HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales · Charity number 1092321

Details

Other names	HURON UNIVERSITY USA IN LONDON LIMITED
Status	Registered
Legal form	Charitable company
Company number	03005603
Registered	2002-05-31
Register	View on the Charity Commission register

Contact

Address	35 Commercial Road London E1 1LD
Phone	02076365667
Email	hultlondonfinance@hult.edu
Website	www.hult.edu

Activities

Objects: THE INSTITUTION HAS BEEN ESTABLISHED FOR THE OBJECT OF THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC BY THE PROVISION OF EDUCATIONAL COURSES SERVICES AND FACILITIES AT UNIVERSITY AND OTHER ADVANCED ACADEMIC LEVELS

Activities: Higher education / student welfare

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People

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Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£19,655,957	£18,485,617	£-6,969,537	135
2024-07-31	£18,740,329	£17,691,556	£-8,139,877	117
2023-07-31	£17,275,310	£16,447,885	£-9,188,650	107
2022-07-31	£15,189,899	£14,294,800	£-10,016,075	95
2021-07-31	£11,459,805	£10,812,936	£-10,911,173	67

Trustees

Name	Role	Appointed
Asa Elisabeth Staffansdotter RANGNE BLENDOW		2022-12-31
Christer Seved SERENHOV		2022-12-31
Christopher Michael JEDREY		2022-12-31
Craig Douglas BURNS		2022-12-31
James Lee SINTROS		2022-12-31
Matthew James Lilley		2022-12-31
Nicholas Charles BARBER		2022-12-31
Philip Eric HULT		2022-12-31
Rebecca Lucy WALSH		2022-12-31

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HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales - Charity number 1092321

Accounts

Charity Registration No. 1092321

Company Registration No. 03005603

HULT INTERNATIONAL BUSINESS SCHOOL LTD

(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 July 2025

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2025

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HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2025

OFFICERS AND PROFESSIONAL ADVISERS

CHARITY REGISTRATION NUMBER: 1092321

COMPANY REGISTRATION NUMBER: 03005603

OFFICE FOR STUDENTS REGISTRATION NUMBER: 10003212

REGISTERED OFFICE

33-35 Commercial Road
London
E1 1LD

WEBSITE ADDRESS

www.hult.edu

TRUSTEES

N Barber
C Burns
P Hult
C Jedrey
M Lilley
A Rangne Blendow
C Serenhov
J Sintros
R Walsh
C Ahlberg (Resigned, 11 June 2025)
D Collins (Resigned, 11 June 2025)
D Chen (Resigned, 11 June 2025)

KEY MANAGEMENT PERSONNEL

President	Matthew Lilley
Dean	Ian Dougal
Dean of Academic Development	Ronan Gruenbaum
Director of Operations (Undergraduate)	Katie Wagnon
Director of Operations (Postgraduate)	Lee Rowe

COMPANY SECRETARY

Joakim Banestig

BANKERS

Lloyds TSB Bank Plc
2nd Floor, 39 Threadneedle Street
London,
EC2R 8AU

AUDITOR

Knox Cropper LLP
65 Leadenhall Street
London,
EC3A 2AD

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STRATEGIC REPORT
For the year ended 2025

OBJECTIVES AND ACTIVITIES

The principal charitable objective of Hult International Business School Ltd ("the School") is the provision of higher educational courses, services and facilities at university level. In particular, it aims to provide and promote:

- undergraduate major programs;
- masters degree programs;
- scholarships for exceptionally well-qualified students from all over the world to study at the School, thus raising academic quality and expectations; and
- a caring environment for the pursuit of academic and experiential learning and living in central London.

The provision of higher educational courses is conducted through the School and Hult International Business School Ltd has on October 1st 2023 been granted degree awarding power.

The strategic objectives of the School are:

- building financial stability;
- building the reputation of the School;
- being a great place to work, teach and study

PLANS FOR FUTURE DEVELOPMENT

Student retention have shown strong results and the School expects to continue the increase in student numbers in years to come. The board has been closely monitoring the impact of global geopolitical conflicts on its business and financial statements, in particular towards its going concern.

FINANCIAL REVIEW

The final result of FY2025 was a surplus of £1.17m (FY2024: surplus of £1.0m) for the School, which decreased the net liabilities to £7.0m in FY2025 from £8.1m in FY2024. The increase in the surplus between the periods is due to increased operating activity resulting in increased turnover given the company's cost plus structure.

The School received a donation under gift aid of £0.7m (FY2024: £0.7m) during the financial period.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs")

The trustees consider student numbers (target of 5% sustainable long-term growth over a five-year cycle), student satisfaction, as per page 4, (target of 4.0 and above) and global representation (whilst there is no specific requirements or targets, as a global business school, the trustees consider the current global representation of the student body, and find it to be excellent and a positive academic and social element of the student experience). Student satisfaction is also tracked and all faculty members are rated for every course they teach creating the Faculty Evaluation score which is tracked and analysed after every module. Targets are based on a scale of the level of student satisfaction in surveys carried out.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs") (continued)

- **STUDENT NUMBERS**

In FY2025 there were 1,856 students (FY2024: 1,837), of which 932 started (FY2024: 1,013) and 924 (FY2024: 824) continued their studies at the School.

	2025 Intake		2024 Intake	
	New	Returners	New	Returners
UG	418	840	479	763
EMBA	42	71	74	34
MBA	91	7	75	21
MIB	172	2	172	2
MIM	100	2	115	3
MFIN	70	2	98	1
MEIM	39	-	-	-
Total	932	924	1013	824

- **STUDENT SATISFACTION**

The survey question was "Overall, how satisfied were you with your studies?" on a scale from 1 to 5.

	31 July 2025	31 July 2024
UG	3.91	3.68
EMBA	4.24	4.23
MBA	3.58	3.58
MIB	4.11	4.02
MIM	3.67	3.62
MFIN	4.24	3.92

- **STUDENT BODY COMPOSITION**

In FY2025 The School had 136 nationalities enrolled at the School and out of the total 1,856 students, 44% were female and 56% male (FY2024: 1,837 students 43% were female and 57% male).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the School faces and have documented these in a risk register, which is updated on a periodic basis. The School has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future.

The primary identified risks are an increasingly competitive market, as well as the reduced student numbers due to changes in immigration policy in the UK. The board continuously monitors the regulatory environment and does not see these risks as material. Moreover, the School is a cost plus entity with the educational revenue guaranteed by Hult International Business School, Inc. (the US charity), so it will always generate a surplus and the US charity has a strong financial position.

GOING CONCERN

The School made a surplus of £1.17m (FY2024: surplus of £1.0m) for the period ended 31 July 2025 reducing negative reserves to £7.0m (from £8.1m in FY2024) in line with expectations. The charity has £17.1m (FY2024: £19.5m) of creditors. However, this includes £10.4m (FY2024: £11.6m) of creditors falling due after more than one year. The School has net current liabilities of £0.3m (FY2024: £1.2m) and loans due after one year of £9.0m (FY2024: £10.3m).

The 2015 loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero. The School services the loan with annual repayments of £250k and as of 31 July 2025 the remaining loan balance was £9.3m. During FY2025 additional £1m repayment of loan was made during the year along with the annual repayment of £250k.

The charity is operating on cost-plus basis where the costs are recharged to Hult International Business School, Inc. (a US charity) with a mark-up on an arm's length basis. The US charity has strong financials and an excellent liquidity position, hence, the revenue risk for the charity is low.

The trustees have continued to prepare the financial statements on a going concern basis. Further details regarding the going concern basis can be found in the accounting policies (note 1 on page 18 to the financial statements).

Approved by the Board of Trustees
and signed on behalf of the Board

J Sintros

Trustee

Date: 2025-11-27

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

TRUSTEES' REPORT
For the year ended 31 July 2025

The trustees have chosen in accordance with section 414C (11) of the Companies Act 2006 to set out in the company's strategic report the following which the trustees believe to be of strategic importance.

The School is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the company (referred to as the School in this report), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees present their report and financial statements for the period ended 31 July 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Due to the charity being limited by guarantee, each trustee undertakes to contribute such amount as may be required, not exceeding £1,000 each, to the charity's assets if it should be wound up while he or she is a trustee or within one year after he or she ceases to be a trustee. The trustees serve without remuneration.

The Articles of Association provide for rotation of trustees. The trustees who served during the period and subsequently are noted on page 1.

The board of trustees hold formal meetings as required to discuss the performance of the School, covering academic issues, student recruitment, student retention and satisfaction, financial performance, governance and other issues.

The key management personnel are the President and the Dean. Remuneration for management personnel is determined by current market conditions, experience and skills. These budgeting items are approved by the board of trustees.

PLANS FOR FUTURE DEVELOPMENT

Details of the plans for future developments can be found in the Strategic Report on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of the principal risks and uncertainties can be found in the Strategic Report on page 3.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

The method of appointment and retirement by rotation of the trustees is set out in the charity's Articles of Association. Trustee appointments are made based on the expertise and skills brought by the individuals involved. The trustees receive further training in trustee meetings as required. No induction training was required as there were no new trustees appointed in the period.

TRUSTEES' INDEMNITIES

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the period and remain in force at the date of this report.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of the School for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

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

PUBLIC BENEFIT

The trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The trustees provide a public benefit primarily by awarding scholarships to students who would otherwise not be in a position to fund their studies. This academic year the School had 62 full scholars.

The ethos of awarding scholarships remains a high priority within the institution and is aimed at students with exceptional academic educational qualities and those in financial need.

The School also conducts and disseminates research by its faculty.

RESERVES POLICY

The School currently has negative reserves of £7.0m (FY2024: £8.1m). The trustees believe that the net asset position will build up again and are confident that the School is on track to make surpluses as it is a cost-plus entity which will restore and build reserves to an adequate level. The reserves policy is to reach a positive net assets level of reserves, with a longer-term objective of having reserves equal to at least one year's costs as an adequate reserves level.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees
and signed on their behalf

J Sintros

Trustee

Date: 2025-11-27

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL for the year ended 31 July 2025

This Statement of Corporate Governance and Internal Control covers the period for the year ended 31 July 2025 and up to the date of approval of the financial statements.

GOVERNANCE

The Trustees are listed within the Officers and Professional Advisers. The constitution of the board ensures that no individual dominates the decision-making process and that it can exercise its responsibilities independently from the management of the School.

The boards regulatory and stewardship responsibilities centre on its role as the ultimate legal authority and for safeguarding the School's assets, its financial sustainability, and receiving assurance that its system complies with the legal and regulatory obligations, including as a Charity, and in respect of the Office for Students (OfS).

The board of directors schedule to meet a few times a year. Formal agenda, papers and reports are supplied to the board in a timely manner prior to the board meetings. Briefings are also provided on an ad-hoc basis. Reports include overall financial performance of the School together with other relevant information such as performance against targets. The board review and approve the financial statements and also receive and consider reports from regulators such as the OfS, and monitors adherence with the continuing conditions of registration with the OfS and other legal and regulatory requirements.

Minutes of board meetings are recorded and approved at the following meeting.

The day-to-day management of Hult International Business School is undertaken by the President who is appointed by the Trustees. The President has delegated authority for finance, employment, and other operational matters.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of annual financial statements that provide a true and fair view of the state of affairs of the School as at the end of the financial year and of the financial activities during the year.

In preparing the financial statements the Trustees are required to:

- select accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy of the financial position of the School at any time and to ensure that the financial statements comply with relevant statutes.

It is also responsible for safeguarding the assets of the School taking reasonable steps to prevention and detection of fraud and other irregularities.

INTERNAL CONTROL

The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives. The system of internal control is designed to manage, rather that eliminate, the risk of failure to achieve policies, aims and objectives through corruption, fraud, bribery and other irregularities. It can therefore only provide reasonable, but not absolute, assurance against material misstatement or loss.

The system of internal control is based on a continuous process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively, and economically. This process accords with OfS guidance.

The system uses a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. It includes:

- Comprehensive budgeting systems with an annual budget that is reviewed and agreed upon by the board of directors
- Regular reviews by the board of directors of periodic and annual financial reports which indicate financial performance against forecast
- Setting targets to measure financial and operational performance
- A clear approval and authorisation process for expenditures

The School's internal control system is supported by a number of policies. These include a Risk Register, an Anti-Bribery and Corruption Policy, a Modern Slavery Act statement, comprehensive internal financial policies and regulations which detail financial controls and procedures.

The Trustees have the responsibility for reviewing the effectiveness of the system of internal control and ensuring that there is a sound approach to confirm that this framework is adopted and embedded consistently and effectively across each activity.

The review of the effectiveness of the system is informed by:

- The work of external auditors
- The work of senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework which is reported as needed by the Chief Financial Officer to the governing body.
- Comments made by the organisation's financial statements and regulatory inspections in their management letters and other reports
- Regularly reviewing the approval and authorisation process to ensure its relevancy to the business operations and organisational structure

There are no significant internal control weaknesses reported for the period.

The trustees, who are also directors of the School for the purposes of company law, has delegated its day-to-day responsibility to the President, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. He is also responsible for reporting to the board any material weaknesses or breakdowns in internal control. The day-to-day responsibility for risk management and monitoring is assigned to the Chief Finance Officer and Program Presidents.

The board of directors and the Accountable Officer confirm that after due enquiry and to the best of their knowledge, it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the School's financial regulations. We confirm that, during the year to 31 July 2025 or since the period end, no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any such instances are identified after the date of this statement, those will be notified to the OfS in accordance with the School's compliance obligations.

Approved by the Trustees
and signed on their behalf

J Sintros
Trustee

Date: 2025-11-27

Hult International Business School Limited

Matt Lilley

M. Lilley
President

Date: 2025-11-27

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

Opinion

We have audited the financial statements of Hult International Business School Ltd (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006;
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- the charitable company's grant and fee income, as disclosed in note 17 to these Financial Statements has been materially misstated.

Basis of opinion

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

Conclusions relating to going concern

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

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

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.

Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- The Charitable Company is required to comply with both company law and charity law and certain conditions of OfS registration including compliance with the OFS' latest Accounts Direction and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- We identified a risk over correct cut-off of revenue due from the parent charity under the agreement, in respect of costs incurred in the period. We tested a sample of costs and accruals to determine correct cut-off of recoverable costs, as well as recalculating the revenue accrued at the year based on the agreement with the parent charity.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions. No restricted income was identified.

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

Use of our report

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

Knox Cropper LLP

Simon Goodridge

Senior Statutory Auditor

for and on behalf of Knox Cropper LLP

Statutory Auditor

65 Leadenhall Street

London EC3A 2AD

Date: 2025-12-02

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 July 2025

	Note	Year ended 31 July 2025 £	Year ended 31 July 2024 £
INCOME FROM:			
Donations	1	685,000	700,100
Charitable activities	3	18,970,957	18,040,229
TOTAL INCOME		19,655,957	18,740,329
EXPENDITURE ON:			
Charitable activities	5	18,485,617	17,691,556
TOTAL EXPENDITURE		18,485,617	17,691,556
NET INCOME FOR THE PERIOD	9	1,170,340	1,048,773
NET MOVEMENT IN FUNDS		1,170,340	1,048,773
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		(8,139,877)	(9,188,650)
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		(6,969,537)	(8,139,877)
RECONCILIATION OF FUNDS:			
Total funds brought forward		(8,139,877)	(9,188,650)
Net movement in funds for the period		1,170,340	1,048,773
Total funds carried forward		(6,969,537)	(8,139,877)

All income and expenditure derive from continuing operations.

There are no other recognised gains or losses other than as stated above.

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

BALANCE SHEET
As at 31 July 2025

	Note	31 July 2025 £	31 July 2024 £
FIXED ASSETS			
Tangible assets	10	3,790,808	4,673,387
CURRENT ASSETS			
Debtors	11	1,135,956	782,539
Cash at bank and in hand		5,186,480	5,878,147
		6,322,436	6,660,686
CREDITORS: amounts falling due within one year			
Creditors	12	(2,006,287)	(3,224,690)
Deferred income	4	(4,650,000)	(4,600,000)
		(6,656,287)	(7,824,690)
NET CURRENT LIABILITIES		(333,851)	(1,164,004)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,456,957	3,509,383
CREDITORS: amounts falling due after more than one year	13	(9.050,000)	(10,300,000)
Provisions for liabilities	14	(1,376,494)	(1,349,260)
NET LIABILITIES		(6,969,537)	(8,139,877)
FUNDS			
Deficit on unrestricted funds		(6,969,537)	(8,139,877)
TOTAL FUNDS		(6,969,537)	(8,139,877)

The financial statements of Hult International Business School Ltd, registered number No. 03005603, were approved by the Board of Trustees and authorised for issue on Wednesday, November 12, 2025.

Signed on behalf of the Board of Trustees

Matt Lilley

J Sintros
Trustee

M Lilley
President

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

CASH FLOW STATEMENT
For the year ended 31 July 2025

	Note	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Net cash inflow from operating activities	1	1,234,372	2,873,977
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(239,978)	(8,358)
Net cash outflow from investing activities		(239,978)	(8,358)
Cash flows from financing activities			
Repayment of borrowings	2	(1,250,000)	(1,250,000)
Interest		(436,061)	(512,887)
Net cash outflow from financing activities		(1,686,061)	(1,762,887)
Net (decrease)/increase in cash and cash equivalents	2	(691,667)	1,102,732
Cash at beginning of period		5,878,147	4,775,415
Cash at end of period		5,186,480	5,878,147

Cash and cash equivalents comprise of cash at bank and in hand. Cash equivalents (i.e. not bank) for the 12 months ended 31 July 2025 were £nil (year ended 31 July 2024: £nil.)

