lucy Carlton-Walker	
Adrian Farnell	
Beverley Grimster	
Peter Howarth	
Caroline Hutton	Resigned 13 December 2023
Shamil Makhecha	
Mark Philip-Sorensen	Chair
Deborah Thacker	
Jonathan White	
Andrew Williams	

The following also served during the year ended 31 December 2023:

Matthew Clayton	Company Secretary
-----------------	-------------------

CHELTENHAM FESTIVALS
DIRECTORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Structure, Governance and Management

Governing Document

Incorporated in 1948, Cheltenham Festivals (the company name was changed by Special Resolution dated 6 January 2006 from Cheltenham Arts Festivals Limited) is a company limited by guarantee and not having a share capital, that is governed by its Memorandum and Articles of Association, which were last amended at the Annual General Meeting on 7 September 2012. The company is registered as a charity with the Charity Commission. The liability of each member is limited to 10p, whilst being a member or within one year after he or she ceases to be a member, in the event of the company being wound up.

Recruitment and Appointment of Trustees

Members of the Board are recruited for their knowledge of the work of cultural and charitable organisations and for their ability to contribute to the aims of Cheltenham Festivals. There is a significant element of regional experience, but also a national perspective on the Board. Recruitment embraces canvassing amongst arts organisations and contacts and advertising.

Board members are the trustees of the registered charity and comprise a maximum of fourteen persons, who are elected by an ordinary resolution of the members of the company. The Board has power to appoint directors who hold office until submitted for re-election at the next AGM. The Chairman is elected by the Board. Directors are appointed for a period of three years and may be re-appointed, subject to provisions in the Articles. There were nine directors at the balance sheet date. A representative from Arts Council England South West may attend as an observer.

Induction and Training of Trustees

New directors are provided with a pack of information including the Memorandum and Articles of Association, the business plan and financial information, management structure and festival programmes. The aim is to ensure that new directors commence with a good understanding of the background and the current issues facing Cheltenham Festivals. External training events are offered, where these would contribute to understanding of their roles.

Organisational Structure

The Board of directors has overall responsibility for Cheltenham Festivals as a company and a charity. Day to day management is delegated to the two Co-CEOs who are accountable to the Board. The Board meets four times a year plus the AGM. The Finance Committee meets ahead of each Board meeting and the AGM to review management accounts, financial forecasts and the annual statutory accounts. The Co-CEOs meet with the Chair monthly, in between Board meetings to track progress against KPIs and budget and provide advice to the Co-CEOs. An Ethics Committee was set up in 2023 to assist the Board in the establishment, embedding and oversight of an ethical framework for Cheltenham Festivals and a Nominations Committee also exists to support with Trustee recruitment when required. The organisation is divided into a number of teams, Festival Programming, Learning & Participation, Fundraising, Marketing, Finance, Operations/Production and People. The Director of Finance and the Director of People together with the two Co-CEOs form the Senior Management Team.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CF Productions Limited

In September 2010 a 100% subsidiary was set up called CF Productions Limited trading as CF Ticketing with the main objective of providing box office services to Cheltenham Festivals. The box office commenced trading in February 2011. On 31 December 2022 the business of CF Productions Limited was sold to Cheltenham Festivals for consideration of £1 and the company will now remain in existence as a dormant company. CF Productions Limited paid a dividend to Cheltenham Festivals on 31 December 2022 equivalent to its net assets at that date.

3. Risk Management

The Board undertakes an annual review of risk categories and the Co-CEOs have a responsibility to draw any significant developments to the attention of the Board. Procedures to mitigate risk throughout the work of the charity are in place and appropriate training given to all staff. The risk exposure from the promotion of individual events is monitored by the Senior Management Team and remedial action taken as appropriate including the purchase of relevant insurance protection.

4. Objectives and Activities

The principal activity of the company, as set out in its governing document, is to promote the arts and sciences generally and advance education by means of Festivals of the arts, sciences and entertainment in the Borough of Cheltenham and elsewhere in such manner, at such times and in such places and so often as the Board of the company shall see fit and do all such things as are incidental or necessary to the attainment of such objects. Festivals of Jazz, Science, Music and Literature were carried out in 2023.

