

Registration number: 04348175

# Glastonbury Festival 2015 Limited

Directors' Report and Financial Statements

for the year ended 31 December 2014



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**Glastonbury Festival 2015 Limited**  
**Contents**

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Company Information	1
Directors' Report	2 to 3
Strategic Report	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Financial Statements	10 to 16

**Glastonbury Festival 2015 Limited**  
**Company Information**

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**Directors**            Mr A J M Eavis  
                             Mr P R Latham

**Company secretary** Mrs E A Eavis

**Registered office**    Worthy Farm  
                             Pilton  
                             Shepton Mallet  
                             Somerset  
                             BA4 4BY

**Bankers**                National Westminster Bank Plc  
                             25 High Street  
                             Shepton Mallet  
                             Somerset  
                             BA4 5AF

**Auditor**                Old Mill Audit LLP  
                             Bishopbrook House  
                             Cathedral Avenue  
                             Wells  
                             Somerset  
                             BA5 1FD

# **Glastonbury Festival 2015 Limited**

## **Directors' Report for the year ended 31 December 2014**

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The directors present their report and the financial statements for the year ended 31 December 2014.

### **Directors of the company**

The directors who held office during the year were as follows:

Mr A J M Eavis

Mr P R Latham

### **Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and 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). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

### **Strategic report**

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial risk management.

### **Financial instruments**

#### **Objectives and policies**

The company finances its operations through a mixture of retained profits and related party support.

In managing the financial risks faced by the company, the directors aim to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due whilst maximising returns on the surplus funds.

**Glastonbury Festival 2015 Limited**  
**Directors' Report for the year ended 31 December 2014**

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**Donations**

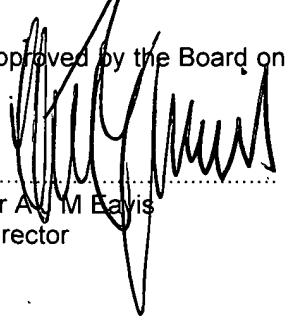
During the year the company made donations of £695,974. This consisted of:

	£
Charitable purposes	695,974
	<hr/> 695,974

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 3/9/15 and signed on its behalf by:

  
.....  
Mr A. M. Baylis  
Director

# **Glastonbury Festival 2015 Limited**

## **Strategic Report for the Year Ended 31 December 2014**

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The directors present their strategic report for the year ended 31 December 2014.

### **Business review**

#### ***Fair review of the business***

In 2014 the business continued to make a steady profit. The profit for the year, after taxation, amounted to £25,097. The directors have not recommended a dividend.

The company's key financial and other performance indicators during the year were as follows:

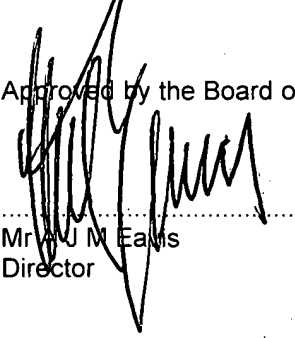
	<b>Unit</b>	<b>2014</b>	<b>2013</b>
Turnover	£'000	37,284	35,328
Gross Profit	£'000	25,865	24,895
Gross Profit Margin	%	69	70
Profit Before Taxation	£'000	86	764

Since 2009 the company has retained profits in the company in order to provide a float for next year's festival. Following the 2013 festival, management considered that sufficient funds were held. The ethos of the company is to keep the festival as accessible as possible to members of the general public and as a result the decision was taken to minimise the ticket price increase for the 2014 festival. This has led to a decrease in profit before tax although payments to core charities have been maintained.

#### ***Principal risks and uncertainties***

The company's only activity is organising the Glastonbury Festival of Contemporary and Performing Arts. The main business risks are: possible breaches of the licence terms leading to the licence being withdrawn and the cancellation of the festival due to forces outside the control of the company such as extremely bad weather.