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31 July 2025

1. RECONCILIATION OF SURPLUS FOR THE PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Net surplus for the period	1,170,340	1,048,773
Depreciation of tangible fixed assets	1,122,557	955,048
Interest	436,061	512,887
(Increase)/Decrease in debtors	(353,417)	407,983
(Decrease)/Increase in creditors	(1,141,169)	(50,714)
Cash generated from operating activities	1,234,372	2,873,977

2. ANALYSIS OF CHANGES IN NET DEBT

Analysis of changes in net debt	As at 1 August 2024 £	Cashflows £	Transfer £	As at 31 July 2025 £
Cash	**5,878,147**	(691,667)	-	5,186,480
Loans falling due within one year	**(250,000)**	250,000	(250,000)	(250,000)
Loans falling due after more than one year	**(10,300,000)**	1,000,000	250,000	(9,050,000)
TOTAL	**(4,671,853)**	558,333	-	(4,113,520)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2025

1. ACCOUNTING POLICIES

Basis of accounting

The School, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are nine Trustees. Each trustee has undertaken to contribute to the assets in the event of a winding up a sum not exceeding £1,000. The Charity is a registered charity. The registered office is listed on page 1.

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies of the charity are set out below.

Going concern

At 31 July 2025, the School has negative reserves of £7.0m, as expected. The School made a surplus of £1.17m for the period ended 31 July 2025 and will continue to have surpluses in future years.

The School received a loan in 2015 of £20m from Hult International Business School AG to enable it to make the payments required by a Strategic Alliance Agreement with Ashridge (Bonar Law Memorial) Trust. The loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment (repayments of £250k per annum) or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero.

The long term loan from Hult International Business School AG matures in 2035. Considering the improved results that the School has had in the last few years, the expectation is that the School during the coming 10 years will be able to make positive results and service the loan. During the period the School has repaid £.1.25m of the loan. Thanks to the strong liquidity position, the Trustees decided in FY2025 to make an additional repayment of £1m of the loan with the benefits to reduce the interest cost for the charity. Given that the liquidity position is maintained, the Trustees may in the future opt to further accelerate that loan repayment. The School has net current liabilities of £0.3m. Forecasts have been prepared and show that liabilities can be settled as they fall due over at least the next 12 months.

The School is operating on cost-plus basis where all costs are recharged to Hult International Business School, Inc. with a mark-up on an arm's length basis, Hence, the School will always generate surplus.

Having considered the above, the trustees believe it is reasonable to continue to adopt the going concern basis.

Provisions

Dilapidation reserves are made to provide for the works required to return the leasehold properties to the state found at the commencement of the terms. The dilapidation estimate is capitalized and is depreciated over the remainder of the lease and liabilities are credited with the full estimated amount adjusted by the annual inflation accretion.

Reserves

The charity maintains unrestricted reserves as follows:

Unrestricted reserves

Unrestricted reserves represent income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

1. ACCOUNTING POLICIES (continued)

Income

Turnover is recognised on fees in respect of those services that are delivered within the financial year being reported on a cost-plus basis at an arm's length. Fees received in advance for future services are credited to deferred income.

Donations

Monetary donations are included in full in the Statement of Financial Activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the specific conditions have been met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis.

Costs are allocated to activities based on what they are directly attributable to.

Expenditure is analysed by category between a number of separate headings as per note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment and are recognised over a threshold of £1,000.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	Over the shorter of the life of the asset or the period of the lease
Fixtures and fittings	3-5 years
Office equipment	3-5 years

Foreign currencies

The reporting and functional currency is sterling (GBP). Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate at the balance sheet date.

Employee benefits contributions to pension funds

The charity contributes to a defined contribution scheme for the benefit of the employees and the pension costs charged to the SOFA in the period represent the contributions payable to the scheme in respect of the accounting period.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The company only have financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. INCOME FROM CHARITABLE ACTIVITIES

	Net income from charitable activities year ended 31 July 2025 £	Net income from charitable activities year ended 31 July 2024 £
Income		
Educational Services	18,970,957	18,040,229

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2025

4. DEFERRED INCOME

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Educational Services	4,650,000	4,600,000

	2025 £	2024 £
Balance as at 1 August	(4,600,000)	(4,725,000)
Amount released to income	4,600,000	4,725,000
Amount deferred in the period	(4,650,000)	(4,600,000)
Balance at 31 July	(4,650,000)	(4,600,000)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

Year ended 31 July 2025	Direct costs £	Support costs £	Total 2025 £
Education	7,641,544	10,844,073	18,485,617

Year ended 31 July 2024	Direct costs £	Support costs £	Total 2024 £
Education	7,624,926	10,066,630	17,691,556

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Analysis of support costs		
Establishment costs	5,902,304	5,449,098
School administration costs	4,244,394	3,748,651
Other costs	492,062	615,884
Professional	175,673	225,037
Governance	29,640	27,960
	10,844,073	10,066,630

6. GOVERNANCE COSTS

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Audit fees	29,640	27,960

7. INFORMATION REGARDING EMPLOYEES

	Year ended 31 July 2025 No	Year ended 31 July 2024 No
The average number of employees in period was	135	136
	£	**£**
Staff costs during the period were:		
Wages and salaries	7,734,894	7,097,741
Social security costs	919,385	856,411
Pension contribution	233,432	200,213
	8,887,711	8,154,365

The number of employees whose emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, were in excess of £60,000 were:

	Year ended 31 July 2025 No	Year ended 31 July 2024 No
£60,000 - £69,999	8	7
£70,000 - £79,999	11	7
£80,000 - £89,999	7	8
£90,000 - £99,999	8	7
£100,000 - £199,999	13	10
£200,000 - £249,999	1	1

Senior staff

The School has given regard to the 'Higher education senior staff remuneration code' published by the Committee of University Chairs when determining senior staff remuneration.

The number of senior staff with a full-time equivalent basic salary over £100,000 per annum on 31 July were:

	Year ended 31 July 2025 No	Year ended 31 July 2024 No
£100,000 - £104,999	1	1
£105,000 - £109,999	1	1
£110,000 - £114,999		
£115,000 - £119,999		
£120,000 - £124,999		
£125,000 - £129,999		
£130,000 - £134,999		1
£135,000 - £139,999		1
£140,000 - £144,999	1	1
£145,000 - £149,999	2	1
£150,000- £154,999		
£155,000 - £159,999		1
£160,000 - £164,999		
£165,000 - £169,999		
£170,000 - £174,999	1	

- The table above excludes, as per guidance, staff who joined or left part-way through the year but who would have received a salary in these bands in a full year
- No member staff were on reduced pay such as for maternity or sickness leave that would otherwise be part of the above table.

The President Matthew Lilley total annual remuneration is £309,839 (FY2024: £206,905) This represents the total annual remuneration paid by the School & Ashridge (Bonar Law Memorial) Trust. Ashridge (Bonar Law Memorial) Trust was responsible for funding £155,356 (FY2024: £104,155) and the School was responsible for funding £154,483 (FY2024: £102,750). The breakdown of this total remuneration is as follows:

- From Hult International Business School Ltd:
  - Base salary of £101,458(FY2024: £100,000)
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - Performance-related bonus of £50,000.
  - Pension Contribution of £3025
  - No payment made by the provider in pension contributions as part of National Insurance savings
  - No other type of benefits and remuneration have been paid to the head provider.
  - Hult International Business School Ltd does not provide to the President private healthcare benefit.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £104,750 (FY2024: £104,115)
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - Performance-related bonus of £50,000.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have been paid to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £606 (FY2024: £1,155)

The President's salary is set by the Trustees.

Process for judging performance
The President has an annual performance review meeting with the board of directors to review and assess performance against objectives and to discuss objectives for the next year.

Approach and justification to the Presidents remuneration
The President's salary is reviewed annually and reflects the following:
- Market rate by size and complexity of institution
- The scale and complexity of the job
- Comparisons with benchmarks
- Performance as measured against objectives set by the board of directors

Pay multiple
The relationship between the President's remuneration and that for all other staff is as follows (combined remuneration of President between the School & Ashridge (Bonar Law Memorial) Trust):

- The current head of the provider's basic salary is 4.72 times the median pay of staff (2024: 5.35), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The current head of the provider's total remuneration is 6.50 times the median total remuneration of staff (2024: 5.25) .

The pay multiple represents the President's pay divided by the median pay for all other staff at the "charitable company", on a full-time equivalent basis. The median pay for all other staff is calculated using pay data for all staff who are required to be included in Real Time Information (RTI) reporting to HMRC (July 2025). All other staff is capturing staff employed by the School.

8. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Staff costs include remuneration provided to key management personnel as follows:

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Wages and salaries	727,948	589,809
Social security costs	95,181	71,490
Pension contribution costs	20,319	17,694

9. NET INCOME FOR THE PERIOD

Net income is stated after charging:

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	29,640	27,960
Rental under operating leases		
Land and buildings	2,923,144	2,746,282
Other	17,671	6,248
Depreciation of tangible fixed assets		
Owned (note 9)	1,122,557	955,048

10. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	Total £
Cost				
At 1 August 2024	9,889,350	1,346,477	131,270	11,367,097
Additions	13,046	93,597	133,335	239,978
Disposals	(6,000)			(6,000)
At 31 July 2025	9,896,396	1,440,074	264,605	11,601,075
Depreciation				
At 1 August 2024	5,679,674	964,612	49,424	6,693,710
Charge for the period	762,025	294,074	66,458	1,122,557
Disposals	(6,000)			(6,000)
At 31 July 2025	6,435,699	1,258,686	115,882	7,810,267
Net book value				
At 31 July 2025	3,460,697	181,388	148,723	3,790,808
At 31 July 2024	4,209,676	381,865	81,846	4,673,387

11. DEBTORS

	31 July 2025 £	31 July 2024 £
Trade debtors	-	-
Amounts owed from Hult Inc. undertakings	308,611	2,575
Other debtors	20,026	105,565
Prepayments	807,319	674,399
	1,135,956	782,539

All debtors are due within one year and there is no interest payable on Amounts owed from Hult Inc. undertakings.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2025 £	31 July 2024 £
Trade creditors	213,208	435,209
Loans owed to Hult International Business School AG	250,000	250,000
Amounts owed to Hult Inc. undertakings	185	968,261
Other creditors	24,607	103,979
Accruals	1,518,287	1,467,241
	2,006,287	3,224,690

There is no interest payable on Amounts owed to Hult Inc. undertakings.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2025 £	31 July 2024 £
Loans owed to Hult International Business School AG	9,300,000	10,550,000

Included within the above are amounts due as follows:

	31 July 2025 £	31 July 2024 £
Within 1 year	250,000	250,000
Between 1 and 2 years	250,000	250,000
Between 2 and 5 years	750,000	750,000
More than 5 years	8,050,000	9,300,000
	9,300,000	10,550,000

£9.3m of the loan owed to Hult International Business School AG is payable annually in instalments and bears interest at 4.5% from 1st January 2025 (2024: 3.75%) The loan is repayable by 29 January 2035.

14. PROVISIONS FOR LIABILITIES: FALLING MORE THAN ONE YEAR

	31 July 2025 £	31 July 2024 £
Balance as at 1 August	1,349,260	1,363,406
Charged to SOFA	27,234	(14,146)
Balance as at 31 July	1,376,494	1,349,260

Provisions consists of dilapidations on leasehold improvements which will be realised at the end of the lease term.

15. TAXATION

The School is a registered charity and does not trade for tax purposes. It is not liable to tax on any surplus derived from charitable activities.

16. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	31 July 2025 £	31 July 2024 £	31 July 2025 £	31 July 2024 £
Leases which fall due:				
In one year or less	2,395,000	2,395,000	-	-
Between one and two years	1,401,548	2,395,000	-	-
Between two and five years	3,576,959	3,821,548	-	-
In more than five years	0	1,153,644	-	-
	7,373,507	9,765,192	-	-

17. CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees. The School is a company limited by guarantee registered with UK's Company Registry and a charity registered with the Charity Commission of England and Wales, so has no owner and it has an independent Board of Trustees.

18. DETAILS OF GRANT DISCLOSURE AND FEE INCOME

The School does not receive any grants.

19. RELATED PARTY TRANSACTIONS

During the financial year 2025, interest of £435,555 was charged on a loan to the School of £9.3m advanced by Hult international Business School AG, a company owned by the father of Mr Hult, a director of the company.

Matthew Lilley, the President of the School, was also a Trustee of the School throughout the year. His remuneration, as set out in note 7 of the financial statements, was wholly in relation to his employment as President. None of the Trustees were remunerated for their roles as Trustees.

There were no other related party transactions in the current or prior year.

20. HULT INTERNATIONAL BUSINESS SCHOOL

Hult International Business School Inc:

Hult International Business School Ltd manages essential production services, facilitating faculty and academic operations at our London campuses for both undergraduate and postgraduate programs. These services are contracted through a service agreement with Hult international Business School Inc.

Hult International Business School AG:

Hult International Business School Ltd has a long-term loan where Hult international Business School AG acts as lender and Hult International Business School Ltd as Borrower.

HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales - Charity number 1092321

Accounts

Charity Registration No. 1092321

Company Registration No. 03005603

HULT INTERNATIONAL BUSINESS SCHOOL LTD

(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 July 2024

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

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HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

OFFICERS AND PROFESSIONAL ADVISERS

CHARITY REGISTRATION NUMBER: 1092321

COMPANY REGISTRATION NUMBER: 03005603

OFFICE FOR STUDENTS REGISTRATION NUMBER: 10003212

REGISTERED OFFICE

33-35 Commercial Road
London
E1 1LD

WEBSITE ADDRESS

www.hult.edu

TRUSTEES

C Ahlberg
N Barber
C Burns
D Chen
D Collis
P Hult
C Jedrey
M Lilley
A Rangne Blendow
C Serenhov
J Sintros
R Walsh

DEAN

Ian Dougal – Postgraduate
Monique Jordan - Undergraduate

COMPANY SECRETARY

Joakim Banestig

BANKERS

Lloyds TSB Bank Plc
2nd Floor, 39 Threadneedle Street
London
EC2R 8AU

AUDITOR

Knox Cropper LLP
65 Leadenhall Street
London
EC3A 2AD

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STRATEGIC REPORT
For the year ended 2024

OBJECTIVES AND ACTIVITIES

The principal charitable objective of Hult International Business School Ltd ("the School") is the provision of higher educational courses, services and facilities at university level. In particular, it aims to provide and promote:

- undergraduate major programs;
- masters degree programs;
- scholarships for exceptionally well-qualified students from all over the world to study at the School, thus raising academic quality and expectations; and
- a caring environment for the pursuit of academic and experiential learning and living in central London.

The provision of higher educational courses is conducted through the School and Hult International Business School Ltd has on October 1st 2023 been granted degree awarding power.

The strategic objectives of the School are:

- building financial stability;
- building the reputation of the School;
- being a great place to work, teach and study

PLANS FOR FUTURE DEVELOPMENT

Student enrolment and retention have shown strong results and the School expects to continue the increase in student intake in years to come. The board has been closely monitoring the impact of global geopolitical conflicts on its business and financial statements, in particular towards its going concern.

FINANCIAL REVIEW

The final result of FY2024 was a surplus of £1.0m (FY2023: surplus of £0.8m) for the School, which decreased the net liabilities to £8.1m in FY2024 from £9.1m in FY2023. The increase in the surplus between the periods is due to the increase of gift aid donation received.

The School received a donation under gift aid of £0.7m (FY2023: £0.45m) during the financial period.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs")

The trustees consider student numbers (target of 5% sustainable long-term growth over a five-year cycle), student satisfaction, as per page 4, (target of 4.0 and above) and diversity (whilst there is no current stipulated target for diversity, the trustees consider current diversity of the student body to be excellent) to be key performance indicators. Student satisfaction is also tracked and all faculty members are rated for every course they teach creating the Faculty Evaluation score which is tracked and analysed after every module. Targets are based on a scale of the level of student satisfaction in surveys carried out.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs") (continued)

- **STUDENT NUMBERS**

In FY2024 there were 1,837 students (FY2023: 1,876), of which 1013 started (FY2023: 986) and 824 (FY2023: 890) continued their studies at the School.

	2024 Intake		2023 Intake	
	New	Returners	New	Returners
UG	479	763	434	776
EMBA	74	34	40	41
MBA	75	21	136	61
MIB	172	2	240	8
MIM	115	3	63	4
MFIN	98	1	73	0
Total	1013	824	986	890

- **STUDENT SATISFACTION**

The survey question was "Overall, how satisfied were you with your studies?" on a scale from 1 to 5.

	31 July 2024	31 July 2023
UG	3.68	3.87
EMBA	4.23	4.32
MBA	3.58	4.25
MIB	4.02	3.87
MIM	3.62	3.79
MFIN	3.92	3.92

- **DIVERSITY**

FY2024 The School had 141 nationalities enrolled at the School and out of the total 1,837 students, 43% were female and 57% male (FY2023: 1,876 students 42% were female and 58% male).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the School faces and have documented these in a risk register, which is updated on a periodic basis. The School has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future.

The primary identified risks are an increasingly competitive market, as well as the reduced student numbers due to changes in immigration policy in the UK. The board continuously monitors the regulatory environment and does not see these risks as material. Moreover, the School is a cost plus entity with the educational revenue guaranteed by Hult International Business School, Inc. (the US charity), so it will always generate a surplus and the US charity has a strong financial position.

GOING CONCERN

The School made a surplus of £1.0m (FY2023: surplus of £0.8m) for the period ended 31 July 2024 reducing negative reserves to £8.1m (from £9.1m in FY2023) in line with expectations. The charity has £19.5m (FY2023: £20.8m) of creditors. However, this includes £11.6m (FY2023: £12.9m) of creditors falling due after more than one year. The School has net current liabilities of £1.2m (FY2023: £1.9m) and loans due after one year of £10.3m (FY2023: £11.5m).