In carrying out these activities the company aims to organise Festivals that are acclaimed for the quality of their programmes and that attract growing audiences. The Board aims to establish the Festivals as a financially sustainable enterprise, drawing broadly based support from organisations and individuals and with a professionally managed administration. In support of its charitable aims the company fosters artistic excellence and innovation, as well as educational and out-reach programmes and the support of young artists, writers and scientists. Further detail is provided in the Festivals Reports on pages 3 to 15.

5. Public Benefit Statement

The Directors continue to have due regard to section 4 of the Charities Act 2006 in respect of public benefit. Our Education and Outreach work as can be seen from the Festivals Reports is extensive. Beyond this we continue to support young artists and performers as well as bring artistic excellence and innovation to all Festivals. We are mindful of ticket pricing and have a range of ticket pricing on offer to ensure that people are not excluded from the cultural experience of a Festival on the grounds of ticket price. We also run our Connections programme which offers free tickets to local people who would otherwise be unable to attend festivals due to their circumstances. These are offered via our local Social Prescribing Team at Cheltenham Wellbeing Service.

6. Achievements and Performance

Reviews of the company's achievements and performance in the year are set out in the Festival Reports and the Chairman's Statement.

CHELTENHAM FESTIVALS**DIRECTORS' ANNUAL REPORT AND ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****7. Financial Review**

Consolidated results of all four Festivals are set out in the table below, showing the principal sources of revenue and the main expenditure categories.

	2023	2022
	£	£
Income		
Ticket Sales	3,081,027	2,674,688
Sponsorship: Cash and in-kind	1,174,540	1,334,780
Grants and Donations – Trusts, Culture Recovery Fund and Others	790,719	1,630,565
Grant – Arts Council	217,480	216,497
In-kind Support	31,900	25,900
Patrons and Members	698,614	635,822
Miscellaneous (including legacies)	701,006	449,458
Ticket booking fee	95,415	0
Total Income	<u>6,790,701</u>	<u>6,967,710</u>
Expenditure		
Programme Costs	3,725,229	3,701,020
Fees and Salaries	2,083,373	1,647,746
Marketing and Sponsorship	488,880	560,270
Administration	911,418	1,062,580
Unwind of discount on interest free loans	38,455	10,613
Total Expenditure	<u>7,247,355</u>	<u>6,982,229</u>
Movement in Reserves	<u>(456,654)</u>	<u>(14,519)</u>

Total incoming resources of the company were £177,009 lower than in 2022; a decrease of 2.5% due mainly to reduced sponsorship income. Grants and donations fell by £839,846 following closure of the Culture Recovery Fund in 2022. Ticket sales grew by £406,339 and miscellaneous income (including legacies) by £251,548.

Total expenditure was £349,404 higher than in 2022 resulting in a deficit for the year of £456,654.

Total Company Funds at 31 December 2023 were £180,874 (2022 – £637,528) and were represented entirely by Unrestricted Reserves (2022 – £637,528). Restricted Reserves were £nil (2022 - £nil).

8. Reserves And Investment Policies*Reserves Policy*

The function of each of the reserves is explained in Notes to the Financial Statements (note 17). It remains an objective to establish a prudent level of reserves to support the financial risk of mounting four festivals. The Board has determined that the target level of reserves should be around £500,000 which represents 3-4 months of core operating costs and is considered sufficient to cover any reasonably foreseeable contingency. At the end of 2023 reserves sat at £180,874 and the objective is therefore to generate a small surplus each year to build reserves up to this target level.

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Principal Funding Sources

The principal funding sources for the company were commercial sponsors (£1,174,540), patrons and membership subscriptions (£698,614), donations and grants from individuals, and charitable trusts (£790,719) and the Arts Council England South West (£217,480).

Investment Policy

Under the Memorandum and Articles of Association the charity has the power to invest the monies not immediately required for its purposes in or upon such investments as may be determined from time to time.

9. Basis Of Preparation

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. The annual budget for the year is examined in detail by the Board. Detailed management accounts are prepared on a monthly basis and the financial position reviewed by the Senior Management Board, the Co-CEOs, The Finance Committee and by the Board. The directors have reviewed cash flow forecasts covering the 12 months from the date of approving these financial statements and have satisfied themselves that it is appropriate to prepare the financial statements on a going concern basis given the accumulated reserves position.

