

Registered number: 09021431
Charity number: 1158606

THE CHELTENHAM TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE CHELTENHAM TRUST

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THE CHELTENHAM TRUST

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

Trustees

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

Company registered number

09021431

Charity registered number

1158606

Registered office

Cheltenham Town Hall
Imperial Square
Cheltenham
Gloucestershire
GL50 1QA

Chief executive officer & Senior management team

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

Independent auditors

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

THE CHELTENHAM TRUST

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

Bankers

Lloyds Bank PLC
130 High street
Cheltenham
Gloucestershire
GL50 1EW

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Financial and Human Resources Advisors

Publica Group Limited
Trinity Road
Cirencester
Gloucestershire
GL7 1PX

CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The chairman presents his report for the year.

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

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

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

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

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

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

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

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

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

THE CHELTENHAM TRUST

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

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

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

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

.....
Louis Eperjesi
Chair of Trustees

Date:

THE CHELTENHAM TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

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

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

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

a. Policies and objectives

Objectives and vision

The Trust has been established for the following charitable purposes:

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

Vision

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

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

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

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

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

The Wilson Art Gallery & Museum

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

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

Pittville Pump Room

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

Cheltenham Town Hall

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

Leisure at Cheltenham and the Prince of Wales stadium

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

Management Agreement

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

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

b. Activities during the year

Pittville Pump Room

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

Cheltenham Town Hall

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

Leisure at Cheltenham and the Prince of Wales stadium

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

The Wilson Art Gallery and Museum

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

Partnership working

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

c. Activities for achieving objectives

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

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

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

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

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

THE CHELTENHAM TRUST

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

Achievements and performance

a. Key financial performance indicators

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

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

Cheltenham Leisure and Culture Ltd

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

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

b. Investment policy and performance

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

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

Achievements and performance (continued)

Financial review

a. Going concern and events since the Balance Sheet date

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

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

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

b. Reserves policy

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

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

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

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

c. Principal funding

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

Structure, governance and management

a. Constitution

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

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

THE CHELTENHAM TRUST

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

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

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

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

c. Policies adopted for the induction and training of Trustees

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

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

d. Directors indemnities

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

e. Organisation

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

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

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

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

Structure, governance and management (continued)

f. Related party relationships

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

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

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

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

g. Pay policy for senior staff

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

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

h. Trust staff

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

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

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

i. Risk management

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

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

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

Plans for future periods

Future developments

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

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

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

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

Information on fundraising practices

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

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

Access to our services

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

THE CHELTENHAM TRUST

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

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

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

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

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

THE CHELTENHAM TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHELTENHAM TRUST

Opinion

We have audited the financial statements of The Cheltenham Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE CHELTENHAM TRUST

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE CHELTENHAM TRUST

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHELTENHAM TRUST

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

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

Date:

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

THE CHELTENHAM TRUST

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

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

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

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

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

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

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

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

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

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

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

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

.....
Louis Eperjesi
Chair of Trustees

Date:

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

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

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

THE CHELTENHAM TRUST
REGISTERED NUMBER: 09021431

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

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

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

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

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

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

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

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

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

THE CHELTENHAM TRUST

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

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

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

THE CHELTENHAM TRUST

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

1. General information

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Cheltenham Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

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

No restatements were required.

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

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

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

2. Accounting policies (continued)

2.2 Going concern

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

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

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

2.3 Income

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

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

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

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

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

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

2.4 Expenditure

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

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

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

2.5 Government grants

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

2.6 Tangible fixed assets and depreciation

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

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

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

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

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

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

Depreciation is provided on the following bases:

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

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

2. Accounting policies (continued)

2.7 Investments

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

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

2.8 Stocks

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

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

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

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

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

2.12 Financial instruments

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

THE CHELTENHAM TRUST

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

2. Accounting policies (continued)

2.13 Pensions

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

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

2.14 Fund accounting

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

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

3. Income from donations and legacies

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

THE CHELTENHAM TRUST

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

4. Income from charitable activities

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

Included within Corporate Income is £711,281 (2022: £811,281) in respect of management fees receivable from Cheltenham Borough Council. Further details regarding all transactions made with Cheltenham Borough Council are included in Note 27. .