The 2015 loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero. The School services the loan with annual repayments of £250k and as of 31 July 2024 the remaining loan balance was £10.3m. During FY2024 additional £1m repayment of loan was made during the year along with the annual repayment of £250k.

The charity is operating on cost-plus basis where the costs are recharged to Hult International Business School, Inc. (a US charity) with a mark-up on an arm's length basis. The US charity has strong financials and an excellent liquidity position, hence, the revenue risk for the charity is low.

The trustees have continued to prepare the financial statements on a going concern basis. Further details regarding the going concern basis can be found in the accounting policies (note 1 on page 18 to the financial statements).

Approved by the Board of Trustees
and signed on behalf of the Board

Christopher Ahlberg

C Ahlberg

Trustee

Date: 6-Dec-2024

TRUSTEES' REPORT
For the year ended 31 July 2024

The trustees have chosen in accordance with section 414C (11) of the Companies Act 2006 to set out in the company's strategic report the following which the trustees believe to be of strategic importance.

The School is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the company (referred to as the School in this report), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees present their report and financial statements for the period ended 31 July 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Due to the charity being limited by guarantee, each trustee undertakes to contribute such amount as may be required, not exceeding £1,000 each, to the charity's assets if it should be wound up while he or she is a trustee or within one year after he or she ceases to be a trustee. The trustees serve without remuneration.

The Articles of Association provide for rotation of trustees. The trustees who served during the period and subsequently are noted on page 1.

The board of trustees hold formal meetings as required to discuss the performance of the School, covering academic issues, student recruitment, student retention and satisfaction, financial performance, governance and other issues.

The key management personnel are the CEO and the Deans. Remuneration for management personnel is determined by current market conditions, experience and skills. These budgeting items are approved by the board of trustees.

PLANS FOR FUTURE DEVELOPMENT

Details of the plans for future developments can be found in the Strategic Report on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of the principal risks and uncertainties can be found in the Strategic Report on page 3.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

The method of appointment and retirement by rotation of the trustees is set out in the charity's Articles of Association. Trustee appointments are made based on the expertise and skills brought by the individuals involved. The trustees receive further training in trustee meetings as required. No induction training was required as there were no new trustees appointed in the period.

TRUSTEES' INDEMNITIES

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the period and remain in force at the date of this report.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of the School for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

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

PUBLIC BENEFIT

The trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The trustees provide a public benefit primarily by awarding scholarships to students who would otherwise not be in a position to fund their studies. This academic year the School had 46 full scholars.

The ethos of awarding scholarships remains a high priority within the institution and is aimed at students with exceptional academic educational qualities and those in financial need.

The School also conducts and disseminates research by its faculty.

RESERVES POLICY

The School currently has negative reserves of £8.1m (FY2023: £9.1m). The trustees believe that the net asset position will build up again and are confident that the School is on track to make surpluses as it is a cost-plus entity which will restore and build reserves to an adequate level. The reserves policy is to reach a positive net assets level of reserves, with a longer-term objective of having reserves equal to at least one year's costs as an adequate reserves level.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees
and signed on their behalf

Christopher Ahlberg

C Ahlberg

Trustee

Date: 06-Dec-2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL for the year ended 31 July 2024

This Statement of Corporate Governance and Internal Control covers the period for the year ended 31 July 2024 and up to the date of approval of the financial statements.

GOVERNANCE

The Trustees are listed within the Officers and Professional Advisers. The constitution of the board ensures that no individual dominates the decision-making process and that it can exercise its responsibilities independently from the management of the School.

The boards regulatory and stewardship responsibilities centre on its role as the ultimate legal authority and for safeguarding the Trust's assets, its financial sustainability, and receiving assurance that its system complies with the legal and regulatory obligations, including as a Charity, and in respect of the Office for Students (OfS).

The board of directors schedule to meet a few times a year. Formal agenda, papers and reports are supplied to the board in a timely manner prior to the board meetings. Briefings are also provided on an ad-hoc basis. Reports include overall financial performance of the Trust together with other relevant information such as performance against targets. The board review and approve the financial statements and also receive and consider reports from regulators such as the OfS, and monitors adherence with the continuing conditions of registration with the OfS and other legal and regulatory requirements.

Minutes of board meetings are recorded and approved at the following meeting.

The day-to-day management of Hult International Business School is undertaken by the President who is appointed by the Trustees. The President has delegated authority for finance, employment, and other operational matters.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of annual financial statements that provide a true and fair view of the state of affairs of the School as at the end of the financial year and of the financial activities during the year.

In preparing the financial statements the Trustees are required to:

- select accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy of the financial position of the School at any time and to ensure that the financial statements comply with relevant statutes.

It is also responsible for safeguarding the assets of the School taking reasonable steps to prevention and detection of fraud and other irregularities.

INTERNAL CONTROL

The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives. The system of internal control is designed to manage, rather that eliminate, the risk of failure to achieve policies, aims and objectives through corruption, fraud, bribery and other irregularities. It can therefore only provide reasonable, but not absolute, assurance against material misstatement or loss.

The system of internal control is based on a continuous process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively, and economically. This process accords with OfS guidance.

The system uses a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. It includes:

- Comprehensive budgeting systems with an annual budget that is reviewed and agreed upon by the board of directors
- Regular reviews by the board of directors of periodic and annual financial reports which indicate financial performance against forecast
- Setting targets to measure financial and operational performance
- A clear approval and authorisation process for expenditures

The School's internal control system is supported by a number of policies. These include a Risk Register, an Anti-Bribery and Corruption Policy, a Modern Slavery Act statement, comprehensive internal financial policies and regulations which detail financial controls and procedures.

The Trustees have the responsibility for reviewing the effectiveness of the system of internal control and ensuring that there is a sound approach to confirm that this framework is adopted and embedded consistently and effectively across each activity.

The review of the effectiveness of the system is informed by:

- The work of external auditors
- The work of senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework which is reported as needed by the Chief Financial Officer to the governing body.
- Comments made by the organisation's financial statements and regulatory inspections in their management letters and other reports
- Regularly reviewing the approval and authorisation process to ensure its relevancy to the business operations and organisational structure

There are no significant internal control weaknesses reported for the period.

The trustees, who are also directors of the School for the purposes of company law, has delegated its day-to-day responsibility to the President, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. He is also responsible for reporting to the board any material weaknesses or breakdowns in internal control. The day-to-day responsibility for risk management and monitoring is assigned to the Chief Finance Officer and Program Presidents.

The board of directors and the Accountable Officer confirm that after due enquiry and to the best of their knowledge, it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the School's financial regulations. We confirm that, during the year to 31 July 2024 or since the period end, no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any such instances are identified after the date of this statement will be notified to the OfS in accordance with the School's compliance obligations.

Approved by the Trustees
and signed on their behalf

Christopher Ahlberg

C Ahlberg
Trustee
Date: 06-Dec-2024

Hult International Business School Limited

Matthew Lilley

M. Lilley
President
Date: 28-Nov-2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

Opinion

We have audited the financial statements of Hult International Business School Ltd (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006;
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- the charitable company's grant and fee income, as disclosed in note 17 to these Financial Statements has been materially misstated.

Basis of opinion

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

Conclusions relating to going concern

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

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

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.

Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- The Charitable Company is required to comply with both company law and charity law and certain conditions of OfS registration including compliance with the OFS' latest Accounts Direction and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- We identified a risk over correct cut-off of revenue due from the parent charity under the agreement, in respect of costs incurred in the period. We tested a sample of costs and accruals to determine correct cut-off of recoverable costs, as well as recalculating the revenue accrued at the year based on the agreement with the parent charity.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions. No restricted income was identified.

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

Use of our report

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

Simon Goodridge

Simon Goodridge

Senior Statutory Auditor

for and on behalf of Knox Cropper LLP

Statutory Auditor

65 Leadenhall Street

London EC3A 2AD

Date: 06-Dec-2024

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 July 2024

	Note	Year ended 31 July 2024 £	Year ended 31 July 2023 £
INCOME FROM:			
Donations	1	700,100	450,000
Charitable activities	3	18,040,229	16,825,310
TOTAL INCOME		18,740,329	17,275,310
EXPENDITURE ON:			
Charitable activities	5	17,691,556	16,447,885
TOTAL EXPENDITURE		17,691,556	16,447,885
NET INCOME FOR THE PERIOD	8	1,048,773	827,425
NET MOVEMENT IN FUNDS		1,048,773	827,425
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		(9,188,650)	(10,016,075)
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		(8,139,877)	(9,188,650)
RECONCILIATION OF FUNDS:			
Total funds brought forward		(9,188,650)	(10,016,075)
Net movement in funds for the period		1,048,773	827,425
Total funds carried forward		(8,139,877)	(9,188,650)

All income and expenditure derive from continuing operations.

There are no other recognised gains or losses other than as stated above.

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

BALANCE SHEET
As at 31 July 2024

	Note	31 July 2024 £	31 July 2023 £
FIXED ASSETS			
Tangible assets	9	4,673,387	5,620,077
CURRENT ASSETS			
Debtors	10	782,539	1,190,522
Cash at bank and in hand		5,878,147	4,775,415
		6,660,686	5,965,937
CREDITORS: amounts falling due within one year			
Creditors	11	(3,224,690)	(3,136,258)
Deferred income	4	(4,600,000)	(4,725,000)
		(7,824,690)	(7,861,258)
NET CURRENT LIABILITIES		(1,164,004)	(1,895,321)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,509,383	3,724,756
CREDITORS: amounts falling due after more than one year	12	(10,300,000)	(11,550,000)
Provisions for liabilities	13	(1,349,260)	(1,363,406)
NET LIABILITIES		(8,139,877)	(9,188,650)
FUNDS			
Deficit on unrestricted funds		(8,139,877)	(9,188,650)
TOTAL FUNDS		(8,139,877)	(9,188,650)

The financial statements of Hult International Business School Ltd, registered number No. 03005603, were approved by the Board of Trustees and authorised for issue on Wednesday, November 13 2024

Signed on behalf of the Board of Trustees

Christopher Ahlberg

C Ahlberg
Trustee

Matthew Lilley

M Lilley
President

CASH FLOW STATEMENT
For the year ended 31 July 2024

	Note	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Net cash inflow from operating activities	1	2,873,977	3,153,317
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(8,358)	(928,415)
Net cash outflow from investing activities		(8,358)	(928,415)
Cash flows from financing activities			
Repayment of borrowings	2	(1,250,000)	(700,000)
Interest		(512,887)	(428,284)
Net cash outflow from financing activities		(1,762,887)	(1,128,284)
Net (decrease)/increase in cash and cash equivalents	2	1,102,732	1,096,618
Cash at beginning of period		4,775,415	3,678,797
Cash at end of period		5,878,147	4,775,415

Cash and cash equivalents comprise of cash at bank and in hand. Cash equivalents (i.e. not bank) for the 12 months ended 31 July 2024 were £nil (year ended 31 July 2023: £nil.)

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31 July 2024

1. RECONCILIATION OF SURPLUS FOR THE PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Net surplus for the period	1,048,773	827,425
Depreciation of tangible fixed assets	955,048	968,941
Interest	512,887	428,284
Decrease in debtors	407,983	(218,015)
(Decrease)/Increase in creditors	(50,714)	1,146,682
Cash generated from operating activities	2,873,977	3,153,317

2. ANALYSIS OF CHANGES IN NET DEBT

Analysis of changes in net debt	As at 1 August 2023 £	Cashflows £	Transfer £	As at 31 July 2024 £
Cash	4,775,415	1,102,732	-	5,878,147
Loans falling due within one year	(250,000)	250,000	(250,000)	(250,000)
Loans falling due after more than one year	(11,550,000)	1,000,000	250,000	(10,300,000)
TOTAL	(7,024,585)	2,352,732	-	(4,671,853)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2024

1. ACCOUNTING POLICIES

Basis of accounting

The School, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are twelve Trustees. Each trustee has undertaken to contribute to the assets in the event of a winding up a sum not exceeding £1,000. The Charity is a registered charity. The registered office is listed on page 1.

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies of the charity are set out below.

Going concern

At 31 July 2024, the School has negative reserves of £8.1m, as expected. The School made a surplus of £1.0m for the period ended 31 July 2024 and will continue to have surpluses in future years.

The School received a loan in 2015 of £20m from Hult International Business School AG to enable it to make the payments required by a Strategic Alliance Agreement with Ashridge (Bonar Law Memorial) Trust. The loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment (repayments of £250k per annum) or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero.

The long term loan from Hult International Business School AG matures in 2035. Considering the improved results that the School has had in the last few years, the expectation is that the School during the coming 11 years will be able to make positive results and service the loan. During the period the School has repaid £.1.25m of the loan. Thanks to the strong liquidity position, the Trustees decided in FY2024 to make an additional repayment of £1m of the loan with the benefits to reduce the interest cost for the charity. Given that the liquidity position is maintained, the Trustees may in the future opt to further accelerate that loan repayment. The School has net current liabilities of £1.2m. Forecasts have been prepared and show that liabilities can be settled as they fall due over at least the next 12 months.

The School is operating on cost-plus basis where all costs are recharged to Hult International Business School, Inc. with a mark-up on an arm's length basis, Hence, the School will always generate surplus.

Having considered the above, the trustees believe it is reasonable to continue to adopt the going concern basis.

Provisions

Dilapidation reserves are made to provide for the works required to return the leasehold properties to the state found at the commencement of the terms. The dilapidation estimate is capitalized and is depreciated over the remainder of the lease and liabilities are credited with the full estimated amount adjusted by the annual inflation accretion.

Reserves

The charity maintains unrestricted reserves as follows:

Unrestricted reserves

Unrestricted reserves represent income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

1. ACCOUNTING POLICIES (continued)

Income

Turnover is recognised on fees in respect of those services that are delivered within the financial year being reported on a cost-plus basis at an arm's length. Fees received in advance for future services are credited to deferred income.

Donations

Monetary donations are included in full in the Statement of Financial Activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the specific conditions have been met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis.

Costs are allocated to activities based on what they are directly attributable to.

Expenditure is analysed by category between a number of separate headings as per note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	Over the shorter of the life of the asset or the period of the lease
Fixtures and fittings	3-5 years
Office equipment	3-5 years

Foreign currencies

The reporting and functional currency is sterling (GBP). Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate at the balance sheet date.

Employee benefits contributions to pension funds

The charity contributes to a defined contribution scheme for the benefit of the employees and the pension costs charged to the SOFA in the period represent the contributions payable to the scheme in respect of the accounting period.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The company only have financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. INCOME FROM CHARITABLE ACTIVITIES

	Net income from charitable activities year ended 31 July 2024 £	Net income from charitable activities year ended 31 July 2023 £
Income		
Educational Services	18,040,229	16,825,310

4. DEFERRED INCOME

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Educational Services	4,600,000	4,725,000

	2024 £	2023 £
Balance as at 1 August	(4,725,000)	(3,600,000)
Amount released to income	4,725,000	3,600,000
Amount deferred in the period	(4,600,000)	(4,725,000)
Balance at 31 July	(4,600,000)	(4,725,000)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

Year ended 31 July 2024	Direct costs £	Support costs £	Total 2024 £
Education	7,624,926	10,066,630	17,691,556

Year ended 31 July 2023	Direct costs £	Support costs £	Total 2023 £
Education	7,066,901	9,380,984	16,447,885

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Analysis of support costs		
Establishment costs	5,449,098	5,442,876
School administration costs	3,748,651	3,253,171
Other costs	615,884	517,070
Professional	225,037	137,467
Governance	27,960	30,400
	10,066,630	9,380,984

6. GOVERNANCE COSTS

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Audit fees	27,960	25,300

7. INFORMATION REGARDING EMPLOYEES

	Year ended 31 July 2024 No	Year ended 31 July 2023 No
The average number of employees in period was	117	107

	£	£
Staff costs during the period were:		
Wages and salaries	7,097,741	6,302,854
Social security costs	856,411	694,548
Pension contribution	200,213	174,614
	8,154,365	7,172,016

The number of employees whose emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, were in excess of £60,000 were:

	Year ended 31 July 2024 No	Year ended 31 July 2023 No
£60,000 - £69,999	7	7
£70,000 - £79,999	7	6
£80,000 - £89,999	8	5
£90,000 - £99,999	7	2
£100,000 - £199,999	10	9
£200,000 - £249,999	1	1

Senior staff

The School has given regard to the 'Higher education senior staff remuneration code' published by the Committee of University Chairs when determining senior staff remuneration.

The number of senior staff with a full-time equivalent basic salary over £100,000 per annum on 31 July were:

	Year ended 31 July 2024 No	Year ended 31 July 2023 No
£100,000 - £104,999	1	1
£105,000 - £109,999	1	
£110,000 - £114,999		
£115,000 - £119,999		
£120,000 - £124,999		
£125,000 - £129,999		1
£130,000 - £134,999	1	1
£135,000 - £139,999	1	
£140,000 - £144,999	1	1
£145,000 - £149,999	1	1
£150,000- £154,999		
£155,000 - £159,999	1	
£160,000 - £164,999		

• The table above excludes, as per guidance, staff who joined or left part-way through the year but who would have received a salary in these bands in a full year
• No member staff were on reduced pay such as for maternity or sickness leave that would otherwise be part of the above table

The President Matthew Lilley total annual remuneration is £206,905 (FY2023: £206,200) This represents the total annual remuneration paid by the School & Ashridge (Bonar Law Memorial) Trust. Ashridge (Bonar Law Memorial) Trust was responsible for funding £104,155 (FY2023: £103,450) and the School was responsible for funding £102,750 (FY2023: £102,750). The breakdown of this total remuneration is as follows:

- From Hult International Business School Ltd:
  - Base salary of £100,000 (FY2023: £100,000)
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - Pension Contribution of £2,750
  - No payment made by the provider in pension contributions as part of National Insurance savings

- No other type of benefits and remuneration have been paid to the head provider.
- Hult International Business School Ltd does not provide to the President private healthcare benefit.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £104,155 (FY2023: £103,450)
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have been paid to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £1,155 (FY2023: £450)

The President's salary is set by the Trustees.