10. Plans For Future Periods

A review of the company's plans for future periods is set out in the Chairman's Report.

11. Directors' Responsibilities in Relation to the Financial Statements

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

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

CHELTENHAM FESTIVALS

DIRECTORS' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure Of Information to Auditors

At the date of approval of the financial statements, in so far as the directors are aware, all relevant audit information has been provided to the auditors and the directors have taken steps to ensure that they have made themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

12. Auditors

Hazlewoods LLP have expressed their willingness to continue in office.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board 13 September 2024

A handwritten signature in black ink, appearing to read 'Mark Philip-Sorensen', with a long horizontal stroke extending to the right.

Mark Philip-Sorensen
Chair

REPORT OF THE INDEPENDENT AUDITORS TO THE

DIRECTORS OF CHELTENHAM FESTIVALS

D Independent Auditor's Report

We have audited the financial statements of Cheltenham Festivals for the year ended 31 December 2023 which comprise the Charity Statements of Financial Activities, the Charity Balance Sheets, the Cash Flow Statements and the related notes. 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).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE

DIRECTORS OF CHELTENHAM FESTIVALS

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the 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 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 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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

REPORT OF THE INDEPENDENT AUDITORS TO THE

DIRECTORS OF CHELTENHAM FESTIVALS

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charitable company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charitable company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Owing to the inherent limitations of an audit, there is unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK). In identifying and assessing risks of material mis-statement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the financial statements or that had a fundamental effect on the charity's operations. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and charity law.
- We understood how the company is complying with those legal and regulatory frameworks by making inquiries of management, those responsible for legal and compliance procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur.

REPORT OF THE INDEPENDENT AUDITORS TO THE
DIRECTORS OF CHELTENHAM FESTIVALS

Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process. Detailed analysis of journals posted through the accounting system during the year to 31 December 2023 has been undertaken;
- Understanding the controls in place to prevent and detect fraud. Reliance was not placed on controls for the entirety of the audit, instead taking a substantive testing approach, however controls were in place to prevent fraud, and they appeared to be working effectively;
- Challenging assumptions and judgements made by management in its significant accounting estimates.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with the Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the members and 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 the charitable company's members as a body for the opinions we have formed.

Martin Howard

Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

CHELTENHAM FESTIVALS**STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2023****E Statement of Financial Activities**

	Note No.	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and Legacies	2	1,385,383	451,896	1,837,279	2,391,334
Income From Charitable Activities	5	3,769,243	-	3,769,243	3,204,329
Other Trading Activities	3	1,174,540	-	1,174,540	1,334,780
Investment Income	4	9,639	-	9,639	37,267
TOTAL INCOME AND ENDOWMENTS		6,338,805	451,896	6,790,701	6,967,710
<hr/>					
Raising Funds	6	739,841	-	739,841	551,498
Charitable Activities	7	6,017,163	451,896	6,469,059	6,420,118
TOTAL EXPENDITURE	8,9	6,757,004	451,896	7,208,900	6,971,616
NET (OUTGOING)/INCOMING RESOURCES		(418,199)	-	(418,199)	(3,906)
Other losses	10	(38,455)	-	(38,455)	(10,613)
NET MOVEMENT IN FUNDS		(456,654)	-	(456,654)	(14,519)
Total Funds brought forward at 31 December 2022		637,528	-	637,528	652,047
Funds carried forward at 31 DECEMBER 2023		180,874	-	180,874	637,528

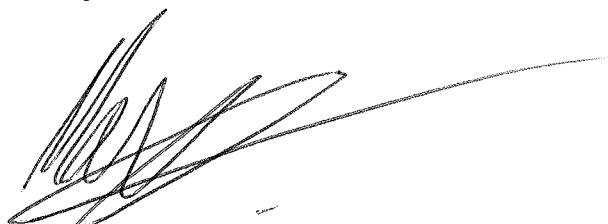
CHELTENHAM FESTIVALS**BALANCE SHEET****AS AT 31 DECEMBER 2023****F Balance Sheet**