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Sales	2,579,293	2,579,293	2,124,902
	<u>2,579,293</u>	<u>2,579,293</u>	<u>2,124,902</u>
<i>Total 2022</i>	<u>2,124,902</u>	<u>2,124,902</u>	

THE CHELTENHAM TRUST

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

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
FRS102 Pension adjustment	-	128,000	128,000	168,000
Public engagements	23,039	509,439	532,478	520,388
Commercial and customer services	-	2,509,910	2,509,910	1,715,566
Content and programming	479,200	1,568,922	2,048,122	1,149,047
Corporate	-	1,418,214	1,418,214	1,831,268
	<u>502,239</u>	<u>6,134,485</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>417,418</u>	<u>4,966,851</u>	<u>5,384,269</u>	

Summary by expenditure type

	Staff costs 2023 £	Other costs 2023 £	Total 2023 £	<i>Total 2022 £</i>
FRS102 pension cost	79,000	49,000	128,000	168,000
Public engagements	381,112	151,366	532,478	520,388
Commercial and customer services	1,447,098	1,062,812	2,509,910	1,715,566
Content and programming	279,256	1,768,866	2,048,122	1,149,047
Corporate	626,154	792,060	1,418,215	1,831,268
	<u>2,812,620</u>	<u>3,824,104</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>2,192,012</u>	<u>3,192,257</u>	<u>5,384,269</u>	

THE CHELTENHAM TRUST

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

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
FRS102 pension cost	128,000	-	128,000	168,000
Public engagements	532,478	-	532,478	520,388
Commercial and customer services	2,509,910	-	2,509,910	1,715,566
Content and programming	2,048,122	-	2,048,122	1,149,047
Corporate	(1,438)	1,419,653	1,418,215	1,831,268
	<u>5,217,072</u>	<u>1,419,653</u>	<u>6,636,724</u>	<u>5,384,269</u>
<i>Total 2022</i>	<u>4,094,608</u>	<u>1,289,661</u>	<u>5,384,269</u>	

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £9,000 (2022 - £9,500), and Fees payable to the Charity's auditor in respect of all other services of £4,025 (2022 - £4,000).

9. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	2,402,409	1,818,911	2,402,409	1,818,911
Social security costs	243,145	176,248	197,977	137,483
Contribution to defined contribution pension schemes	212,234	235,618	212,234	235,618
	<u>2,857,788</u>	<u>2,230,777</u>	<u>2,812,620</u>	<u>2,192,012</u>

Redundancy payments totalling £NIL (2022: £9,605) were made to 0 employees (2022:6 employees) during the year ended 31 March 2023. All amounts were recognised within expenditure during the year with no amounts outstanding at the year end.

THE CHELTENHAM TRUST

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

9. Staff costs (continued)

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

	Group 2023 No.	<i>Group 2022 No.</i>
Average monthly headcount	204	<i>176</i>

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

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £80,001 - £90,000	1	<i>1</i>

The key management personnel of the charity, The Cheltenham Trust, comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel of the Trust was £299,136 (2022: £316,510).

No staff are directly employed by the subsidiary, Cheltenham Leisure and Culture Ltd.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2022	16,464	272,570	289,034
Additions	29,006	153,886	182,892
At 31 March 2023	45,470	426,456	471,926

THE CHELTENHAM TRUST

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

11. Tangible fixed assets (continued)

Group (continued)

	Fixtures and fittings £	Office equipment £	Total £
Depreciation			
At 1 April 2022	8,604	165,683	174,287
Charge for the year	8,123	66,385	74,508
	16,727	232,068	248,795
Net book value			
At 31 March 2023	28,743	194,388	223,131
<i>At 31 March 2022</i>	7,860	106,887	114,747

Charity

	Office equipment £
Cost or valuation	
At 1 April 2022	272,570
Additions	153,886
At 31 March 2023	426,456
Depreciation	
At 1 April 2022	165,683
Charge for the year	66,385
At 31 March 2023	232,068
Net book value	
At 31 March 2023	194,388
<i>At 31 March 2022</i>	106,887

THE CHELTENHAM TRUST

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

12. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 April 2022	1
At 31 March 2023	1
Net book value	
At 31 March 2023	1
At 31 March 2022	1

13. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

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

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cheltenham Leisure & Culture Limited	2,579,293	(1,986,418)	592,875	589,064

THE CHELTENHAM TRUST

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

14. Stocks

	Group 2023	<i>Group 2022</i>
	£	£
Finished goods and goods for resale	109,467	<i>78,207</i>