Process for judging performance
The President has an annual performance review meeting with the board of directors to review and assess performance against objectives and to discuss objectives for the next year.

Approach and justification to the Presidents remuneration
The President's salary is reviewed annually and reflects the following:
- Market rate by size and complexity of institution
- The scale and complexity of the job
- Comparisons with benchmarks
- Performance as measured against objectives set by the board of directors

Pay multiple
The relationship between the President's remuneration and that for all other staff is as follows (combined remuneration of President between the School & Ashridge (Bonar Law Memorial) Trust):

- The current head of the provider's basic salary is 5.35 times the median pay of staff (2023: 5.96), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The current head of the provider's total remuneration is 5.25 times the median total remuneration of staff (2023: 5.45) .

The pay multiple represents the President's pay divided by the median pay for all other staff at the "charitable company", on a full-time equivalent basis. The median pay for all other staff is calculated using pay data for all staff who are required to be included in Real Time Information (RTI) reporting to HMRC (July 2024). All other staff is capturing staff employed by the School.

8. NET INCOME FOR THE PERIOD

Net income is stated after charging:

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	27,960	30,400
Rental under operating leases		
Land and buildings	2,746,282	2,437,285
Other	6,248	11,890
Depreciation of tangible fixed assets		
Owned (note 9)	955,048	968,941

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	Total £
Cost				
At 1 August 2023	9,928,290	1,310,525	119,924	11,358,739
Additions	(38,940)	35,952	11,346	8,358
Disposals				
At 31 July 2024	9,889,350	1,346,477	131,270	11,367,097
Depreciation				
At 1 August 2023	5,072,202	657,820	8,640	5,738,662
Charge for the period	607,472	306,792	40,784	955,048
Disposals				
At 31 July 2024	5,679,674	964,612	49,424	6,693,710
Net book value				
At 31 July 2024	4,209,676	381,865	81,846	4,673,387
At 31 July 2023	4,856,088	652,705	111,284	5,620,077

10. DEBTORS

	31 July 2024 £	31 July 2023 £
Trade debtors	-	22,062
Amounts owed from other Hult undertakings	2,575	724,476
Other debtors	105,565	32,233
Prepayments	674,399	411,752
	782,539	1,190,523

All debtors are due within one year and there is no interest payable on Amounts owed from Hult undertakings.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2024 £	31 July 2023 £
Trade creditors	435,209	847,770
Loans owed to Hult International Business School AG	250,000	250,000
Amounts owed to other Hult undertakings	968,261	-
Other creditors	103,979	191,859
Accruals	1,467,241	1,846,629
	3,224,690	3,136,258

There is no interest payable on Amounts owed to Hult undertakings.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2024 £	31 July 2023 £
Loans owed to Hult International Business School AG	10,550,000	11,800,000

Included within the above are amounts due as follows:

	31 July 2024 £	31 July 2023 £
Between 1 and 2 years	250,000	250,000
Between 2 and 5 years	750,000	750,000
More than 5 years	9,550,00	10,800,000
	10,550,000	11,800,000

£10.5m of the loan owed to Hult International Business School AG is payable annually in instalments and bears interest at 3.75% from 1st January 2024 (2023: 5.25%). The loan is repayable by 29 January 2035.

13. PROVISIONS FOR LIABILITIES: FALLING MORE THAN ONE YEAR

	31 July 2024 £	31 July 2023 £
Balance as at 1 August	1,363,406	1,336,431
Charged to SOFA	(14,146)	26,975
Balance as at 31 July	1,349,260	1,363,406

Provisions consists of dilapidations on leasehold improvements which will be realised at the end of the lease term.

14. TAXATION

The School is a registered charity and does not trade for tax purposes. It is not liable to tax on any surplus derived from charitable activities.

15. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	31 July 2024	31 July 2023	31 July 2024	31 July 2023
	£	£	£	£
Leases which fall due:				
In one year or less	2,395,000	2,290,123	-	-
Between one and two years	2,395,000	2,395,000	-	-
Between two and five years	3,821,548	5,009,795	-	-
In more than five years	1,153,644	3,363,644	-	-
	9,765,192	12,058,562	-	-

16. CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees. The School is a company limited by guarantee registered with UK's Company Registry and a charity registered with the Charity Commission of England and Wales, so has no owner and it has an independent Board of Trustees.

17. DETAILS OF GRANT DISCLOSURE AND FEE INCOME

The School does not receive any grants.

18. RELATED PARTY TRANSACTIONS

During the financial year 2024, interest of £511,373 was charged on a loan to the School of £10.5m advanced by Hult international Business School AG, a company owned by the father of Mr Hult, a director of the company**.**

19. HULT INTERNATIONAL BUSINESS SCHOOL

Hult International Business School Inc:

Hult International Business School Ltd manages essential production services, facilitating faculty and academic operations at our London campuses for both undergraduate and postgraduate programs. These services are contracted through a service agreement with Hult international Business School Inc.

Hult International Business School AG:

Hult International Business School Ltd has a long-term loan where Hult international Business School AG acts as lender and Hult International Business School Ltd as Borrower.

HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales - Charity number 1092321

Accounts

Charity Registration No. 1092321

Company Registration No. 03005603

HULT INTERNATIONAL BUSINESS SCHOOL LTD

(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 July 2023

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

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HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2023

OFFICERS AND PROFESSIONAL ADVISERS

CHARITY REGISTRATION NUMBER: 1092321

COMPANY REGISTRATION NUMBER: 03005603

OFFICE FOR STUDENTS REGISTRATION NUMBER: 10003212

REGISTERED OFFICE

33-35 Commercial Road
London
E1 1LD

WEBSITE ADDRESS

www.hult.edu

TRUSTEES

C Ahlberg – Appointed 31st of December 2022
N Barber- Appointed 31st of December 2022
C Burns - Appointed 31st of December 2022
D Chen - Appointed 27th of June 2023
D Collis - Appointed 31st of December 2022
P Hult - Appointed 31st of December 2022
C Jedrey - Appointed 31st of December 2022
M Lilley - Appointed 31st of December 2022
A Rangne Blendow - Appointed 31st of December 2022
C Serenhov - Appointed 31st of December 2022
J Sintros - Appointed 31st of December 2022
R Walsh - Appointed 31st of December 2022
D Bennet - Resigned 31st of December 2022
R Goonesena - Resigned 31st of December 2022
F Henriksson - Resigned on 31st of December 2022
R Beltzer - Resigned 31st of December 2022

DEANS

Ian Dougal – Post Graduate
Monique Jordan - Undergraduate

COMPANY SECRETARY

Emilie McCarthy

BANKERS

Lloyds TSB Bank Plc
2nd Floor, 39 Threadneedle Street
London
EC2R 8AU

AUDITORS

Knox Cropper LLP
65 Leadenhall Street
London
EC3A 2AD

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STRATEGIC REPORT
For the year ended 31 July 2023

OBJECTIVES AND ACTIVITIES

The principal charitable objective of Hult International Business School Ltd ("the School") is the provision of higher educational courses, services and facilities at university level. In particular, it aims to provide and promote:

- undergraduate major programmes;
- masters degree programmes;
- scholarships for exceptionally well-qualified students from all over the world to study at the School, thus raising academic quality and expectations; and
- a caring environment for the pursuit of academic and experiential learning and living in central London.

The provision of higher educational courses is conducted through the School and Hult International Business School Ltd has on October 1st 2023 been granted degree awarding power.

The long term objective is to build a renowned university.

PLANS FOR FUTURE DEVELOPMENT

Student enrolment and retention have shown strong results and the School expects to continue the increase in student intake in years to come. The board of directors have continuously monitored the situation in Ukraine and the impact for the business in regards to the financial statements and going concern.

FINANCIAL REVIEW

The final result of FY2023 was a surplus of £0.8m (FY2022: surplus of £0.9m) for the School, which decreased the net liabilities to £9m in FY2023 from £10 m in FY2022. The decrease in the surplus between the periods is due to the an increase of interest rate of long term loan.

The School received a donation under gift aid of £0.45m (FY2022: £0.35m) during the financial period.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs")

The trustees consider student numbers (target of 5% sustainable long-term growth over a five-year cycle), student satisfaction, as per page 3, (target of 4.0 and above) and diversity (whilst there is no current stipulated target for diversity, the trustees consider current diversity of the student body to be excellent) to be key performance indicators. Student satisfaction is also tracked and all faculty members are rated for every course they teach creating the Faculty Evaluation score which is tracked and analysed after every module. Targets are based on a scale of the level of student satisfaction in surveys carried out.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs") (continued)

- **STUDENT NUMBERS**

In FY2023 there were 1,876 students (FY2022: 1,516), of which 986 started (FY2022: 734) and 890 (FY2022: 731) continued their studies at the School.

	2023 Intake		2022 Intake	
	New	**Returners**	**New**	**Returners**
UG	434	776	313	627
EMBA	40	41	19	36
MBA	136	61	150	18
MIB	240	8	282	2
MIM	63	4	68	-
Total	986	890	833	683

- **STUDENT SATISFACTION**

The survey question was "Overall, how satisfied were you with your studies?" on a scale from 1 to 5.

	31 July 2023	**31 July 2022**
UG	3.87	4.00
EMBA	4.32	4.33
MBA	4.25	4.12
MIB	3.87	4.04
MIM	3.79	4.11

- **DIVERSITY**

FY2023 The School had 143 nationalities enrolled at the School and out of the total 1,876 students 42% were female and 58% male (FY2022: 1,516 students 44% were female and 56% male).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the School faces and have documented these in a risk register, which is updated on a periodic basis. The School has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future.

The primary identified risk is reduced student numbers due to changed Visa regulations following Brexit and an increased cost of living in the UK. The board continuously monitors the regulatory environment and does not see this risk as material. Moreover, the School is a cost plus entity with the educational revenue guaranteed by Hult International Business School, Inc. (the US charity), so it will always generate a surplus and the US charity has a strong financial position.

GOING CONCERN

The School made a surplus of £0.8m (FY2022: surplus of £0.9m) for the period ended 31 July 2023 reducing negative reserves to £9.1m (from £10 m in FY2022) in line with expectations. The charity has £20.8m (FY2022: £20.3m) of creditors. However, this includes £12.9m (FY2022: £13.6m) of creditors falling due after more than one year. The School has net current liabilities of £1.9m (FY2022: £2.1m) and loans due after one year of £11.5m (FY2022: £12.2m).

The 2015 loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero. The School services the loan with annual repayments of £250k and as of 31 July 2023 the remaining loan balance was £11.55m. During FY2023 additional £450k repayment of loan was made during the year along with the annual repayment of £250k.

The charity is operating on cost-plus basis where the costs are recharged to Hult International Business School, Inc. (a US charity) with a mark-up on an arm's length basis. The US charity has strong financials and an excellent liquidity position, hence, the revenue risk for the charity is low.

The trustees have continued to prepare the financial statements on a going concern basis. Further details regarding the going concern basis can be found in the accounting policies (note 1 on page 18 to the financial statements).

Approved by the Board of Trustees
and signed on behalf of the Board

Christopher Ahlberg

C Ahlberg

Trustee

Date: Jan 8, 2024

TRUSTEES' REPORT
For the year ended 31 July 2023

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

The trustees have chosen in accordance with section 414C (11) of the Companies Act 2006 to set out in the company's strategic report the following which the trustees believe to be of strategic importance.

The School is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the company (referred to as the School in this report), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees present their report and financial statements for the period ended 31 July 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Due to the charity being limited by guarantee, each trustee undertakes to contribute such amount as may be required, not exceeding £1,000 each, to the charity's assets if it should be wound up while he or she is a trustee or within one year after he or she ceases to be a trustee. The trustees serve without remuneration.

The Articles of Association were updated in the financial year and provide for rotation of trustees and the appointment of an independent member of the board. The trustees who served during the period and subsequently are noted on page 1.

The board of trustees hold formal meetings as required to discuss the performance of the School, covering academic issues, student recruitment, student retention and satisfaction, financial performance, governance and other issues.

The key management personnel are the CEO and the Deans. Remuneration for management personnel is determined by current market conditions, experience and skills. These budgeting items are approved by the board of trustees.

PLANS FOR FUTURE DEVELOPMENT

Details of the plans for future developments can be found in the Strategic Report on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of the principal risks and uncertainties can be found in the Strategic Report on page 3.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

The method of appointment and retirement by rotation of the trustees is set out in the charity's Articles of Association. Trustee appointments are made based on the expertise and skills brought by the individuals involved. The trustees receive further training in trustee meetings as required. No induction training was required as there were no new trustees appointed in the period.

TRUSTEES' INDEMNITIES

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the period and remain in force at the date of this report.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of the School for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

TRUSTEES' REPORT (continued)
For the year ended 31 July 2023

TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

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

PUBLIC BENEFIT

The trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The trustees provide a public benefit primarily by awarding scholarships to students who would otherwise not be in a position to fund their studies. This academic year the School had 26 full scholars.

The ethos of awarding scholarships remains a high priority within the institution and is aimed at students with exceptional academic educational qualities and those in financial need.

The School also conducts and disseminates research by its faculty.

RESERVES POLICY

The School currently has negative reserves of £9.1m (FY2022: £10m). The trustees believe that the net asset position will build up again and are confident that the School is on track to make surpluses as it is a cost-plus entity which will restore and build reserves to an adequate level. The reserves policy is to reach a positive net assets level of reserves, with a longer-term objective of having reserves equal to at least one year's costs as an adequate reserves level.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees
and signed on their behalf

Christopher Ahlberg

C Ahlberg
Trustee

Date: Jan 8 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL for the year ended 31 July 2023

This Statement of Corporate Governance and Internal Control covers the period for the year ended 31 July 2023 and up to the date of approval of the financial statements.

GOVERNANCE

The Trustees are listed within the Officers and Professional Advisers. The constitution of the board ensures that no individual dominates the decision-making process and that it can exercise its responsibilities independently from the management of the School.

The boards regulatory and stewardship responsibilities centre on its role as the ultimate legal authority and for safeguarding the Trust's assets, its financial sustainability, and receiving assurance that its system complies with the legal and regulatory obligations, including as a Charity, and in respect of the Office for Students (OfS).

The board of directors schedule to meet a few times a year. Formal agenda, papers and reports are supplied to the board in a timely manner prior to the board meetings. Briefings are also provided on an ad-hoc basis. Reports include overall financial performance of the Trust together with other relevant information such as performance against targets. The board review and approve the financial statements and also receive and consider reports from regulators such as the OfS, and monitors adherence with the continuing conditions of registration with the OfS and other legal and regulatory requirements.

Minutes of board meetings are recorded and approved at the following meeting.

The day-to-day management of Hult International Business School is undertaken by the President who is appointed by the Trustees. The President has delegated authority for finance, employment, and other operational matters.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of annual financial statements that provide a true and fair view of the state of affairs of the School as at the end of the financial year and of the financial activities during the year.

In preparing the financial statements the Trustees are required to:

- select accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy of the financial position of the School at any time and to ensure that the financial statements comply with relevant statutes.

It is also responsible for safeguarding the assets of the School taking reasonable steps to prevention and detection of fraud and other irregularities.

INTERNAL CONTROL

The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives. The system of internal control is designed to manage, rather that eliminate, the risk of failure to achieve policies, aims and objectives through corruption, fraud, bribery and other irregularities. It can therefore only provide reasonable, but not absolute, assurance against material misstatement or loss.

The system of internal control is based on a continuous process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively, and economically. This process accords with OfS guidance.

The system uses a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. It includes:

- Comprehensive budgeting systems with an annual budget that is reviewed and agreed upon by the board of directors
- Regular reviews by the board of directors of periodic and annual financial reports which indicate financial performance against forecast
- Setting targets to measure financial and operational performance
- A clear approval and authorisation process for expenditures

The School's internal control system is supported by a number of policies. These include a Risk Register, an Anti-Bribery and Corruption Policy, a Modern Slavery Act statement, comprehensive internal financial policies and regulations which detail financial controls and procedures.

The Trustees have the responsibility for reviewing the effectiveness of the system of internal control and ensuring that there is a sound approach to confirm that this framework is adopted and embedded consistently and effectively across each activity.

The review of the effectiveness of the system is informed by:

- The work of external auditors
- The work of senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework which is reported as needed by the Chief Financial Officer to the governing body.
- Comments made by the organisation's financial statements and regulatory inspections in their management letters and other reports
- Regularly reviewing the approval and authorisation process to ensure its relevancy to the business operations and organisational structure

There are no significant internal control weaknesses reported for the period.

The trustees, who are also directors of the School for the purposes of company law, has delegated its day-to-day responsibility to the President, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. He is also responsible for reporting to the board any material weaknesses or breakdowns in internal control. The day-to-day responsibility for risk management and monitoring is assigned to the Chief Finance Officer and Program Presidents.

The board of directors and the Accountable Officer confirm that after due enquiry and to the best of their knowledge, it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the School's financial regulations. We confirm that, during the year to 31 July 2023 or since the period end, no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any such instances are identified after the date of this statement will be notified to the OfS in accordance with the School's compliance obligations.