	Note	2023 £	2022 £
Fixed Assets			
Tangible Assets	11	88,387	148,924
Investments	12	1	1
		88,388	148,925
Current Assets:			
Debtors	13	429,917	630,470
Cash in hand		774,938	531,997
		1,204,855	1,162,467
Creditors: Amounts falling due within one year	14	(1,112,369)	(559,339)
Net Current Assets		92,486	603,128
Total Assets less current Liabilities		180,874	752,053
Creditors: Amounts falling due after more than one year	16	-	(114,525)
Net Assets		180,874	637,528
Funds:			
Unrestricted Funds:			
General Reserve	17	180,874	637,528
Total Unrestricted Funds		180,874	637,528
Restricted Funds:			
Education Reserves	17	-	-
Total Restricted Funds		-	-
Total Funds		180,874	637,528

These financial statements were prepared in accordance with SORP 2019, special provisions relating to small companies within Part 15 of Companies Act and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved by the Board and authorised for issue on 13 September 2024

Mark Philip-Sorensen - Chair



CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****G Statement of Changes in Equity**

Year ended 31 December 2023	Restricted Funds Education Reserves	Unrestricted Funds General Reserve	Patrons Resilience Fund	Total Restricted and Unrestricted Funds
Opening Balances at 1 January 2023	-	302,862	334,666	637,528
Reserves Transfer	-	334,666	(334,666)	-
Deficit for the year	-	(456,654)	-	(456,654)
Closing Balances at 31 December 2023	-	180,874	-	180,874

Year ended 31 December 2022	Restricted Funds Education Reserves	Unrestricted Funds General Reserve	Patrons Resilience Fund	Total Restricted and Unrestricted Funds
Opening Balances at 1 January 2022	44,194-	273,187	334,666	652,047
Deficit for the year	(44,194)	29,675	-	(14,519)
Closing Balances at 31 December 2022	-	302,862	334,666	637,528

In 2020 the Board established a designated reserve (Patrons Resilience Fund) equivalent to the value of the patrons' donation received from an appeal during the pandemic. Given the continued financial pressure that the charity faces and the need to partially utilise this reserve, in 2023 the Board decided to undesignate the reserve and transfer the funds to unrestricted reserves.

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****H Cash Flow Statement**

	Note	£	2023 £	£	2022 £
Cash provided by operating activities	18		429,568		(301,949)
Cash flows from investing activities					
Interest income		9,639		37,267	
Purchase of tangible fixed assets		(8,266)		(62,789)	
Cash generated/(used) in investing activities			1,373		(25,522)
Cash flows from financing activities					
Repayment of loans		(188,000)		-	
Cash used in financing activities			(188,000)		
(Decrease)/increase in cash and cash equivalents in the year			242,941		(327,471)
Cash and cash equivalents at the beginning of the year			531,997		859,468
Total cash and cash equivalents at the end of the year			774,938		531,997

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****I Notes to the Financial Statements****1. Accounting Policies****Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, adopting the following principal accounting policies all of which are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice – Accounting and Reporting by Charities (SORP FRS102) issued in July 2014 and The Companies Act 2006.

The financial statements are presented in Pounds Sterling.

Company status

The company is a private company limited by guarantee incorporated in England and Wales.

The address of its registered office is:

34 Imperial Square
Cheltenham
GL50 1QZ

Tangible Fixed Assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation. Depreciation is calculated to write off the cost of tangible assets over their estimated useful economic lives at the following rates per annum:

Type of asset	Rate
Furniture and fittings	20% of cost
Plant and equipment	20% of cost
Computing costs	20% of cost
Website costs	25% of cost

Fixed Asset Investments

Fixed asset investments held are valued at market value at the end of the accounting period. Movements in the market value during the period are included within the Statement of Financial Activities.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade receivables

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

CHELTENHAM FESTIVALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Trade payables

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

Financial instruments

The charity 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 loans which are subsequently measured at amortised cost using the effective interest method.