15. Debtors

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
	£	£	£	£
Due within one year				
Trade debtors	233,938	<i>167,746</i>	67,660	<i>53,503</i>
Other debtors	6,489	<i>57,037</i>	124,126	<i>218,890</i>
Prepayments and accrued income	81,175	<i>47,056</i>	81,176	<i>47,056</i>
Amounts owed by group undertakings	-	-	-	<i>186,590</i>
	321,602	<i>271,839</i>	272,962	<i>506,039</i>

THE CHELTENHAM TRUST

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

16. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	425,050	<i>190,453</i>	426,449	<i>86,041</i>
Amounts owed to group undertakings	-	-	691,073	-
Other taxation and social security	154,528	<i>15,911</i>	-	-
Other creditors	8,460	<i>3,617</i>	7,890	<i>3,199</i>
Accruals and deferred income	1,325,229	<i>1,443,029</i>	1,056,171	<i>1,291,820</i>
	1,913,267	<i>1,653,010</i>	2,181,583	<i>1,381,060</i>
	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Deferred income				
Deferred income at 1 April 2022	994,945	<i>1,423,749</i>	843,734	<i>1,256,977</i>
Resources deferred during the year	893,160	<i>994,945</i>	725,126	<i>843,734</i>
Amounts released from previous periods	(994,945)	<i>(1,423,749)</i>	(843,734)	<i>(1,256,977)</i>
	893,160	<i>994,945</i>	725,126	<i>843,734</i>

Deferred income comprises advance ticket sales relating to various performances at the Town Hall in 2023-24 and for advance memberships at the recreation centre and for venue hires.

THE CHELTENHAM TRUST

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

17. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	2,249,850	<i>2,545,730</i>	1,243,175	<i>1,256,681</i>

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

THE CHELTENHAM TRUST

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

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds - all funds	1,054,680	7,791,874	(7,992,903)	-	853,651
Share capital	1	-	-	-	1
Pension reserve	(1,736,000)	-	(128,000)	1,864,000	-
	<u>(681,319)</u>	<u>7,791,874</u>	<u>(8,120,903)</u>	<u>1,864,000</u>	<u>853,652</u>
Restricted funds					
Archaeology	4,319	2,870	(2,692)	-	4,497
Memory Café	1,000	-	-	-	1,000
Arts award	2,000	-	-	-	2,000
GEM - Go the Extra Mile Navigator Developer	-	23,277	(23,277)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	21,655	(21,655)	-	-
Friends of the Wilson Project	6,000	-	(6,000)	-	-
Charles Irving Trust	217,643	250,000	(446,620)	-	21,023
Pittville Pump Room Heritage Cafe Project	63,420	-	-	-	63,420
Summerfield Trust	2,400	8,736	-	-	11,136
The Wilson Gallery Refurbishment Project	-	30,000	(1,995)	-	28,005
	<u>302,832</u>	<u>336,538</u>	<u>(502,239)</u>	<u>-</u>	<u>137,131</u>
	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Total of funds	<u>(378,487)</u>	<u>8,128,412</u>	<u>(8,623,142)</u>	<u>1,864,000</u>	<u>990,783</u>

THE CHELTENHAM TRUST

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

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£
Unrestricted funds					
General Funds - all funds	74,796	7,711,041	(6,731,157)	-	1,054,680
Share capital	1	-	-	-	1
Pension reserve	(2,733,000)	-	(168,000)	1,165,000	(1,736,000)
	<u>(2,658,203)</u>	<u>7,711,041</u>	<u>(6,899,157)</u>	<u>1,165,000</u>	<u>(681,319)</u>
Restricted funds					
Archaeology	4,849	-	(531)	-	4,318
Memory Café	1,000	-	-	-	1,000
Hidden Trails	5,000	-	(5,000)	-	-
Arts award	2,000	-	-	-	2,000
#FuelThursdays	17,804	-	(17,804)	-	-
GEM - Go the Extra Mile Navigator Developer	-	30,557	(30,557)	-	-
Community Takeover Exhibition	6,050	-	-	-	6,050
Cheltenham Borough Council - Accreditation & Social Grants	-	38,952	(38,952)	-	-
Friends of the Wilson Project	6,000	-	-	-	6,000
Charles Irving Trust	245,188	-	(27,545)	-	217,643
Pittville Pump Room Heritage Cafe Project	-	125,345	(61,925)	-	63,420
Summerfield Trust	-	2,400	-	-	2,400
Cheltenham Borough Council/ National Leisure Recovery Fund	-	235,104	(235,104)	-	-
	<u>287,891</u>	<u>432,358</u>	<u>(417,418)</u>	<u>-</u>	<u>302,831</u>
Total of funds	<u>(2,370,312)</u>	<u>8,143,399</u>	<u>(7,316,575)</u>	<u>1,165,000</u>	<u>(378,488)</u>

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

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

Details of the Restricted Funds are as follows:

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

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

Arts Award - Funding to support an arts award programme.