Approved by the Trustees
and signed on their behalf

Christopher Ahlberg

C Ahlberg
Trustee

Date: Jan 8 2024

matthew lilley

M. Lilley
President

Date: 9 January 2024

Hult International Business School Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HULT INTERNATIONAL BUSINESS SCHOOL LTD (a company limited by guarantee)

Opinion

We have audited the financial statements of Hult International Business School Ltd (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006;
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- the charitable company's grant and fee income, as disclosed in note 17 to these Financial Statements has been materially misstated.

Basis of opinion

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

Conclusions relating to going concern

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

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

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.

Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- The Charitable Company is required to comply with both company law and charity law and certain conditions of OfS registration including compliance with the OFS' latest Accounts Direction and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- We identified a risk over correct cut-off of revenue due from Hult International Business School Inc under the agreement, in respect of costs incurred in the period. We tested a sample of costs and accruals to determine correct cut-off of recoverable costs, as well as recalculating the revenue accrued at the year based on the agreement with Hult international School Inc.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions. No restricted income was identified.

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

Use of our report

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

Simon Goodridge

Simon Goodridge 9 January 2024 2023

Senior Statutory Auditor

for and on behalf of Knox Cropper LLP

Statutory Auditor

65 Leadenhall Street

London EC3A 2AD

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 July 2023

	Note	Year ended 31 July 2023 £	Year ended 31 July 2022 £
INCOME FROM:			
Donations		450,000	350,000
Charitable activities	3	16,825,310	14,839,899
TOTAL INCOME		17,275,310	15,189,899
EXPENDITURE ON:			
Charitable activities	5	16,447,885	14,294,800
TOTAL EXPENDITURE		16,447,885	14,294,800
NET INCOME FOR THE PERIOD	8	827,425	895,099
NET MOVEMENT IN FUNDS		827,425	895,099
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		(10,016,075)	(10,911,173)
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		(9,188,650)	(10,016,075)
RECONCILIATION OF FUNDS:			
Total funds brought forward		(10,016,075)	(10,911,174)
Net movement in funds for the period		827,425	895,099
Total funds carried forward		(9,188,650)	(10,016,075)

All income and expenditure derive from continuing operations.

There are no other recognised gains or losses other than as stated above.

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

BALANCE SHEET
As at 31 July 2023

	Note	31 July 2023 £	31 July 2022 £
FIXED ASSETS			
Tangible assets	9	5,620,077	5,660,603
CURRENT ASSETS			
Debtors	10	1,190,522	972,507
Cash at bank and in hand		4,775,415	3,678,798
		5,965,937	4,651,305
CREDITORS: amounts falling due within one year			
Creditors	11	(3,136,258)	(3,141,552)
Deferred income	4	(4,725,000)	(3,600,000)
		(7,861,258)	(6,741,552)
NET CURRENT LIABILITIES		(1,895,321)	(2,090,247)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,724,756	3,570,356
CREDITORS: amounts falling due after more than one year	12	(11,550,000)	(12,250,000)
Provisions for liabilities	13	(1,363,406)	(1,336,431)
NET LIABILITIES		(9,188,650)	(10,016,075)
FUNDS			
Deficit on unrestricted funds		(9,188,650)	(10,016,075)
TOTAL FUNDS		(9,188,650)	(10,016,075)

The financial statements of Hult International Business School Ltd, registered number No. 03005603, were approved by the Board of Trustees and authorised for issue on

Signed on behalf of the Board of Trustees

Christopher Ahlberg

C Ahlberg
Trustee

M. Lilley
President

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

CASH FLOW STATEMENT
For the year ended 31 July 2023

	Note	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Net cash inflow from operating activities	1	3,153,317	152,682
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(928,415)	(760,713)
Net cash outflow from investing activities		(928,415)	(760,713)
Cash flows from financing activities			
Repayment of borrowings	2	(700,000)	(1,250,000)
Interest		(428,284)	(161,769)
Net cash outflow from financing activities		(1,128,284)	(1,411,769)
Net Increase/(Decrease) in cash and cash equivalents	2	1,096,618	(2,019,800)
Cash at beginning of period		3,678,798	5,698,598
Cash at end of period		4,775,416	3,678,798

Cash and cash equivalents comprise of cash at bank and in hand. Cash equivalents (i.e. not bank) for the Year ended 31 July 2023 were £nil (year ended 31 July 2022: nil)

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31 July 2023

1. RECONCILIATION OF SURPLUS FOR THE PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Net surplus for the period	827,425	895,099
Depreciation of tangible fixed assets	968,941	871,993
Interest	428,284	161,769
Decrease in debtors	(218,015)	(555,404)
(Decrease)/Increase in creditors	1,146,682	(1,220,775)
Cash generated from operating activities	3,153,317	152,683

2. ANALYSIS OF CHANGES IN NET DEBT

Analysis of changes in net debt	As at 1 August 2022 £	Cashflows £	Transfer £	As at 31 July 2023 £
Cash	3,678,798	(1,096,617)	-	4,775,416
Loans falling due within one year	(250,000)	250,000	(250,000)	(250,000)
Loans falling due after more than one year	(12,500,000)	700,000	250,000	(11,550,000)
TOTAL	(9,071,202)	(2,046,617)	-	(7,024,584)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2023

1. ACCOUNTING POLICIES

Basis of accounting

The School, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are twelve Trustees. Each trustee has undertaken to contribute to the assets in the event of a winding up a sum not exceeding £1,000. The Charity is a registered charity. The registered office is listed on page 1.

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies of the charity are set out below.

Going concern

At 31 July 2023, the School has negative reserves of £9.2m, as expected. The School made a surplus of £0.8m for the period ended 31 July 2023 and will continue to have surpluses in future years.

The School received a loan in 2015 of £20m from Hult International Business School AG to enable it to make the payments required by a Strategic Alliance Agreement with Ashridge (Bonar Law Memorial) Trust. The loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment (repayments of £250k per annum) or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero.

The long term loan from Hult International Business School AG matures in 2035. Considering the improved results that the School has had in the last few years, the expectation is that the School during the coming 13 years will be able to make positive results and service the loan. During the period the School has repaid £.700k of the loan. Thanks to the strong liquidity position, the Trustees decided in FY2023 to make an additional repayment of £450k of the loan with the benefits to reduce the interest cost for the charity. Given that the liquidity position is maintained, the Trustees may in the future opt to further accelerate that loan repayment. The School has net current liabilities of £1.9m. Forecasts have been prepared and show that liabilities can be settled as they fall due over at least the next 12 months.

The School is operating on cost-plus basis where all costs are recharged to Hult International Business School, Inc. with a mark-up on an arm's length basis, Hence, the School will always generate surplus.

Having considered the above, the trustees believe it is reasonable to continue to adopt the going concern basis.

Provisions

Dilapidation reserves are made to provide for the works required to return the leasehold properties to the state found at the commencement of the terms. The dilapidation estimate is capitalized and is depreciated over the remainder of the lease and liabilities are credited with the full estimated amount adjusted by the annual inflation accretion.

Reserves

The charity maintains unrestricted reserves as follows:

Unrestricted reserves

Unrestricted reserves represent income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

1. ACCOUNTING POLICIES (continued)

Income

Turnover is recognised on fees in respect of those services that are delivered within the financial year being reported on a cost-plus basis at an arm's length. Fees received in advance for future services are credited to deferred income.

Donations

Monetary donations are included in full in the Statement of Financial Activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the specific conditions have been met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis.

Costs are allocated to activities based on what they are directly attributable to.

Expenditure is analysed by category between a number of separate headings as per note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	Over the shorter of the life of the asset or the period of the lease
Fixtures and fittings	3-5 years
Office equipment	3-5 years

Foreign currencies

The reporting and functional currency is sterling (GBP). Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate at the balance sheet date.

Employee benefits contributions to pension funds

The charity contributes to a defined contribution scheme for the benefit of the employees and the pension costs charged to the SOFA in the period represent the contributions payable to the scheme in respect of the accounting period.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The company only have financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. INCOME FROM CHARITABLE ACTIVITIES

	Net income from charitable activities year ended 31 July 2023 £	Net income from charitable activities year ended 31 July 2022 £
Income		
Educational Services	16,825,310	14,839,899

4. DEFERRED INCOME

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Educational Services	4,725,000	3,600,000

	2023 £	2022 £
Balance as at 1 August	(3,600,000)	(3,332,770)
Amount released to income	3,600,000	3,332,770
Amount deferred in the period	(4,725,000)	(3,600,000)
Balance at 31 July	(4,725,000)	(3,600,000)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

Year ended 31 July 2023	Direct costs £	Support costs £	Total 2023 £
Education	7,066,901	9,380,984	16,447,885

Year ended 31 July 2022	Direct costs £	Support costs £	Total 2022 £
Education	5,115,945	9,178,855	14,294,800

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Analysis of support costs		
Establishment costs	5,442,876	4,808,064
School administration costs	3,253,171	3,772,108
Professional	137,467	183,912
Governance costs	30,400	27,200
Other costs	517,070	387,571
	9,380,984	9,178,855

6. GOVERNANCE COSTS

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Audit fees	25,300	27,200

7. INFORMATION REGARDING EMPLOYEES

	Year ended 31 July 2023 No	Year ended 31 July 2022 No
The average number of employees in period was	107	95
	£	**£**
Staff costs during the period were:		
Wages and salaries	6,302,854	5,451,641
Social security costs	694,548	648,632
Pension contribution	174,614	116,151
	7,172,016	6,216,424

The number of employees whose emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, were in excess of £60,000 were:

	Year ended 31 July 2023 No	Year ended 31 July 2022 No
£60,000 - £69,999	7	8
£70,000 - £79,999	6	5
£80,000 - £89,999	5	1
£90,000 - £99,999	2	1
£100,000 - £199,999	9	5
£200,000 - £249,999	1	-

Senior staff

The School has given regard to the 'Higher education senior staff remuneration code' published by the Committee of University Chairs when determining senior staff remuneration.

The number of senior staff with a full-time equivalent basic salary over £100,000 per annum on 31 July were:

	Year ended 31 July 2023 No	Year ended 31 July 2022 No
£100,000 - £104,999	1	
£105,000 - £109,999		
£110,000 - £114,999		
£115,000 - £119,999		1
£120,000 - £124,999		
£125 ,000 - £129,999	1	2
£130 ,000 - £134,999	1	
£135,000 - £139,999		
£140,000 - £144,999	1	1
£145 ,000 - £149,999	1	
£150,000 - £154,999		
£155 ,000 - £159,999		
£160,000 - £164,999		
£165,000 - £169,999		0.5

• The table above excludes, as per guidance, staff who joined or left part-way through the year but who would have received a salary in these bands in a full year
• No member staff were on reduced pay such as for maternity or sickness leave that would otherwise be part of the above table

The President Matthew Lilley total annual remuneration is £206,200. This represents the total annual remuneration paid by the School & Ashridge (Bonar Law Memorial) Trust. Ashridge (Bonar Law Memorial) Trust was responsible for funding £103,450 and the School was responsible for funding £102,750. The breakdown of this total remuneration is as follows:

- From Hult International Business School Ltd:
  - Base salary of £99,999.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - Pension Contribution of £2,750
  - No payment made by the provider in pension contributions as part of National Insurance savings
  - No other type of benefits and remuneration have been paid to the head provider.
  - Hult International Business School Ltd does not provide to the President private healthcare benefit.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £103,450.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.

- No Performance-related pay and other bonuses have been awarded.
- No payment made by the provider in pension contributions on behalf of the head of provider during the year.
- No payment made by the provider in pension contributions as part of National Insurance savings.
- No other type of benefits and remuneration have been paid to the head provider.
- Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £450.

The President's salary is set by the Trustees.

Process for judging performance
The President has an annual performance review meeting with the board of directors to review and assess performance against objectives and to discuss objectives for the next year.

Approach and justification to the Presidents remuneration
The President's salary is reviewed annually and reflects the following:
- Market rate by size and complexity of institution
- The scale and complexity of the job
- Comparisons with benchmarks
- Performance as measured against objectives set by the board of directors

Pay multiple
The relationship between the President's remuneration and that for all other staff is as follows (combined remuneration of President between the School & Ashridge (Bonar Law Memorial) Trust):

- The current head of the provider's basic salary is 5.96 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The current head of the provider's total remuneration is 5.45 times the median total remuneration of staff.

The pay multiple represents the President's pay divided by the median pay for all other staff at the "charitable company", on a full-time equivalent basis. The median pay for all other staff is calculated using pay data for all staff who are required to be included in Real Time Information (RTI) reporting to HMRC (July 2023). All other staff is capturing staff employed by the School.

8. NET INCOME FOR THE PERIOD

Net income is stated after charging:

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	30,400	27,200
Rental under operating leases		
Land and buildings	2,437,285	2,393,723
Other	11,890	24,800
Depreciation of tangible fixed assets		
Owned (note 9)	968,941	871,993

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	WIP leasehold improvements £	Total £
Cost					
At 1 August 2022	8,890,494	893,676	9,100	637,054	10,430,324
Additions	1,037,796	416,849	110,824	(637,054)	928,415
Disposals	-	-	-		-
At 31 July 2023	9,928,290	1,310,525	119,924	-	11,358,739
Depreciation					
At 1 August 2022	4,390,107	377,085	2,528	-	4,769,720
Charge for the period	628,095	280,735	6,112	-	968,941
Disposals	-	-	-	-	-
At 31 July 2023	5,072,202	657,820	8,640	-	5,738,662
Net book value					
At 31 July 2023	4,856,088	652,705	111,284	-	5,620,077
At 1 August 2022	4,500,387	516,591	6,572	-	5,660,603

10. DEBTORS

	31 July 2023 £	31 July 2022 £
Trade debtors	22,062	-
Amounts owed from other Hult undertakings (Note 20)	724,476	564,513
Other debtors	32,233	4,737
Prepayments	411,752	403,257
	1,190,523	972,507

All debtors are due within one year and there is no interest payable on Amounts owed from Hult undertakings (Note 20).

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2023 £	31 July 2022 £
Trade creditors	847,770	289,621
Loans owed to other Hult undertakings (Note 20)	250,000	250,000
Amounts owed to other Hult undertakings (Note 20)	-	21,626
Other creditors	191,859	107,272
Accruals	1,846,629	2,473,033
	3,136,258	3,141,552

There is no interest payable on Amounts owed to Hult undertakings(Note 20).

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2023 £	31 July 2022 £
Loans owed to other Hult undertakings (note 20)	11,800,000	12,500,000

Included within the above are amounts due as follows:

	31 July 2023 £	31 July 2022 £
Between 1 and 2 years	250,000	250,000
Between 2 and 5 years	750,000	750,000
More than 5 years	10,800,000	11,500,000
	11,800,000	12,500,000

The £11.8m of the loan is payable annually in instalments and bears interest at 5.25% from 1 January 2023 (2022: 1.25%). The loan is repayable by 29 January 2035.

13. PROVISIONS FOR LIABILITIES: FALLING MORE THAN ONE YEAR

	31 July 2023 £	31 July 2022 £
Balance as at 1 August	1,336,431	1,309,990
Charged to SOFA	26,975	26,441
Balance as at 31 July	1,363,406	1,336,431

Provisions consists of dilapidations on leasehold improvements which will be realised at the end of the lease term.

14. TAXATION

The School is a registered charity and does not trade for tax purposes. It is not liable to tax on any surplus derived from charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2023

15. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	31 July 2023	31 July 2022	31 July 2023	31 July 2022
	£	£	£	£
Leases which fall due:				
In one year or less	2,290,123	2,184,839	-	-
Between one and two years	2,395,000	2,191,720	-	-
Between two and five years	5,009,795	5,973,302	-	-
In more than five years	3,363,644	3,575,578	-	-
	12,058,562	13,925,439	-	-

16. CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees. The School is a company limited by guarantee registered with UK's Company Registry and a charity registered with the Charity Commission of England and Wales, so has no owner and it has an independent Board of Trustees.

17. DETAILS OF GRANT DISCLOSURE AND FEE INCOME

The School does not receive any grants.

18. RELATED PARTY TRANSACTIONS

During the financial year 2023, interest of £428,284 was charged on a loan to the School of £11.8m advanced by Hult international Business School AG, a company owned by the father of Mr Hult, a director of the company**.** There were no other related party transactions in the year.

19. POST BALANCE SHEET EVENTS

On October 1st 2023 Hult International Business School Ltd was granted Degree Awarding Powers.

20. HULT INTERNATIONAL BUSINESS SCHOOL

Hult International Business School Inc:

Hult International Business School Ltd manages essential production services, facilitating faculty and academic operations at our London campuses for both undergraduate and postgraduate programs. These services are contracted through service agreement with Hult international Business School Inc.

Hult international Business School AG:

Hult International Business School Ltd has a long term loan where Hult international Business School AG acts as lender and Hult International Business School Ltd as Borrower.