Incoming Resources

1. Voluntary income - incoming resources generated from:
 - donations and gifts (including legacies)
 - grants that give core funding provided by government and charitable foundations
 - membership subscriptions and sponsorships where these are in substance donations, rather than payment for goods and services
 - gifts in-kind
2. Activities for generating funds –trading and other fundraising activities carried out to generate incoming resources which will be used to undertake its charitable activities such as sponsorships.
3. Investment Income –incoming resources from investment assets, including dividends and interest and is recognised on a receivable basis.
4. Incoming resources from charitable activities –any incoming resources received which are a payment for goods and services provided for the benefit of the charity’s beneficiaries, e.g. box office ticket income and performance related grants.

CHELTENHAM FESTIVALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Resources Expended

1. Costs of generating funds – those costs incurred in generating incoming resources from all sources other than from undertaking charitable activities: -
 - costs of generating voluntary income
 - costs of fundraising
 - costs of managing investments
2. Charitable Activities – resources applied by the charity in undertaking its work to meet charitable objectives, as opposed to the cost of raising the funds to finance these activities and governance costs.
3. Governance costs – the costs of governance arrangements which related to the general running of the charity, as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work.

Funds held by the Charity:

Unrestricted funds – these are general funds that are expendable at the discretion of the directors in furtherance of the charity's objectives. If part of the unrestricted funds is earmarked for a particular project it may be designated as a separate fund.

Restricted funds – there is currently one restricted fund that is subject to specific uses for Education projects. All incoming and outgoing resources in relation to these projects are included under restricted funds.

Trading Income

Cheltenham Festivals has one subsidiary, CF Productions Ltd which commenced trading in February 2011. Cheltenham Festivals acquired CF Productions' business on 31 December 2022 for consideration of £1. Henceforth CFP will exist as a dormant company. CF Productions Ltd provided box office services for Cheltenham Festivals; all box office activity is now performed by Cheltenham Festivals.

Donated Services

Donated services are included within the Statement of Financial Activities as both incoming resources and resources expended. The value of the donated services is based on information provided by the donor and is detailed further in note 9 to these financial statements.

Pensions

The company operates a defined contribution scheme for certain employees. The contributions are charged to revenue in the period in which they are incurred.

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****2 Income and Endowments from Donations and Legacies**

	2023	2022
	£	£
Unrestricted Funds:		
Donations / Charitable Trusts	235,057	173,721
Culture Recovery Fund	-	937,254
Grants – Arts Council	217,480	216,497
Other Grants	103,765	45,000
In-kind Support	31,900	25,900
Patrons	443,813	393,668
Legacies	100,000	-
Education	253,368	124,704
Total Unrestricted Funds	1,385,383	1,916,744
Restricted Funds	451,896	474,590
Total Donations and Legacies	1,837,279	2,391,334

3 Income and Endowments from Other Trading Activities

	2023	2022
	£	£
Unrestricted Funds:		
Sponsorship	934,054	1,132,684
Sponsorship-In-Kind	240,486	202,096
Total Unrestricted Funds	1,174,540	1,334,780
Restricted Funds	-	-
Total Other Trading Activities	1,174,540	1,334,780

4 Income and Endowments from Investments

	2023	2022
	£	£
Unrestricted Funds: -		
Bank interest	9,639	2,859
Dividend received from CF Productions Limited	-	18,771
Interest on loan to CF Productions Limited	-	15,637
	9,639	37,267

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023**

The dividend received in 2022 from CF Productions Limited (CFP) which is a wholly owned subsidiary of Cheltenham Festivals (CF), arose pursuant to a hive up agreement between CF and CFP whereby CF acquired CFP's business on 31 December 2022 for consideration of £1. CFP continues as a dormant company.

5 Income and Endowments from Charitable Activities

	2023	2022
Unrestricted Funds:	£	£
Box Office Ticket Sales	3,081,027	2,674,688
Booking Fees	95,415	-
Commission	224,427	176,184
Memberships	254,801	242,154
Broadcast Fees	19,601	20,043
Other Income	93,972	91,261
Total Unrestricted Funds	3,769,243	3,204,329
Restricted Funds	-	-
Total Income and Endowments from Charitable Activities	<u>3,769,243</u>	<u>3,204,329</u>

6 Expenditure on Raising Funds

	2023	2022
Unrestricted Funds:	£	£
Salaries – Fundraising Team	348,130	313,005
Salaries – Box Office	110,003	-
Fundraising Team Expenses	20,768	22,475
Box Office Expenses	93,243	-
Other Expenditure	167,697	216,018
Total Unrestricted Funds	739,841	551,498
Restricted Funds	-	-
Total Expenditure on Raising Funds	739,841	551,498

Other Expenditure is represented by costs incurred in respect of delivering contractual and non-contractual commitments to sponsors during each of the festivals.