Approved by the Board on 3/9/15 and signed on its behalf by:

  
.....  
Mr A J M Eavis  
Director

## **Independent Auditor's Report to the Members of Glastonbury Festival 2015 Limited**

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We have audited the financial statements of Glastonbury Festival 2015 Limited for the year ended 31 December 2014, set out on pages 7 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors responsibilities (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of  
Glastonbury Festival 2015 Limited**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

*Old Mill Audit LLP*

Jolyon Stonehouse (Senior Statutory Auditor)  
For and on behalf of Old Mill Audit LLP, Statutory Auditor

Bishopbrook House  
Cathedral Avenue  
Wells  
Somerset  
BA5 1FD

Date: *3 September 2015*



**Glastonbury Festival 2015 Limited**  
**Profit and Loss Account for the year ended 31 December 2014**

	Note	2014 £	2013 £
Turnover	2	37,283,554	35,328,269
Cost of sales		(11,418,665)	(10,433,548)
<b>Gross profit</b>		25,864,889	24,894,721
Administrative expenses		(25,866,448)	(24,276,413)
<b>Operating (loss)/profit</b>	3	(1,559)	618,308
Other interest receivable and similar income	7	87,263	149,742
Interest payable and similar charges	8	-	(3,887)
<b>Profit on ordinary activities before taxation</b>		85,704	764,163
Tax on profit on ordinary activities	9	(60,607)	(154,977)
<b>Profit for the financial year</b>	14	<u>25,097</u>	<u>609,186</u>

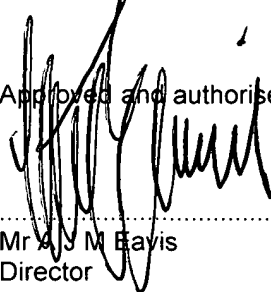
Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**Glastonbury Festival 2015 Limited**  
**(Registration number: 04348175)**  
**Balance Sheet at 31 December 2014**

		2014		2013	
	Note	£	£	£	£
<b>Current assets</b>					
Debtors	10		7,742,730		9,733,738
Cash at bank and in hand			<u>6,568,969</u>		<u>4,075,408</u>
			14,311,699		13,809,146
<b>Creditors: Amounts falling due within one year</b>					
	11		<u>(8,778,215)</u>		<u>(8,500,759)</u>
<b>Total assets less current liabilities</b>			5,533,484		5,308,387
<b>Provisions for liabilities</b>	12		<u>(250,000)</u>		<u>(50,000)</u>
<b>Net assets</b>			<u>5,283,484</u>		<u>5,258,387</u>
<b>Capital and reserves</b>					
Called up share capital	13	1		1	
Profit and loss account	14	<u>5,283,483</u>		<u>5,258,386</u>	
<b>Shareholders' funds</b>	15		<u>5,283,484</u>		<u>5,258,387</u>

Approved and authorised for issue by the Board on 3/9/15 and signed on its behalf by:

  
 .....  
 Mr A J M Davis  
 Director

**Glastonbury Festival 2015 Limited**  
**Cash Flow Statement for the year ended 31 December 2014**

**Reconciliation of operating loss/profit to net cash flow from operating activities**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Operating (loss)/profit	(1,559)	618,308
Decrease/(increase) in debtors	1,910,779	(1,229,110)
Increase in creditors	327,456	558,920
Increase in provisions	200,000	50,000
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,436,676</b>	<b>(1,882)</b>

**Cash flow statement**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Net cash inflow/(outflow) from operating activities	2,436,676	(1,882)
<b>Returns on investments and servicing of finance</b>		
Interest received	87,263	149,742
Interest paid	-	(3,887)
	87,263	145,855
<b>Taxation received/(paid)</b>	19,622	(165,070)
Net cash inflow/(outflow) before management of liquid resources and financing	2,543,561	(21,097)
<b>Financing</b>		
Repayment of loans and borrowings	(50,000)	-
<b>Increase/(decrease) in cash</b>	<b>2,493,561</b>	<b>(21,097)</b>

**Reconciliation of net cash flow to movement in net funds**

	<b>Note</b>	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Increase/(decrease) in cash		2,493,561	(21,097)
Cash outflow from repayment of loans		50,000	-
Change in net funds resulting from cash flows	17	2,543,561	(21,097)
Movement in net funds	17	2,543,561	(21,097)
Net funds at 1 January	17	4,025,408	4,046,505
Net funds at 31 December	17	6,568,969	4,025,408

The notes on pages 10 to 16 form an integral part of these financial statements.

**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

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**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**Turnover**

Turnover represents amounts receivable, net of value added tax, in respect of the sale of goods and services to customers.