Financial Statements Hult International Business School Ltd

Final Audit Report 2024-01-09

Created:	2024-01-08
By:	Finance Department (finance.dept@ashridge.hult.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPz6ukWK2d1S-G1ME4aOuLJucQRBooFJT

"Financial Statements Hult International Business School Ltd" History

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2024-01-09 - 0:58:36 AM GMT- IP address: 61.8.225.163

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Financial Statements Hult International Business School Ltd

Final Audit Report 2024-01-19

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2024-01-19 - 1:15:45 PM GMT- IP address: 31.94.24.169

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2024-01-19 - 1:17:23 PM GMT- IP address: 31.94.24.169

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HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales - Charity number 1092321

Accounts

Charity Registration No. 1092321

Company Registration No. 03005603

HULT INTERNATIONAL BUSINESS SCHOOL LTD

(a company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 July 2022

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

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HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2022

OFFICERS AND PROFESSIONAL ADVISERS

CHARITY REGISTRATION NUMBER: 1092321

COMPANY REGISTRATION NUMBER: 03005603

OFFICE FOR STUDENTS REGISTRATION NUMBER: 10003212

REGISTERED OFFICE

33-35 Commercial Road
London
E1 1LD

WEBSITE ADDRESS

www.hult.edu

TRUSTEES

D Bennett
R Goonesena
F Henriksson
R Beltzer

DEAN

Ian Dougal

COMPANY SECRETARY

Emilie McCarthy

BANKERS

Lloyds TSB Bank Plc
2nd Floor, 39 Threadneedle Street
London
EC2R 8AU

AUDITOR

Knox Cropper LLP
65 Leadenhall Street
London
EC3A 2AD

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STRATEGIC REPORT
For the year ended 2022

OBJECTIVES AND ACTIVITIES

The principal charitable objective of Hult International Business School Ltd ("the School") is the provision of higher educational courses, services and facilities at university level. In particular, it aims to provide and promote:

- undergraduate major programs;
- masters degree programs;
- scholarships for exceptionally well-qualified students from all over the world to study at the School, thus raising academic quality and expectations; and
- a caring environment for the pursuit of academic and experiential learning and living in central London.

The provision of higher educational courses is conducted through the School.

The long term objective is to build a renowned university.

CHANGE OF ACCOUNTING PERIOD

In the prior period the accounting reference date was changed to 31st 2021, hence making the comparative period for these financial statements the 10 months ending 31st July 2021.

PLANS FOR FUTURE DEVELOPMENT

Student numbers are back to where they were before COVID-19 lockdowns. Student enrolment and retention have shown strong results and the School expects to continue the increase in student intake in years to come. The board of directors have continuously monitored the situation in Ukraine and the impact for the business in regards to the financial statements and going concern.

FINANCIAL REVIEW

The final result of FY2022 was a surplus of £0.9m (FY2021: surplus of £0.6m) for the School, which decreased the net liabilities to £10m in FY2022 from £10.9m in FY2021. The increase in the surplus between the periods is due to the change in the financial year shortened to 31st July during FY21, making a 10 month financial period.

The School received a donation under gift aid of £0.35m (FY2021: £0.25m) during the financial period.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs")

The trustees consider student numbers (target of 5% sustainable long-term growth over a five-year cycle), student satisfaction, as per page 3, (target of 4.0 and above) and diversity (whilst there is no current stipulated target for diversity, the trustees consider current diversity of the student body to be excellent) to be key performance indicators. Student satisfaction is also tracked and all faculties are rated for every course they teach creating the Faculty Evaluation score which is tracked and analysed after every module. Targets are based on a scale of the level of student satisfaction in surveys carried out.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs") (continued)

- **STUDENT NUMBERS**

In FY2022 there were 1,516 students (FY2021: 1,465), of which 833 started (FY2021: 734) and 683 (FY2021: 731) continued their studies at the School.

	2022 Intake		2021 Intake	
	New	Returners	New	Returners
UG	313	627	290	678
EMBA	19	36	45	53
MBA	150	18	91	-
MIB	282	2	232	-
MIM	68	-	76	-
Total	833	683	734	731

- **STUDENT SATISFACTION**

The survey question was "Overall, how satisfied were you with your studies?" on a scale from 1 to 5.

	31 July 2022	31 July 2021
UG	4.00	3.79
EMBA	4.33	4.56
MBA	4.12	3.74
MIB	4.04	3.71
MIM	4.11	-

- **DIVERSITY**

FY2022 The School had 142 nationalities enrolled at the School and out of the total 1,516 students 44% were female and 56% male (FY2021: 1,465 students 44% were female and 56% male).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the School faces and have documented these in a risk register, which is updated on a periodic basis. The School has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future.

Prior to COVID-19, the primary identified risk was reduced student numbers due to Brexit, should the UK visa rules change in the future. The board continuously monitors the regulatory environment and does not see this risk as material. The COVID-19 virus has had an impact on higher-education globally but the School has successfully mitigated the risk of material decrease in enrolment and the student numbers are now back to pre-Covid levels. Moreover, the School is a cost plus entity with the educational revenue guaranteed by Hult International Business School, Inc. (the US charity), so it will always generate a surplus and the US charity has a strong financial position.

STRATEGIC REPORT (continued)
For the year ended 31 July 2022

GOING CONCERN

The School made a surplus of £0.9m (FY2021: surplus of £0.6m) for the period ended 31 July 2022 reducing negative reserves to £10m (from £10.9m in FY2021) in line with expectations. The charity has £20.3m (FY2021: £22.8m) of creditors. However, this includes £13.6m (FY2021: £14.8m) of creditors falling due after more than one year. The School has net current liabilities of £2.1m (FY2020: £1.9m) and loans due after one year of £12.25m (FY2021: £13.5m).

The 2015 loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero. The School services the loan with annual repayments of £250k and as of 31 July 2021 the remaining loan balance was £12.5m. During FY2022 additional £1m repayment of loan was made during the year along with the annual repayment of £250k.

The charity is operating on cost-plus basis where the costs are recharged to Hult International Business School, Inc. (a US charity) with a mark-up on an arm's length basis. The US charity has strong financials and an excellent liquidity position, hence, the revenue risk for the charity is low.

The trustees have continued to prepare the financial statements on a going concern basis. Further details regarding the going concern basis can be found in the accounting policies (note 1 on page 14 to the financial statements).

Approved by the Board of Trustees
and signed on behalf of the Board

R Goonesena

Trustee

Date: 6/12/22

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

TRUSTEES' REPORT
For the year ended 31 July 2022

The trustees have chosen in accordance with section 414C (11) of the Companies Act 2006 to set out in the company's strategic report the following which the trustees believe to be of strategic importance.

The School is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the company (referred to as the School in this report), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees present their report and financial statements for the period ended 31 July 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Due to the charity being limited by guarantee, each trustee undertakes to contribute such amount as may be required, not exceeding £1,000 each, to the charity's assets if it should be wound up while he or she is a trustee or within one year after he or she ceases to be a trustee. The trustees serve without remuneration.

The Articles of Association provide for rotation of trustees. The trustees who served during the period and subsequently are noted on page 1.

The board of trustees hold formal meetings as required to discuss the performance of the School, covering academic issues, student recruitment, student retention and satisfaction, financial performance, governance and other issues.

The key management personnel are the CEO and the Deans. Remuneration for management personnel is determined by current market conditions, experience and skills. These budgeting items are approved by the board of trustees.

PLANS FOR FUTURE DEVELOPMENT

Details of the plans for future developments can be found in the Strategic Report on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of the principal risks and uncertainties can be found in the Strategic Report on page 3.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

The method of appointment and retirement by rotation of the trustees is set out in the charity's Articles of Association. Trustee appointments are made based on the expertise and skills brought by the individuals involved. The trustees receive further training in trustee meetings as required. No induction training was required as there were no new trustees appointed in the period.

TRUSTEES' INDEMNITIES

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the period and remain in force at the date of this report.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of the School for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

TRUSTEES' REPORT (continued)
For the year ended 31 July 2022

TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

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

PUBLIC BENEFIT

The trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The trustees provide a public benefit primarily by awarding scholarships to students who would otherwise not be in a position to fund their studies. This academic year the School had 26 full scholars.

The ethos of awarding scholarships remains a high priority within the institution and is aimed at students with exceptional academic educational qualities and those in financial need.

The School also conducts and disseminates research by its faculty.

RESERVES POLICY

The School currently has negative reserves of £10m (FY2021: £10.9m). The trustees believe that the net asset position will build up again and are confident that the School is on track to make surpluses as it is a cost-plus entity which will restore and build reserves to an adequate level. The reserves policy is to reach a positive net assets level of reserves, with a longer-term objective of having reserves equal to at least one year's costs as an adequate reserves level.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees
and signed on their behalf

R Goonesena
Trustee
Date: 6/12/22

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
for the year ended 31 July 2022

This Statement of Corporate Governance and Internal Control covers the period for the year ended 31 July 2022 and up to the date of approval of the financial statements.

GOVERNANCE

The Trustees are listed within the Officers and Professional Advisers. The constitution of the board ensures that no individual dominates the decision-making process and that it can exercise its responsibilities independently from the management of the School.

The boards regulatory and stewardship responsibilities centre on its role as the ultimate legal authority and for safeguarding the Trust's assets, its financial sustainability, and receiving assurance that its system complies with the legal and regulatory obligations, including as a Charity, and in respect of the Office for Students (OfS).

The board of directors schedule to meet a few times a year. Formal agenda, papers and reports are supplied to the board in a timely manner prior to the board meetings. Briefings are also provided on an ad-hoc basis. Reports include overall financial performance of the Trust together with other relevant information such as performance against targets. The board review and approve the financial statements and also receive and consider reports from regulators such as the OfS, and monitors adherence with the continuing conditions of registration with the OfS and other legal and regulatory requirements.

Minutes of board meetings are recorded and approved at the following meeting.

The day-to-day management of Hult International Business School is undertaken by the President who is appointed by the Trustees. The President has delegated authority for finance, employment, and other operational matters.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of annual financial statements that provide a true and fair view of the state of affairs of the School as at the end of the financial year and of the financial activities during the year.

In preparing the financial statements the Trustees are required to:

- select accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy of the financial position of the School at any time and to ensure that the financial statements comply with relevant statutes.

It is also responsible for safeguarding the assets of the School taking reasonable steps to prevention and detection of fraud and other irregularities.

INTERNAL CONTROL

The Trustees are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives. The system of internal control is designed to manage, rather that eliminate, the risk of failure to achieve policies, aims and objectives through corruption, fraud, bribery and other irregularities. It can therefore only provide reasonable, but not absolute, assurance against material misstatement or loss.

The system of internal control is based on a continuous process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively, and economically. This process accords with OfS guidance.

The system uses a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. It includes:

- Comprehensive budgeting systems with an annual budget that is reviewed and agreed upon by the board of directors
- Regular reviews by the board of directors of periodic and annual financial reports which indicate financial performance against forecast
- Setting targets to measure financial and operational performance
- A clear approval and authorisation process for expenditures

The School's internal control system is supported by a number of policies. These include a Risk Register, an Anti-Bribery and Corruption Policy, a Modern Slavery Act statement, comprehensive internal financial policies and regulations which detail financial controls and procedures.

The Trustees have the responsibility for reviewing the effectiveness of the system of internal control and ensuring that there is a sound approach to confirm that this framework is adopted and embedded consistently and effectively across each activity.

The review of the effectiveness of the system is informed by:

- The work of external auditors
- The work of senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework which is reported as needed by the Chief Financial Officer to the governing body.
- Comments made by the organisation's financial statements and regulatory inspections in their management letters and other reports
- Regularly reviewing the approval and authorisation process to ensure its relevancy to the business operations and organisational structure

There are no significant internal control weaknesses reported for the period.

The trustees, who are also directors of the School for the purposes of company law, has delegated its day-to-day responsibility to the President, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. He is also responsible for reporting to the board any material weaknesses or breakdowns in internal control. The day-to-day responsibility for risk management and monitoring is assigned to the Chief Finance Officer and Program Presidents.

The board of directors and the Accountable Officer confirm that after due enquiry and to the best of their knowledge, it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the School's financial regulations. We confirm that, during the year to 31 July 2022 or since the period end, no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any such instances are identified after the date of this statement will be notified to the OfS in accordance with the School's compliance obligations.

Approved by the Trustees
and signed on their behalf

R Goonesena
Trustee
Date: 6/12/22

Hult International Business School Limited

M. Lilley
President
Date: 6 / 12 / 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HULT INTERNATIONAL BUSINESS SCHOOL LTD (a company limited by guarantee)Opinion

We have audited the financial statements of Hult International Business School Ltd (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006;
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- the charitable company's grant and fee income, as disclosed in note 18 to these Financial Statements has been materially misstated.

Basis of opinion

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

Conclusions relating to going concern

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

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

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.

Our opinion on the financial statements does not cover the other information and 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- The Charitable Company is required to comply with both company law and charity law and certain conditions of OfS registration including compliance with the OFS' latest Accounts Direction and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- We identified a risk over correct cut-off of revenue due from the parent charity under the agreement, in respect of costs incurred in the period. We tested a sample of costs and accruals to determine correct cut-off of recoverable costs, as well as recalculating the revenue accrued at the year based on the agreement with the parent charity.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions. No restricted income was identified.

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

Use of our report

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

Knox Cropper LLP

Simon Goodridge

6/12/2022

Senior Statutory Auditor

for and on behalf of Knox Cropper LLP

Statutory Auditor

65 Leadenhall Street

London EC

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 July 2022

	Note	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
INCOME FROM:			
Donations	1	350,000	250,000
Charitable activities	3	14,839,899	11,209,805
TOTAL INCOME		15,189,899	11,459,805
EXPENDITURE ON:			
Charitable activities	5	14,294,800	10,812,936
TOTAL EXPENDITURE		14,294,800	10,812,936
NET INCOME FOR THE PERIOD	8	895,099	646,869
NET MOVEMENT IN FUNDS		895,099	646,869
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		(10,911,173)	(11,558,042)
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		(10,016,075)	(10,911,173)
RECONCILIATION OF FUNDS:			
Total funds brought forward		(10,911,174)	(11,558,042)
Net movement in funds for the period		895,099	646,869
Total funds carried forward		(10,016,075)	(10,911,174)

All income and expenditure derive from continuing operations.

There are no other recognised gains or losses other than as stated above.

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

BALANCE SHEET
As at 31 July 2022

	Note	31 July 2022 £	31 July 2021 £
FIXED ASSETS			
Tangible assets	9	5,660,603	5,771,883
CURRENT ASSETS			
Debtors	10	972,507	417,103
Cash at bank and in hand		3,678,798	5,698,598
		4,651,305	6,115,701
CREDITORS: amounts falling due within one year			
Creditors	11	(3,141,552)	(4,655,998)
Deferred income	4	(3,600,000)	(3,332,770)
		(6,741,552)	(7,988,768)
NET CURRENT LIABILITIES		(2,090,247)	(1,873,067)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,570,356	3,898,816
CREDITORS: amounts falling due after more than one year	12	(12,250,000)	(13,500,000)
Provisions for liabilities	13	(1,336,431)	(1,309,990)
NET LIABILITIES		(10,016,075)	(10,911,173)
FUNDS			
Deficit on unrestricted funds		(10,016,075)	(10,911,173)
TOTAL FUNDS		(10,016,075)	(10,911,173)

The financial statements of Hult International Business School Ltd, registered number No. 03005603, were approved by the Board of Trustees and authorised for issue on

Signed on behalf of the Board of Trustees

R Goonesena
Trustee

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

CASH FLOW STATEMENT
For the year ended 31 July 2022

	Note	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Net cash inflow from operating activities	1	152,682	854,464
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(760,713)	(114,469)
Net cash outflow from investing activities		(760,713)	(114,469)
Cash flows from financing activities			
Repayment of borrowings	2	(1,250,000)	(1,250,000)
Interest		(161,769)	(136,877)
Net cash outflow from financing activities		(1,411,769)	(1,386,877)
Net (decrease)/increase in cash and cash equivalents	2	(2,019,800)	(646,882)
Cash at beginning of period		5,698,598	6,345,480
Cash at end of period		3,678,798	5,698,598

Cash and cash equivalents comprise of cash at bank and in hand. Cash equivalents (i.e. not bank) for the 12 months ended 31 July 2022 were £30,385 (year ended 31 July 2021: £nil.)

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31 July 2022

1. RECONCILIATION OF SURPLUS FOR THE PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Net surplus for the period	895,099	646,869
Depreciation of tangible fixed assets	871,993	919,149
Interest	161,769	136,877
Decrease in debtors	(555,404)	480,623
(Decrease)/Increase in creditors	(1,220,775)	(1,329,054)
Cash generated from operating activities	152,683	854,464

2. ANALYSIS OF CHANGES IN NET DEBT

Analysis of changes in net debt	As at 1 August 2021 £	Cashflows £	Transfer £	As at 31 July 2022 £
Cash	5,698,598	(2,019,801)	-	3,678,798
Loans falling due within one year	(250,000)	250,000	(250,000)	(250,000)
Loans falling due after more than one year	(13,500,000)	750,000	250,000	(12,500,000)
TOTAL	(8,051,402)	(1,019,801)	-	(9,071,202)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

1. ACCOUNTING POLICIES

Basis of accounting

The School, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are four Trustees. Each trustee has undertaken to contribute to the assets in the event of a winding up a sum not exceeding £1,000. The Charity is a registered charity. The registered office is listed on page 1.

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies of the charity are set out below.

Going concern

At 31 July 2022, the School has negative reserves of £10m, as expected. The School made a surplus of £0.9m for the period ended 31 July 2022 and will continue to have surpluses in future years.

The School received a loan in 2015 of £20m from Hult International Business School AG to enable it to make the payments required by a Strategic Alliance Agreement with Ashridge (Bonar Law Memorial) Trust. The loan agreement between the School and Hult International Business School AG includes terms that if the annual amortisation payment (repayments of £250k per annum) or interest payments would endanger the solvency of the School, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero.

The long term loan from Hult International Business School AG matures in 2035. Considering the improved results that the School has had in the last few years, the expectation is that the School during the coming 13 years will be able to make positive results and service the loan. During the period the School has repaid £1.25m of the loan. Thanks to the strong liquidity position, the Trustees decided in FY2022 to make an additional repayment of £1m of the loan with the benefits to reduce the interest cost for the charity. Given that the liquidity position is maintained, the Trustees may in the future opt to further accelerate that loan repayment. The School has net current liabilities of £2.1m. Forecasts have been prepared and show that liabilities can be settled as they fall due over at least the next 12 months.