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****7. Expenditure on Charitable Activities**

	2023	2022
	£	£
Unrestricted Funds:		
Fees & Salaries	1,523,259	1,223,305
Production	2,187,725	2,158,137
Artistic Programme	1,053,296	983,781
Administration	892,531	842,239
Box Office Commission	-	271,845
Marketing	300,415	321,778
CBC In-Kind Support	25,900	25,900
Learning and Participation	15,776	35,208
Commissions	9,300	7,450
Audit Fee	5,750	7,596
Governance	3,211	24,095
Total Unrestricted Funds	6,017,163	5,901,334
Restricted Funds	451,896	518,784
Total Expenditure on Charitable Activities	6,469,059	6,420,118

8 Other Notes on Total Resources Expended*Directors' Remuneration and Benefits*

No director (nor any persons connected with them) has received any remuneration or other benefit in money during the year.

Directors' Expenses

The amount on reimbursing directors' out-of-pocket expenses was £849 (£1,143 in 2022).

Analysis of Staff Costs and Emoluments

	2023	2022
	£	£
Salaries	1,679,961	1,542,864
National insurance costs	159,563	153,147
Pension costs	80,299	70,012
Total Staff Costs & Emoluments	1,919,823	1,766,023

The number of salaried staff employed during 2023 was 86 (97 in 2022), with a full-time equivalent (fte) of 63 (67 fte in 2022). It should be noted that the number of salaried staff employed during 2023 includes 16 (14 in 2022) casuals on the payroll employed to provide box office services at the busiest times.

During the year £3,962 was paid to staff members in the form of redundancy payments. The charity's policy is to account for these payments once there is a contractual obligation to do so.

CHEL TENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****8 Other Notes on Total Resources Expended (continued)**

The number of employees who received emoluments in excess of £60,000 was in the following bands:

	2023	2022
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-
	<u>2</u>	<u>2</u>

9 Donated Services

The value of services provided by volunteers is not incorporated in these Financial Statements. The value put to the in-kind sponsorship support provided by The Times and The Sunday Times, So Publishing, Willans, Jazzwise Magazine, Cotswold Life, Queens Hotel, Yamaha and Leaf Creative has been incorporated at a value of £240,486 in 2023 (£202,096 in 2022) and has been allocated to marketing and administration costs in expenditure on charitable activities.

10 Other Losses

	2023	2022
	£	£
Discount unwind on interest free loan	38,455	10,613
Total Other Gains and Losses	<u>38,455</u>	<u>10,613</u>

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****11 Tangible Fixed Assets**

Cheltenham Festivals	Unrestricted Funds			Total Tangible Fixed Assets £
	Furniture and Fittings £	Plant and Equipment £	Computing Costs £	
Cost				
As at 1 January 2023	197	70,179	299,625	370,001
Additions in year	733	-	7,533	8,266
Disposals in year	-	-	-	-
As at 31 DECEMBER 2023	930	70,179	307,158	378,267
Accumulated Depreciation				
As at 1 January 2023	157	44,778	176,142	221,077
Charge for year	76	10,715	58,012	68,803
Disposals in year	-	-	-	-
As at 31 DECEMBER 2023	233	55,493	234,154	289,880
Net Book Value As at 31 DECEMBER 2023	697	14,686	73,004	88,387
As at 31 December 2022	40	25,401	123,483	148,924

12 Fixed Asset Investments

	2023 £	2022 £
Investment in Subsidiary	1	1
Market value at 31 December	1	1
Historic cost at 31 December	1	1

Investments comprise: -

	2023 £	2022 £
Shares in CF Productions Limited	1	1
Investments at 31 December	1	1

CF Productions Limited has the same registered office as Cheltenham Festivals

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****13 Debtors**

	2023	2022
	£	£
Payments in advance	98,356	53,414
Trade and other debtors	331,561	577,056
Total Debtors	429,917	630,470