#Fuel Thursdays - National Lottery funding a programme of positive activities such as sport, cooking, music, art and life skills for young people in the community.

GEM – Go The Extra Mile Navigator Developer - Funding for Navigator Developer roles supporting those who are furthest away from employment in to employment.

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

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

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

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

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

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

Cheltenham Borough Council/ National Leisure Recovery Fund - Covid-19 support funding to enable leisure centres to reopen and recover as sustainable operations.

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

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

THE CHELTENHAM TRUST

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

19. Summary of funds

Summary of funds - current year

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

Summary of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£
General funds	(2,658,203)	7,711,041	(6,899,157)	1,165,000	(681,319)
Restricted funds	287,891	432,358	(417,418)	-	302,831
	<u>(2,370,312)</u>	<u>8,143,399</u>	<u>(7,316,575)</u>	<u>1,165,000</u>	<u>(378,488)</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	-	223,131	223,131
Current assets	137,131	2,543,823	2,680,954
Creditors due within one year	-	(1,913,305)	(1,913,304)
Total	<u>137,131</u>	<u>853,652</u>	<u>990,783</u>

THE CHELTENHAM TRUST

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

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Endowment funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	114,747	114,747
Current assets	15,911	302,831	2,577,034	2,895,776
Creditors due within one year	(15,911)	-	(1,637,099)	(1,653,010)
Provisions for liabilities and charges	-	-	(1,736,000)	(1,736,000)
Total	<u>-</u>	<u>302,831</u>	<u>(681,318)</u>	<u>(378,487)</u>

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

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(494,730)	826,824
Adjustments for:		
Depreciation charges	74,508	35,802
Increase in stocks	(31,260)	(25,910)
Decrease/(increase) in debtors	36,591	(30,399)
Increase/(decrease) in creditors	173,903	(219,630)
Other cash flow adjustments	128,001	227,768
Net cash provided by/(used in) operating activities	<u>(112,987)</u>	<u>814,455</u>

22. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	2,249,850	2,545,730
Total cash and cash equivalents	<u>2,249,850</u>	<u>2,545,730</u>

THE CHELTENHAM TRUST

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

23. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	2,545,730	(295,880)	2,249,850
	2,545,730	(295,880)	2,249,850

24. Pension commitments

The Group operates a defined benefit pension scheme.

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

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

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

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

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

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

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

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

THE CHELTENHAM TRUST

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

24. Pension commitments (continued)

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

	At 31 March 2023	<i>At 31 March 2022</i>
	%	%
Discount rate	4.75	2.75
Future salary increases	3.45	3.45
Future pension increases	2.95	3.15

	At 31 March 2023	<i>At 31 March 2022</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	20.7	21.7
- at 65 for a male aged 45 now	22.1	22.6
- for a female aged 65 now	24.3	24.1
- at 65 for a female aged 45 now	25.5	25.8

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

	At 31 March 2023	<i>At 31 March 2022</i>
	£	£
Equities	3,866,000	4,429,000
Corporate bonds	1,230,000	1,185,000
Property	703,000	562,000
Cash and other liquid assets	59,000	62,000
Total fair value of assets	5,858,000	6,238,000

The actual return on scheme assets was £-105,444 (2022 - £436,660).

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

	2023	<i>2022</i>
	£	£
Current service cost	167,000	206,000
Interest income	(172,000)	(119,000)
Interest cost	221,000	176,000
Total amount recognised in the Consolidated Statement of Financial Activities	216,000	263,000

THE CHELTENHAM TRUST

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

24. Pension commitments (continued)

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

	2023	<i>2022</i>
	£	<i>£</i>
Opening defined benefit obligation	7,974,000	<i>8,505,000</i>
Interest cost	221,000	<i>176,000</i>
Contributions by scheme participants	24,000	<i>25,000</i>
Actuarial gains	(2,453,000)	<i>(879,000)</i>
Benefits paid	(75,000)	<i>(59,000)</i>
Current service cost	167,000	<i>206,000</i>
Closing defined benefit obligation	<u>5,858,000</u>	<i><u>7,974,000</u></i>