The School is operating on cost-plus basis where all costs are recharged to Hult International Business School, Inc. with a mark-up on an arm's length basis, Hence, the School will always generate surplus.

The outbreak of COVID-19 virus has had an impact on higher-education globally. The board acknowledges the risk but deems the operational disruption to be limited as education is maintained and carried out online until the campuses are opened. Subsequently educational revenue is continued.

Having considered the above, the trustees believe it is reasonable to continue to adopt the going concern basis.

Provisions

Dilapidation reserves are made to provide for the works required to return the leasehold properties to the state found at the commencement of the terms. The dilapidation estimate is capitalized and is depreciated over the remainder of the lease and liabilities are credited with the full estimated amount adjusted by the annual inflation accretion.

Reserves

The charity maintains unrestricted reserves as follows:

Unrestricted reserves

Unrestricted reserves represent income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

1. ACCOUNTING POLICIES (continued)

Income

Turnover is recognised on fees in respect of those services that are delivered within the financial year being reported on a cost-plus basis at an arm's length. Fees received in advance for future services are credited to deferred income.

Donations

Monetary donations are included in full in the Statement of Financial Activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the specific conditions have been met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis.

Costs are allocated to activities based on what they are directly attributable to.

Expenditure is analysed by category between a number of separate headings as per note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	Over the shorter of the life of the asset or the period of the lease
Fixtures and fittings	3-5 years
Office equipment	3-5 years

Foreign currencies

The reporting and functional currency is sterling (GBP). Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate at the balance sheet date.

Employee benefits contributions to pension funds

The charity contributes to a defined contribution scheme for the benefit of the employees and the pension costs charged to the SOFA in the period represent the contributions payable to the scheme in respect of the accounting period.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The company only have financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. INCOME FROM CHARITABLE ACTIVITIES

	Net income from charitable activities year ended 31 July 2022 £	Net income from charitable activities 10 months ended 31 July 2021 £
Income		
Educational Services	14,839,899	11,209,805

4. DEFERRED INCOME

	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Educational Services	3,600,000	3,332,770

	2022 £	2021 £
Balance as at 1 August	(3,332,770)	(3,565,865)
Amount released to income	3,332,770	3,565,865
Amount deferred in the period	(3,600,000)	(3,332,770)
Balance at 31 July	(3,600,000)	(3,332,770)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

Year ended 31 July 2022	Direct costs £	Support costs £	Total 2022 £
Education	5,115,945	9,178,555	14,294,800

10 months ended 31 July 2021	Direct costs £	Support costs £	Total 2021 £
Education	4,277,467	6,535,469	10,812,936

	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Analysis of support costs		
Establishment costs	4,808,064	4,025,855
School administration costs	3,772,108	2,036,546
Professional	183,912	179,404
Governance costs	27,200	25,200
Other costs	387,571	266,964
	9,178,555	6,535,469

6. GOVERNANCE COSTS

	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Audit fees	27,200	26,700

7. INFORMATION REGARDING EMPLOYEES

	Year ended 31 July 2022 No	10 months ended 31 July 2021 No
The average number of employees in period was	95	67
	£	£
Staff costs during the period were:		
Wages and salaries	5,451,641	3,807,180
Social security costs	648,632	437,326
Pension contribution	116,151	91,431
	6,216,424	4,335,936

The number of employees whose emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, were in excess of £60,000 were:

	Year ended 31 July 2022 No	10 months ended 31 July 2021 No
£60,000 - £69,999	8	6
£70,000 - £79,999	5	3
£80,000 - £89,999	1	1
£90,000 - £99,999	1	-
£100,000 - £199,999	5	6
£200,000 - £249,999	0	1

Senior staff

The School has given regard to the 'Higher education senior staff remuneration code' published by the Committee of University Chairs when determining senior staff remuneration.

The number of senior staff with a full-time equivalent basic salary over £100,000 per annum on 31 July were:

	Year ended 31 July 2022 No	10 months ended 31 July 2021 No
£100,000 - £104,999		
£105,000 - £109,999		
£110,000 - £114,999		1
£115,000 - £119,999	1	
£120,000 - £124,999		1
£125 ,000 - £129,999	2	
£130 ,000 - £134,999		1
£135,000 - £139,999		1
£140,000 - £144,999	1	
£145 ,000 - £149,999		
£150,000 - £154,999		
£155 ,000 - £159,999		
£160,000 - £164,999		
£165,000 - £169,999	0.5	1
£170,000 - £174,999		
£175,000 - £179,999		
£180,000 - £184,999		
£185,000 - £189,999		
£190 ,000 - £194,999		
£195,000 - £199,999		
£200,000 - £204,999		0.5

- The table above excludes, as per guidance, staff who joined or left part-way through the year but who would have received a salary in these bands in a full year
- No member staff were on reduced pay such as for maternity or sickness leave that would otherwise be part of the above table

The President Stephen Hodges' total annual remuneration is £556,224 for the 10 months of his employment which terminated on 31 May 2022. This represents the total annual remuneration paid by the School & Ashridge (Bonar Law Memorial) Trust. Ashridge (Bonar Law Memorial) Trust was responsible for funding £183,972 and the School was responsible for funding £372,252. The breakdown of this total remuneration is as follows:

- From Hult International Business School Ltd:
  - Base salary of £166,667.
  - A total amount of £5,000 has been paid by the provider in pension contributions on behalf of the head of provider during the year.
  - No payments of dividends have been made.
  - Performance-related pay and other bonuses awarded of £200,000.

- A total amount of £585 has been paid by the provider in pension contributions as part of National Insurance savings.
- No other type of benefits and remuneration have paid made to the head provider.
- Hult International Business School Ltd does not provide to the President private healthcare benefit.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £83,333.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - Performance-related pay and other bonuses of £100,000.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have paid made to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £639.

The President Matthew Lilley started on 1st June 2022 and his total annual remuneration is £33,962 for the 2 months of his employment. This represents the total annual remuneration paid by the School & Ashridge (Bonar Law Memorial) Trust. Ashridge (Bonar Law Memorial) Trust was responsible for funding £17,295 and the School was responsible for funding £16,667. The breakdown of this total remuneration is as follows:

- From Hult International Business School Ltd:
  - Base salary of £16,667.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings
  - No other type of benefits and remuneration have been paid to the head provider.
  - Hult International Business School Ltd does not provide to the President private healthcare benefit.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £17,167.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have been paid to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £128.

The President's salary is set by the Trustees.

Process for judging performance
The President has an annual performance review meeting with the board of directors to review and assess performance against objectives and to discuss objectives for the next year.

Approach and justification to the Presidents remuneration
The President's salary is reviewed annually and reflects the following:
- Market rate by size and complexity of institution
- The scale and complexity of the job
- Comparisons with benchmarks
- Performance as measured against objectives set by the board of directors

Pay multiple
The relationship between the President's remuneration and that for all other staff is as follows (combined remuneration of President between the School & Ashridge (Bonar Law Memorial) Trust):

- The current head of the provider's basic salary is 6.1 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The current head of the provider's total remuneration is 5.6 times the median total remuneration of staff.

- The outgoing head of the provider's basic salary is 10.5 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The outgoing head of the provider's total remuneration is 21.9 times the median total remuneration of staff.

The pay multiple represents the President's pay divided by the median pay for all other staff at the "charitable company", on a full-time equivalent basis. The median pay for all other staff is calculated using pay data for all staff who are required to be included in Real Time Information (RTI) reporting to HMRC (July 2022). All other staff is capturing staff employed by the School.

8. NET INCOME FOR THE PERIOD

Net income is stated after charging:

	Year ended 31 July 2022 £	10 months ended 31 July 2021 £
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	27,200	26,700
Rental under operating leases		
Land and buildings	2,393,723	2,078,784
Other	24,800	17,683
Depreciation of tangible fixed assets		
Owned (note 9)	871,993	919,149

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	WIP leasehold improvements £	Total £
Cost					
At 1 August 2021	11,523,906	1,106,582	5,520		12,636,008
Additions	-	114,558	9,100	637,053	760,711
Disposals	2,633,412	327,464	5,520		2,966,396
At 31 July 2022	8,890,494	893,676	9,100	637,053	10,430,323
Depreciation					
At 1 August 2021	6,393,715	464,890	5,520		6,864,125
Charge for the period	629,805	239,659	2,528		871,992
Disposals	2,633,413	327,464	5,520		2,996,397
At 31 July 2022	4,390,107	377,085	2,528		4,769,720
Net book value					
At 1 August 2021	5,130,191	641,692	-		5,771,883
At 31 July 2022	4,500,387	516,591	6,572	637,053	5,660,603

10. DEBTORS

	31 July 2022 £	31 July 2021 £
Trade debtors	-	1,639
Amounts owed from other Hult undertakings	564,513	30,602
Other debtors	4,737	350
Prepayments	403,257	384,512
	972,507	417,103

All debtors are due within one year and there is no interest payable on Amounts owed from Hult undertakings.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2022 £	31 July 2021 £
Trade creditors	289,621	701,901
Loans owed to other Hult undertakings	250,000	250,000
Amounts owed to other Hult undertakings	21,626	2,243,661
Other creditors	107,272	99,920
Accruals	2,473,033	1,360,513
	3,141,552	4,655,997

There is no interest payable on Amounts owed to Hult undertakings.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2022 £	31 July 2021 £
Loans owed to other Hult undertakings	12,500,000	13,500,000

Included within the above are amounts due as follows:

	31 July 2022 £	31 July 2021 £
Between 1 and 2 years	250,000	250,000
Between 2 and 5 years	750,000	750,000
More than 5 years	11,500,000	12,500,000
	12,500,000	13,500,000

£12.5m of the loan owed to other Hult undertakings is payable annually in instalments and bears interest at 1.25% from 28 January 2022 (2021: 1%). The loan is repayable by 29 January 2035.

13. PROVISIONS FOR LIABILITIES: FALLING MORE THAN ONE YEAR

	31 July 2022 £	31 July 2021 £
Balance as at 1 August	1,309,990	1,288,355
Charged to SOFA	26,441	21,635
Balance as at 31 July	1,336,431	1,309,990

Provisions consists of dilapidations on leasehold improvements which will be realised at the end of the lease term.

14. TAXATION

The School is a registered charity and does not trade for tax purposes. It is not liable to tax on any surplus derived from charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2022

15. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	31 July 2022	31 July 2021	31 July 2022	31 July 2021
	£	£	£	£
Leases which fall due:				
In one year or less	2,184,839	2,621,807	-	-
Between one and two years	2,191,720	2,621,807	-	-
Between two and five years	5,973,302	8,134,920	-	-
In more than five years	3,575,578	1,599,066	-	-
	13,925,439	14,997,600	-	-

16. CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees. The School is a company limited by guarantee registered with UK's Company Registry and a charity registered with the Charity Commission of England and Wales, so has no owner and it has an independent Board of Trustees.

In FY2021, £17,456 was paid to a trustee's legal firm for professional services (strictly subject to the effective management of conflicts and with the approval of the Board of Trustees). Nothing was paid in FY2022 to the Trustees or their legal firms.

17. COMPARABILITY TOWARDS PREVIOUS PERIODS

In 2021, the company decided to change its fiscal year so that it ends 31st July instead of 30th September, better aligning the accounts to the academic year for students. 2021 is the first period implementing this change, and the comparative period is therefore only 10 months (October 2020 to July 2021).

18. DETAILS OF GRANT DISCLOSURE AND FEE INCOME

The School does not receive any grants.

HULT INTERNATIONAL BUSINESS SCHOOL LTD

England & Wales - Charity number 1092321

Accounts

Charity Registration No. 1092321

Company Registration No. 03005603

HULT INTERNATIONAL BUSINESS SCHOOL LTD

(a company limited by guarantee)

Annual Report and Financial Statements

For the 10 months ended 31 July 2021

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

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HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

OFFICERS AND PROFESSIONAL ADVISERS

CHARITY REGISTRATION NUMBER: 1092321

COMPANY REGISTRATION NUMBER: 03005603

REGISTERED OFFICE

33-35 Commercial Road
London
E1 1LD

WEBSITE ADDRESS

www.hult.edu

TRUSTEES

D Bennett
R Goonesena
F Henriksson
R Beltzer

DEANS

Samineh Shaheem
Ronan Gruenbaum

COMPANY SECRETARY

Emilie McCarthy

BANKERS

Lloyds TSB Bank Plc
2nd Floor, 39 Threadneedle Street
London
EC2R 8AU

AUDITOR

Deloitte LLP
Statutory Auditor
1 City Square
Leeds
LS1 2AL
United Kingdom

STRATEGIC REPORT
For the 10 months ended 31 July 2021

OBJECTIVES AND ACTIVITIES

The principal charitable objective of Hult International Business School Ltd ("the School") is the provision of higher educational courses, services and facilities at university level. In particular, it aims to provide and promote:

- undergraduate major programs;
- masters degree programs;
- scholarships for exceptionally well-qualified students from all over the world to study at the School, thus raising academic quality and expectations; and
- a caring environment for the pursuit of academic and experiential learning and living in central London.

The provision of higher educational courses is conducted through the School.

The long term objective is to build a renowned university.

CHANGE OF ACCOUNTING PERIOD

This financial year the accounting reference date has been changed to 31st July effective from year 2021, hence making these financial statements for the 10 months ending 31st July 2021.

PLANS FOR FUTURE DEVELOPMENT

Student numbers are remarkably positive given the COVID-19 lockdowns in the UK during the last years. Student enrolment and retention have shown strong results and only a minor change compared to 2020. The School expects a to continue the increase in student intake in years to come, as Covid restrictions on international travel are gradually lifted.

FINANCIAL REVIEW

The final result of FY2021 was a surplus of £0.6m (FY2020: surplus of £0.8m) for Hult International Business School Ltd, which decreased the net liabilities to £10.9m in FY2021 from £11.6m in FY2020. The decrease in the surplus between the periods is due to the change in the financial year shortened to 31st July during FY21, making a 10 month financial period.

The school received a donation under gift aid of £0.25m (FY2020: £0.35m) during the financial period.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs")

The COVID-19 pandemic has had an impact on higher-education globally. Hult International Business School closed its campuses in London in line with the government's social distancing policies for a period during which the education was maintained and carried out online leading to minimal disruption to the business. The student satisfaction remained high through the implementation and delivery of the virtual learning. The school proactively offered blended learning opportunity including discounts for the time that education is carried out remotely. The offer has mitigated the risk of material decrease in enrolment.

The trustees consider student numbers (target of 5% sustainable long-term growth over a five-year cycle), student satisfaction, as per page 3, (target of 4.0 and above) and diversity (whilst there is no current stipulated target for diversity, the trustees consider current diversity of the student body to be excellent) to be key performance indicators. Student satisfaction is also tracked and all faculties are rated for every course they teach creating the Faculty Evaluation score which is tracked and analysed after every module. Targets are based on a scale of the level of student satisfaction in surveys carried out.

ACHIEVEMENT, PERFORMANCE AND KEY PERFORMANCES INDICATORS ("KPIs") (continued)

- **STUDENT NUMBERS**

In FY2021 there were 1,465 students (FY2020: 1,441), of which 734 started (FY2020: 710) and 731 (FY2020: 731) continued their studies at the School. In September 2020 the School welcomed Undergraduate, MBA, Executive MBA and Masters students and in January 2021 the School welcomed Undergraduate students.

	Sep 2020 Intake		Sep 2019 Intake	
	New	Returners	New	Returners
UG	290	678	290	643
EMBA	45	53	62	53
MBA	91	-	69	-
MIB	232	-	272	-
MIM	76	-	95	-
Total	734	731	788	696

- **STUDENT SATISFACTION**

The survey question was "Overall, how satisfied were you with your studies?" on a scale from 1 to 5.

	31 July 2021	30 September 2020
UG	3.79	3.66
EMBA	4.56	3.98
MBA	3.74	3.94
MIB	3.71	4.01
MIM	-	4.08

- **DIVERSITY**

FY2021 The School had 125 nationalities enrolled at the school and out of the total 1,465 students 44% were female and 56% male (FY2020: 1,441 students 44% were female and 56% male).

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have examined the major risks that the school faces and have documented these in a risk register, which is updated on a periodic basis. The School has developed systems to monitor and control these risks to mitigate any impact that they may have on the School in the future.

Prior to COVID-19, the primary identified risk was reduced student numbers due to Brexit, should the UK visa rules change in the future. The board continuously monitors the regulatory environment and does not see this risk as material. More recently, the COVID-19 virus has had an impact on higher-education globally. The board acknowledges the risk but deems the operational disruption to be limited as education is maintained and carried out online, in addition, the student satisfaction remained high through the implementation and delivery of the virtual learning. For the September 2020 intake, the school proactively offered blended learning opportunity including discounts for the time that education is carried out online in the event that travel restrictions are still in place. The offer has mitigated the risk of material decrease in enrolment. Moreover, Hult International Business School Ltd is a cost plus entity with the educational revenue guaranteed by Hult International Business School, Inc. (the US charity), so it will always generate a surplus and the US charity has a strong financial position.

GOING CONCERN

The School made a surplus of £0.6m (FY2020: surplus of £0.8m) for the period ended 31 July 2021 reducing negative reserves to £10.9m (from £11.6m in FY2020) in line with expectations. The charity has £22.8m (FY2020 : £25.4m) of creditors. However, this includes £14.8m (FY2020: £16.0m) of creditors falling due after more than one year. The School has net current liabilities of £1.9m (FY2020: £2.1m) and loans due after one year of £13.5m (FY2020: £14.8m).