14 Creditors – amounts falling due within one year

	2023	2022
	£	
Trade and other creditors	429,432	204,967
Deferred income (note 15)	593,533	264,571
Inter-company creditor	1	1
Loans from individuals	-	37,600
Other taxes and social security costs	89,403	52,200
Total Creditors	1,112,369	559,339

15 Deferred Income

	2023	2022
	£	£
Opening Balance at 1 January 2023	264,571	379,047
Amount released to Incoming Resources	(264,571)	(379,047)
Amount accruing during year	593,533	264,571
Closing Balance at 31 DECEMBER 2023	593,533	264,571

Deferred income comprised sponsorship and grants which the sponsors and donors have specified must be used on festival events and learning and participation programmes in future accounting periods.

CHEL TENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****16 Creditors: Amounts falling due after more than one year**

	2023	2022
	£	£
Loan from individual	-	114,525

The par value of the loan was £188,000 as at 31 December 2022 and was repayable in 5 equal instalments commencing 3 January 2023. On 1 March 2023 Cheltenham Festivals repaid the full £188,000 and the loan provider generously agreed to donate back £88,000. This donation is shown within incoming resources within the statement of Financial Activities

17 Analysis of the Net Movement in Funds*Restricted Funds*

In 2016 Education reserves were established for the Musicate, Beyond Words, Reading Teachers = Reading Pupils and Community projects. In 2023 grants and donations totalling £227,792 were received and there was expenditure totalling £227,792 leaving a closing balance on the reserves of £nil.

Unrestricted Funds

In 2004 the directors agreed to set up a reserve to forestall any shortfalls in income generated from festival activity. This general fund has a closing balance of £180,874 at 31 December 2023.

In 2020 the Board established a designated reserve (Patrons Resilience Fund) equivalent to the value of the patrons' donations received during the pandemic. Given the continued financial pressure that the charity faces and the need to partially utilise this reserve, in 2023 the Board decided to undesignate the reserve and transfer the funds to unrestricted reserves.

The Board has determined that the target level of reserves should be around £500,000 which represents 3-4 months of core operating costs and is considered sufficient to cover any reasonably foreseeable contingency. At the end of 2023 reserves sat at £180.874 and the objective is therefore to generate a small surplus each year to gradually build reserves up to this level.

The balances on the funds as at 31 December 2023 were as follows: -

	Restricted Funds	Unrestricted Funds		Total
	Education Reserves	General Reserve	Patrons Resilience Fund	Restricted and Unrestricted Funds
	£	£	£	£
Opening Balances at 1 January 2023	-	302,862	334,666	637,528
Reserves Transfer	-	334,666	(334,666)	
Deficit for the year	-	(456,654)	-	(456,654)
Closing Balances at 31 December 2023	-	180,874	-	180,874

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****17 Analysis of the Net Movement in Funds (continued)**

In terms of the total net assets at 31 December 2023, the funds were represented as follows:

	Restricted Funds		Total
	Education Reserves	General Reserve	Restricted and Unrestricted Funds
	£	£	£
Tangible Fixed Assets	-	88,387	88,387
Investments	-	1	1
	-	88,388	88,388
Current Assets			
Debtors	-	429,917	429,917
Cash in hand	89,450	685,488	774,938
	89,450	1,115,405	1,204,855
Creditors: amounts falling due within one year	(89,450)	(1,022,919)	(1,112,369)
Net Current Assets/(Liabilities)	-	92,486	92,486
Total Assets less current liabilities	-	180,874	180,874
Creditors: amounts falling due after one year	-	-	-
Total Net Assets	-	180,874	180,874

At the year end, the free reserves of the charity were £92,486 (2022 - £488,603).

CHELTENHAM FESTIVALS**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2023****18 Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities**

	2023	2022
	£	£
Net (expenditure)/income after other recognised gains and losses	(456,654)	(14,519)
Interest paid (net of interest receivable)	28,816	(26,654)
Depreciation	68,803	79,084
Decrease/(increase) in debtors	200,553	13,804
Increase/(decrease) in creditors	588,050	(353,664)
Net cash provided/(consumed) by operating activities	<u>429,658</u>	<u>(301,949)</u>