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

	2023	<i>2022</i>
	£	<i>£</i>
Opening fair value of scheme assets	6,238,000	<i>5,772,000</i>
Expected return on assets	172,000	<i>119,000</i>
Actuarial (losses)/gains	(589,000)	<i>286,000</i>
Contributions by employer	88,000	<i>95,000</i>
Contributions by scheme participants	24,000	<i>25,000</i>
Benefits paid	(75,000)	<i>(59,000)</i>
Closing fair value of scheme asset	<u>5,858,000</u>	<i><u>6,238,000</u></i>

THE CHELTENHAM TRUST

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

25. Net pension asset/liability

	2023	2022
	£	£
Present value of liabilities	(4,594,000)	<i>(7,974,000)</i>
Fair value of plan assets	5,858,000	<i>6,238,000</i>
Surplus restriction	(1,264,000)	-
Closing net asset/liability	-	<i>(1,736,000)</i>

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

Under the transfer arrangements between Cheltenham Borough Council and the Trust, the net liability which has historically been recognised, remains a liability for the Trust, but the Council acts as guarantor for any liability arising for The Cheltenham Trust in being the sponsor employer for the Local Government Pension Scheme. Further, the contributions made by the Charitable Company into the scheme are included in the agreed annual recharge mechanism between the Trust and the Borough Council. In reviewing the guidance available in FRS 102, the Trustees bore in mind the above circumstances and determined that in substance, the Trust would have no entitlement to any pension asset in the future and therefore it should not be accounted for in the year ended 31 March 2023.

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

26. Members' liability

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

THE CHELTENHAM TRUST

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

27. Related party transactions

The Cheltenham Trust was set up to operate the leisure, entertainments and cultural facilities of Cheltenham Borough Council (CBC). Trustees Councillor B Clark, Councillor S Harvey and Councillor A Lewis are elected members of Cheltenham Council and are the CBC nominated Trustees. Trustee Councillor A Lewis resigned 18 July 22. D Smith, Trustee, is Alderman of Cheltenham. Trustee D Smith resigned 30 September 22.

During the period the Trust received income amounting to £1,104,073 from Cheltenham Borough Council which included income relating to management fees received under a Management Agreement, venue hires and project funding (2022: £1,365,594). At the period end there was £9,859 outstanding (2022: £25,030).

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

	2023 £	2022 £
Cheltenham Borough Council	510,390	411,416
Cotswold District Council	77,530	126,278
	<u>587,920</u>	<u>537,694</u>

Of these amounts £77,530 (2022: £61,352) was owing to Cotswold District Council at the year end and £119,770 (2022: £114,795) was owing to Cheltenham Borough Council.

During the year, the Trust made sales of £500 for venue hires (2022: £750) to Cheltenham Borough Homes Ltd, a subsidiary company of Cheltenham Borough Council. £nil was outstanding at year end (2022: £nil). The Trust received goods and services from Cheltenham Borough Homes Ltd of £nil (2022: nil).

Ms J Meekings-Davis was appointed as a Trustee in October 2017 and resigned 30 September 2022. She is a Trustee of the Friends of The Wilson Art Gallery & Museum.

During the year the charity received £30,000 from the Friends (2022: £nil) and held a balance of £28,005 at 31 March 2023 (2022: £6,000). Expenditure in relation to Friends of the Wilson amounted to £nil (2022: £nil) for the year ended 31 March 2023.

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

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

28. Post balance sheet events

Subsequent to the year end, The Cheltenham Trust agreed a 5 year extension to its existing Management Agreement with the Cheltenham Borough Council which allows for the Trust to continue to deliver its Charitable objectives and to independently operate buildings owned by Cheltenham Borough Council for the agreed term.

On October 25th 2023, the ballroom of Pitville Pump Rooms was closed following routine maintenance checks which identified the need for urgent remedial works at the site. The closure is not expected to have a material impact on the trading operations of the Trust and Management are working with customers to transfer event bookings to alternative venues in the Town. It is not currently known when the site will re-open. The costs of performing the remedial works are attributable to the Cheltenham Borough Council.

Phase I of a refurbishment project at The Wilson Art Galley and Museum was completed in July 2022. Subsequent to the end of the reporting period, The Cheltenham Trust committed to a significant capital contract for Phase II of the Wilson refurbishment project. The outstanding capital commitment at the date of approval of these financial statements is c.£350k. This project will be funded by grants received from DCMS and Friends of the Wilson.