Revenue is recognised once the Festival has taken place.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

**2 Turnover**

The turnover and profit before tax are attributable to the one principle activity of the company. An analysis of turnover is given below:

	<b>2014</b>	<b>2013</b>
	£	£
United Kingdom	<u>37,409,196</u>	<u>35,328,269</u>

**3 Operating (loss)/profit**

Operating (loss)/profit is stated after charging:

	<b>2014</b>	<b>2013</b>
	£	£
Auditor's remuneration	<u>9,700</u>	<u>9,500</u>

**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

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**4 Auditor's remuneration**

	<b>2014 £</b>	<b>2013 £</b>
Audit of the financial statements	<u>9,700</u>	<u>9,500</u>

**5 Particulars of employees**

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	<b>2014 No.</b>	<b>2013 No.</b>
Administration and support	3	3
Other departments	<u>102</u>	<u>103</u>
	<u>105</u>	<u>106</u>

The aggregate payroll costs were as follows:

	<b>2014 £</b>	<b>2013 £</b>
Wages and salaries	1,406,208	1,198,869
Social security costs	98,213	93,329
Staff pension costs	-	(150,000)
	<u>1,504,421</u>	<u>1,142,198</u>

**6 Directors' remuneration**

The directors' remuneration for the year was as follows:

	<b>2014 £</b>	<b>2013 £</b>
Remuneration	60,000	60,000
Company contributions paid to money purchase schemes	<u>-</u>	<u>(150,000)</u>

**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

During the year there was a reversal of £nil (2013 - £150,000) of directors' pension amounts previously accrued.

**7 Other interest receivable and similar income**

	2014 £	2013 £
Bank interest receivable	85,619	149,742
Other interest receivable	1,644	-
	<u>87,263</u>	<u>149,742</u>

**8 Interest payable and similar charges**

	2014 £	2013 £
Interest on bank borrowings	-	1,150
Other interest	-	2,737
	<u>-</u>	<u>3,887</u>

**9 Taxation**

**Tax on profit on ordinary activities**

	2014 £	2013 £
<b>Current tax</b>		
Corporation tax charge	<u>60,607</u>	<u>154,977</u>

**Factors affecting current tax charge for the year**

Tax on profit on ordinary activities for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 21.21% (2013 - 23.24%).

The differences are reconciled below:

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>85,704</u>	<u>764,163</u>
Corporation tax at standard rate	18,178	177,591
Rate differences	9	44
Expenses not deductible for tax purposes	<u>42,420</u>	<u>(22,658)</u>
Total current tax	<u>60,607</u>	<u>154,977</u>

**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

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**10 Debtors**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Trade debtors	32,306	298,211
Other debtors	7,439,153	9,112,566
Prepayments and accrued income	271,271	322,961
	<u>7,742,730</u>	<u>9,733,738</u>

Debtors includes £630,000 (2013 - £816,667) receivable after more than one year.

This can be analysed as follows:

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Other debtors	<u>630,000</u>	<u>816,667</u>

**11 Creditors: Amounts falling due within one year**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Trade creditors	713,594	785,059
Other loans	-	50,000
Other taxes and social security	807,871	759,088
Other creditors	88,364	-
Directors' current accounts	326,973	293,973
Accruals and deferred income	6,841,413	6,612,639
	<u>8,778,215</u>	<u>8,500,759</u>

During the year ended 31 December 2014 the company sold tickets in advance for the festival held in June 2015. As at 31 December 2014 £6,817,913 (2013 £6,580,639) was shown in deferred income in respect of advance ticket sales (net of VAT). Gross receipts in respect to advance sales are held in an escrow account and shown in other debtors (note 10).

**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

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**12 Provisions**

	Other provision £	Total £
At 1 January 2014	50,000	50,000
Credited to the profit and loss account	(50,000)	(50,000)
Utilised during the year	250,000	250,000
	200,000	200,000
At 31 December 2014	250,000	250,000

**13 Share capital**

**Allotted, called up and fully paid shares**

	2014		2013	
	No.	£	No.	£
Ordinary of £1 each	1	1	1	1

**14 Reserves**

	Profit and loss account £	Total £
At 1 January 2014	5,258,386	5,258,386
Profit for the year	25,097	25,097
At 31 December 2014	5,283,483	5,283,483

**15 Reconciliation of movement in shareholders' funds**

	2014 £	2013 £
Profit attributable to the members of the company	25,097	609,186
Net addition to shareholders' funds	25,097	609,186
Shareholders' funds at 1 January	5,258,387	4,649,201
Shareholders' funds at 31 December	5,283,484	5,258,387



**Glastonbury Festival 2015 Limited**  
**Notes to the Financial Statements for the year ended 31 December 2014**

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**16 Pension schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £nil (2013 - (£150,000)).