The 2015 loan agreement between Hult International Business School Ltd and Hult International Business School AG includes terms that if the annual amortisation payment or interest payments would endanger the solvency of Hult International Business School Ltd, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero. The School services the loan with annual repayments of £250k and as of 31 July 2021 the remaining loan balance was £13.75m. During FY2021 additional £1m repayment of loan was made during the year along with the annual repayment of £250k.

The charity is operating on cost-plus basis where the costs are recharged to Hult International Business School, Inc. (a US charity) with a mark-up on an arm's length basis. The US charity has strong financials and an excellent liquidity position, hence, the revenue risk for the charity is low.

The trustees have continued to prepare the financial statements on a going concern basis. Further details regarding the going concern basis can be found in the accounting policies (note 1 on page 14 to the financial statements).

Approved by the Board of Trustees
and signed on behalf of the Board

R Goonesena

Trustee

Date: 16 December 2021

TRUSTEES' REPORT
For the 10 months ended 31 July 2021

The trustees have chosen in accordance with section 414C (11) of the Companies Act 2006 to set out in the company's strategic report the following which the trustees believe to be of strategic importance.

Hult International Business School Ltd is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The directors of the company (referred to as the school in this report), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The trustees present their report and financial statements for the period ended 31 July 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Due to the charity being limited by guarantee, each trustee undertakes to contribute such amount as may be required, not exceeding £1,000 each, to the charity's assets if it should be wound up while he or she is a trustee or within one year after he or she ceases to be a trustee. The trustees serve without remuneration.

The Articles of Association provide for rotation of trustees. The trustees who served during the period and subsequently are noted on page 1.

The board of trustees hold formal meetings as required to discuss the performance of the School, covering academic issues, student recruitment, student retention and satisfaction, financial performance, governance and other issues.

The key management personnel are the CEO and the Deans. Remuneration for management personnel is determined by current market conditions, experience and skills. These budgeting items are approved by the board of trustees.

PLANS FOR FUTURE DEVELOPMENT

Details of the plans for future developments can be found in the Strategic Report on page 2.

PRINCIPAL RISKS AND UNCERTAINTIES

Details of the principal risks and uncertainties can be found in the Strategic Report on page 3.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

The method of appointment and retirement by rotation of the trustees is set out in the charity's Articles of Association. Trustee appointments are made based on the expertise and skills brought by the individuals involved. The trustees receive further training in trustee meetings as required. No induction training was required as there were no new trustees appointed in the period.

TRUSTEES' INDEMNITIES

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the period and remain in force at the date of this report.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Hult International Business School Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

TRUSTEES' REPORT (continued)
For the 10 months ended 31 July 2021

TRUSTEES' RESPONSIBILITIES STATEMENT (continued)

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

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

PUBLIC BENEFIT

The trustees have complied with their duty in section 4 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

The trustees provide a public benefit primarily by awarding scholarships to students who would otherwise not be in a position to fund their studies. This academic year Hult International Business School Ltd had 20 full scholars out of which 5 were through the local councils.

The ethos of awarding scholarships remains a high priority within the institution and is aimed at students with exceptional academic educational qualities and those in financial need.

The school also conducts and disseminates research by its faculty.

RESERVES POLICY

The School currently has negative reserves of £10.9m (FY2020: £11.6m). The trustees believe that the net asset position will build up again and are confident that the School is on track to make surpluses as it is a cost-plus entity which will restore and build reserves to an adequate level. The reserves policy is to reach a positive net assets level of reserves, with a longer-term objective of having reserves equal to at least one year's costs as an adequate reserves level.

AUDITOR

Each of the persons who is a trustee at the date of approval of this annual report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees
and signed on their behalf

R Goonesena
Trustee
Date: 16 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of Hult International Business School Ltd (the 'charitable company'):
- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities (including income and expenditure account);
- the balance sheet;
- the cash flow statement; and
- the related notes 1 to 17.

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).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.

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 purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- We identified a risk over correct cut-off of revenue due from the parent charity under the agreement, in respect of costs incurred in the period. We tested a sample of costs and accruals to determine correct cut-off of recoverable costs, as well as recalculating the revenue accrued at the year based on the agreement with the parent charity.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making

accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and made enquiries to confirm there was no correspondence with Charity Commission.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we arc required to report in respect of the following matters 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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

Sarah Anderson

Sarah Anderson FCCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
19 December 2021

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the 10 months ended 31 July 2021

	Note	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
INCOME FROM:			
Donations	1	250,000	350,000
Charitable activities	3	11,209,805	12,778,116
TOTAL INCOME		11,459,805	13,128,116
EXPENDITURE ON:			
Charitable activities	5	10,812,936	12,335,650
TOTAL EXPENDITURE		10,812,936	12,335,650
NET INCOME FOR THE PERIOD	8	646,869	792,466
NET MOVEMENT IN FUNDS		646,869	792,466
TOTAL UNRESTRICTED FUNDS BROUGHT FORWARD		(11,558,042)	(12,350,508)
TOTAL UNRESTRICTED FUNDS CARRIED FORWARD		(10,911,173)	(11,558,042)
RECONCILIATION OF FUNDS:			
Total funds brought forward		(11,558,042)	(12,350,508)
Net movement in funds for the period		646,869	792,466
Total funds carried forward		(10,911,173)	(11,558,042)

All income and expenditure derive from continuing operations.

There are no other recognised gains or losses other than as stated above.

HULT INTERNATIONAL BUSINESS SCHOOL LTD
(a company limited by guarantee)

BALANCE SHEET
As at 31 July 2021

	Note	31 July 2021 £	30 September 2020 £
FIXED ASSETS			
Tangible assets	9	5,771,883	6,576,562
CURRENT ASSETS			
Debtors	10	417,103	897,725
Cash at bank and in hand		5,698,598	6,345,480
		6,115,701	7,243,205
CREDITORS: amounts falling due within one year			
Creditors	11	(4,655,997)	(5,773,589)
Deferred income	4	(3,332,770)	(3,565,865)
		(7,988,767)	(9,339,454)
NET CURRENT LIABILITIES		(1,873,066)	(2,096,249)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,898,817	4,480,313
CREDITORS: amounts falling due after more than one year	12	(13,500,000)	(14,750,000)
Provisions for liabilities	13	(1,309,990)	(1,288,355)
NET LIABILITIES		(10,911,173)	(11,558,042)
FUNDS			
Deficit on unrestricted funds		(10,911,173)	(11,558,042)
TOTAL FUNDS		(10,911,173)	(11,558,042)

The financial statements of Hult International Business School Ltd, registered number No. 03005603, were approved by the Board of Trustees and authorised for issue on 16 December 2021

Signed on behalf of the Board of Trustees

R Goonesena
Trustee

CASH FLOW STATEMENT
For the 10 months ended 31 July 2021

	Note	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Net cash inflow from operating activities	1	717,587	6,945,369
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(114,469)	(794,448)
Net cash outflow from investing activities		(114,469)	(794,448)
Cash flows from financing activities			
Repayment of borrowings	2	(1,250,000)	(250,000)
Net cash outflow from financing activities		(1,250,000)	(250,000)
Net (decrease)/increase in cash and cash equivalents	2	(646,882)	5,900,921
Cash at beginning of period		6,345,480	444,559
Cash at end of period		5,698,598	6,345,480

Cash and cash equivalents comprise of cash at bank and in hand. Cash equivalents (i.e. not bank) for the 10 months ended 31 July 2021 were £nil (year ended 30 September 2020: £nil.)

NOTES TO THE CASH FLOW STATEMENT
For the 10 months ended 31 July 2021

1. RECONCILIATION OF SURPLUS FOR THE PERIOD TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Net surplus for the period	646,869	792,466
Depreciation of tangible fixed assets	919,149	991,916
Decrease in debtors	480,622	158,642
(Decrease)/Increase in creditors	(1,329,053)	5,002,345
Cash generated from operating activities	717,587	6,945,369

2. ANALYSIS OF CHANGES IN NET DEBT

Analysis of changes in net debt	As at 1 October 2020 £	Cashflows £	Transfer £	As at 31 July 2021 £
Cash	6,345,480	(646,882)	-	5,698,598
Loans falling due within one year	(250,000)	250,000	(250,000)	(250,000)
Loans falling due after more than one year	(14,750,000)	1,000,000	250,000	(13,500,000)
TOTAL	(8,654,520)	603,118	-	(8,051,402)

NOTES TO THE FINANCIAL STATEMENTS
For the 10 months ended 31 July 2021

1. ACCOUNTING POLICIES

Basis of accounting

Hult International Business School Ltd, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are four Trustees. Each trustee has undertaken to contribute to the assets in the event of a winding up a sum not exceeding £1,000. The Charity is a registered charity. The registered office is listed on page 1.

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies of the charity are set out below.

Going concern

At 31 July 2021, the school has negative reserves of £10.9m, as expected. The school made a surplus of £0.6m for the period ended 31 July 2021 and will continue to have surpluses in future years

The school received a loan in 2015 of £20m from Hult International Business School AG to enable it to make the payments required by a Strategic Alliance Agreement with Ashridge (Bonar Law Memorial) Trust. The loan agreement between Hult International Business School Ltd and Hult International Business School AG includes terms that if the annual amortisation payment (repayments of £250k per annum) or interest payments would endanger the solvency of Hult International Business School Ltd, the parties shall enter into discussions and agree on a reduced amortisation payment that may equal zero.

The long term loan from Hult International Business School AG matures in 2035. Considering the improved results that the School has had in the last few years, the expectation is that Hult International Business School Ltd during the coming 14 years will be able to make positive results and service the loan. During the period Hult International Business School Ltd has amortised £1.25m of the loan. Thanks to the strong liquidity position, the Trustees decided in FY2021 to make an additional amortization of £1m of the loan with the benefits to reduce the interest cost for the charity. Given that the liquidity position is maintained, the Trustees may in the future opt to further accelerate that loan amortization. The school has net current liabilities of £1.9m. Forecasts have been prepared and show that liabilities can be settled as they fall due over at least the next 12 months.

Hult International Business School Ltd is operating on cost-plus basis where all costs are recharged to Hult International Business School, Inc. with a mark-up on an arm's length basis, Hence, the entity will always generate surplus.

The outbreak of COVID-19 virus has had an impact on higher-education globally. The board acknowledges the risk but deems the operational disruption to be limited as education is maintained and carried out online until the campuses are opened. Subsequently educational revenue is continued.

Having considered the above, the trustees believe it is reasonable to continue to adopt the going concern basis.

Provisions

Dilapidation reserves are made to provision for the works required to return the leasehold properties to the state found at the commencement of the terms. The dilapidation estimate is capitalized and is depreciated over the remainder of the lease and liabilities are credited with the full estimated amount adjusted by the annual inflation accretion.

Reserves

The charity maintains unrestricted reserves as follows:

Unrestricted reserves

Unrestricted reserves represent income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

1. ACCOUNTING POLICIES (continued)

Income

Turnover is recognised on fees in respect of those services that are delivered within the financial year being reported on a cost-plus basis at an arm's length. Fees received in advance for future services are credited to deferred income.

Donations

Monetary donations are included in full in the Statement of Financial Activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the specific conditions have been met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis.

Costs are allocated to activities based on what they are directly attributable to.

Expenditure is analysed by category between a number of separate headings as per note 5.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	Over the shorter of the life of the asset or the period of the lease
Fixtures and fittings	3-5 years
Office equipment	3-5 years

Foreign currencies

The reporting and functional currency is sterling (GBP). Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate at the balance sheet date.

Employee benefits contributions to pension funds

The charity contributes to a defined contribution scheme for the benefit of the employees and the pension costs charged to the SOFA in the period represent the contributions payable to the scheme in respect of the accounting period.

Leased assets

Leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The company only have financial assets and financial liabilities of a kind that qualifies as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Concessionary loans

Concessionary loans are initially measured at the amount received or paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable, less any impairment loss.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

3. INCOME FROM CHARITABLE ACTIVITIES

	Net income from charitable activities 31 July 2021 £	Net income from charitable activities 30 September 2020 £
Income		
Educational Services	11,209,805	12,778,116

4. DEFERRED INCOME

	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Educational Services	3,332,770	3,565,865

	2021 £	2020 £
Balance as at 1 October	(3,565,865)	-
Amount released to income	3,565,865	-
Amount deferred in the period	(3,332,770)	(3,565,865)
Balance at 31 July / 30 Sep	(3,332,770)	(3,565,865)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

31 July 2021	Direct costs £	Support costs £	Total 2021 £
Education	4,277,467	6,535,469	10,812,936

30 September 2020	Direct costs £	Support costs £	Total 2020 £
Education	4,328,782	8,006,868	12,335,650

	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Analysis of support costs		
Establishment costs	4,025,855	4,801,823
School administration costs	2,036,546	2,700,404
Staff costs	266,964	296,011
Professional	179,404	183,430
Governance costs	26,700	25,200
	6,535,469	8,006,868

6. GOVERNANCE COSTS

	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Audit fees	26,700	25,200

7. INFORMATION REGARDING EMPLOYEES

	10 months ended 31 July 2021 No	Year ended 30 September 2020 No
The average number of employees in period was	67	83
	£	**£**
Staff costs during the period were:		
Wages and salaries	3,807,180	4,214,287
Social security costs	437,326	448,530
Pension contribution	91,431	125,619
	4,335,937	4,788,436

The number of employees whose emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, were in excess of £60,000 were:

	10 months ended 31 July 2021 No	Year ended 30 September 2020 No
£60,000 - £69,999	6	6
£70,000 - £79,999	3	3
£80,000 - £89,999	1	1
£90,000 - £99,999	-	-
£100,000 - £199,999	6	6
£200,000 - £249,999	1	1

The key management personnel of the Charity are shown on page 5. The total remuneration (including pension contributions and social security costs) of the key management personnel of the charity totalled £493,318.

8. NET INCOME FOR THE PERIOD

Net income is stated after charging:

	10 months ended 31 July 2021 £	Year ended 30 September 2020 £
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's financial statements	26,700	25,200
Rental under operating leases		
Land and buildings	2,078,784	2,366,748
Other	17,683	2,531
Depreciation of tangible fixed assets		
Owned (note 9)	919,149	991,916

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Office equipment £	Fixtures and fittings £	Total £
Cost				
At 1 October 2020	11,428,506	1,087,512	5,520	12,521,538
Additions	95,400	19,070	-	114,470
Disposals	-	-	-	-
At 31 July 2021	11,523,906	1,106,582	5,520	12,636,008
Depreciation				
At 1 October 2020	5,681,304	258,918	4,754	5,944,976
Charge for the period	712,411	205,972	766	919,149
Disposals	-	-	-	-
At 31 July 2021	6,393,715	464,890	5,520	6,864,125
Net book value				
At 31 July 2021	5,130,191	641,692	-	5,771,883
At 30 September 2020	5,747,202	828,594	766	6,576,562

10. DEBTORS

	31 July 2021 £	30 September 2020 £
Trade debtors	1,639	1,639
Amounts owed from other Hult undertakings	30,602	-
Other debtors	350	4,667
Prepayments	384,512	891,419
	417,103	897,725

All debtors are due within one year and there is no interest payable on Hult undertakings.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 July 2021 £	30 September 2020 £
Trade creditors	701,902	936,605
Loans owed to other Hult undertakings	250,000	250,000
Amounts owed to other Hult undertakings	2,243,662	2,822,741
Other creditors	99,920	96,247
Accruals	1,360,513	1,667,996
	4,655,997	5,773,589

There is no interest payable on Amounts owed to Hult undertakings.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 July 2021 £	30 September 2020 £
Loans owed to other Hult undertakings	13,500,000	14,750,000

Included within the above are amounts due as follows:

	31 July 2021 £	30 September 2020 £
Between 1 and 2 years	250,000	250,000
Between 2 and 5 years	750,000	750,000
More than 5 years	12,500,000	13,750,000
	13,500,000	14,750,000

£13.5m of the loan owed to other Hult undertakings is payable annually in instalments and bears interest at 1.5% from 1 October 2020 (2019: 1.75%) and 1.0% from 1 January 2021(2020: 1.5%). The loan is repayable by 29 January 2035.

13. PROVISIONS FOR LIABILITIES: FALLING MORE THAN ONE YEAR

	31 July 2021 £	30 September 2020 £
Balance as at 1 October	1,288,355	1,262,866
Charged to SOFA	21,635	25,489
Balance as at 31 July	1,309,990	1,288,355

Provisions consists of dilapidations on leasehold improvements which will be realised at the end of the lease term.

14. TAXATION

The company is a registered charity and does not trade for tax purposes. It is not liable to tax on any surplus derived from charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
For the 10 months ended 31 July 2021

15. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	31 July 2021 £	30 September 2020 £	31 July 2021 £	30 September 2020 £
Leases which fall due:				
In one year or less	2,621,807	2,614,674	-	4,380
Between one and two years	2,621,807	1,320,000	-	-
Between two and five years	8,134,920	4,119,500	-	-
In more than five years	1,599,066	2,598,034	-	-
	14,977,600	10,652,208	-	4,380

16. CONTROLLING PARTY

The ultimate controlling party is the Board of Trustees. The charity is a company limited by guarantee, so has no owner and it has an independent Board of Trustees.

In FY2021 £17,456 (FY2020: £nil) was paid to a trustee's legal firm for professional services and trustees received reimbursement of travel expenses of £nil (FY2020: two trustees received reimbursement of travel expenses of £2,854) from the charity.

17. Comparability towards previous periods

The company decided to change its fiscal year so that it ends 31st July instead of 30th September, better aligning the accounts to the academic year for students. 2021 is the first period implementing this change, and is therefore only 10 months (October 2020 to July 2021). 2022 fiscal year will be 1 August 2021 until 31 July 2022.