**17 Analysis of net funds**

	At 1 January 2014 £	Cash flow £	At 31 December 2014 £
Cash at bank and in hand	4,075,408	2,493,561	6,568,969
Debt due within one year	(50,000)	50,000	-
Net funds	<u>4,025,408</u>	<u>2,543,561</u>	<u>6,568,969</u>

**18 Related party transactions**

During the year the company made the following related party transactions:

**AJM Eavis - farming business**

(AJM Eavis owns the unincorporated business)

The company was charged £500,000 (2013: £500,000) by the business during the year as compensation for loss of earnings and wear and tear as a result of the farm land being used for the Festival. The farm was charged £201,423 (2013: £167,653) during the year for use of the company's staff. This amount is unsecured, interest free and there are no repayment terms. At the balance sheet date the amount due to AJM Eavis - farming business was £576,221 (2013 - £477,644).

**AJM Eavis**

(Current account)

During the year a further £33,000 was advanced. There are no repayment terms and no interest is payable. At the balance sheet date the amount due to AJM Eavis was £326,973 (2013 - £293,973).

**Pension Fund**

(Mr AJM Eavis and Mrs E Eavis are the sole beneficiaries of the related party)

The company rents land from the pension fund. During the year rents were paid to the pension fund of £9,800 (2013 : £9,800). At the balance sheet date the amount due to Pension Fund was £nil (2013 - £nil).

**Manorborder Limited**

(Mr AJM Eavis, together with his family, are the controlling shareholders of the company)

The company was charged £150,000 (2013: £150,000) during the year for the use of its land. The amount due to Manorborder Limited at the balance sheet date was £Nil (2013: £Nil). In addition, during previous years the company received a loan from Manorborder Limited. The loan was fully repaid in the year. At the balance sheet date the amount due to Manorborder Limited was £nil (2013 - £50,000).

## **Glastonbury Festival 2015 Limited**

### **Notes to the Financial Statements for the year ended 31 December 2014**

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#### **Gafrus Limited**

(Mr P R Latham served as a director of the company during the year. Mr Latham is also a director of Gafrus Limited)

The company was charged £450,000 (2013: £450,000) during the year as a management fee including VAT. At the balance sheet date the amount due to Gafrus Limited was £nil (2013 - £nil).

#### **Gricind Limited**

(Mr P R Latham served as a director of the company during the year. Mr Latham is also a director of Gricind Limited)

The company was charged £270,650 (2013: £428,600) during the year in respect of certain bands and stage acts that Gricind Limited manage. At the balance sheet date the amount due to Gricind Limited was £nil (2013 - £nil).

#### **Live Nation Limited**

(Mr P R Latham served as a director of the company during the year. Mr Latham is also a director of Live Nation Limited)

The company charged Live Nation Limited £15,000 (2013: £Nil) for charges incurred in staff termination costs. This amount is unsecured, interest free and has no terms of repayment. At the balance sheet date the amount due from/(to) Live Nation Limited was £15,000 (2013 - £nil).

#### **Glastonbury Festivals Limited**

(Mr AJM Eavis, together with his family, are the controlling shareholders of the company)

This company provides all the necessary infrastructure, buildings & equipment required to run the festival and is responsible for all long term capital projects to maintain the festival site.

The following costs were charged in relation to site expenditure in 2014:

£289,100 (2013: £209,100) during the year for rental of plant, equipment & offices

£1,089,286 (2013: £986,129) towards site work

£302,842 (2013: £167,621) for the purchase of tents, legal & other administrative costs

£585,500 (2013: £585,500) contribution towards the day to day running costs of the company

£284,137 (2013: £239,776) for the use of Glastonbury Festivals Ltd staff. At the balance sheet date the amount due (to)/from Glastonbury Festivals Limited was (£88,364) (2013 - £6,694).

During 2012 the company loaned Glastonbury Festivals Limited £1,400,000. The balance is interest free, unsecured and is to be repaid within four years. At the balance sheet date the amount due from Glastonbury Festivals Limited was £840,000 (2013: £1,050,000)

#### **19 Control**

The company is controlled by Mr A J M Eavis who owns 100% of the called up share capital.