

# THE DITCHLEY FOUNDATION

England & Wales · Charity number 309657

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [00599389](#)

**Registered** 1962-05-01

**Register** [View on the Charity Commission register](#)

## Contact

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Ditchley Park  
Enstone  
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Oxfordsh

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**Email** [info@ditchley.com](mailto:info@ditchley.com)

**Website** [www.ditchley.com](http://www.ditchley.com)

## Activities

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**Objects:** TO PROMOTE, CARRY OUT OR ADVANCE ANY CHARITABLE OBJECTS, AND IN PARTICULAR ANY BRANCHES OR ASPECTS OF EDUCATION LIKELY TO BE FOR THE COMMON BENEFIT OF BRITISH SUBJECTS ON ONE HAND AND CITIZENS IN THE UNITED STATES ON THE OTHER, MAINTENANCE OF A CENTRE FOR STUDY, AND THE PROMOTION OF JOINT STUDY OF ANY PROBLEMS AND QUESTIONS AFFECTING THE UNITED STATES AND THE UNITED KINGDOM. (FOR FURTHER DETAILS SEE GOVERNING INSTRUMENT).

**Activities:** Ditchley addresses current global challenges and aims to shape the future by connecting people and ideas to "think new things, make new connections." Ditchley aims to deliver on its mission through a programme of events with the majority taking place at Ditchley Park, making full use of this important asset to the Foundation.

## Classification

- **How:** Provides Buildings/facilities/open Space, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

## Geography

- Canada
- United States
- Oxfordshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,449,782	£4,644,852	£102,389,056	60
2024-03-31	£76,713,636	£4,522,458	£98,909,433	58
2023-03-31	£1,587,767	£3,616,947	£25,094,124	56
2022-03-31	£1,305,159	£3,123,514	£26,910,304	49
2021-03-31	£1,228,096	£2,870,735	£26,495,157	29

## Trustees

Name	Role	Appointed
<b>Dame Karen Pierce</b>	Chair	2026-01-01
David John Morrison		2022-06-29
James Landale		2022-12-12
Jamie Merisotis		2022-12-12
Lord James George Bridges		2019-07-29
Marjorie Glasgow		2020-06-27
Pamela Dow		2021-06-30
Sir Julian King		2021-06-30
The Hon Robert Wills		2022-12-12
The Hon Rupert Christopher Soames		2024-09-25
The Marquess Of Salisbury Robert Salisbury		2018-07-07



**THE DITCHLEY FOUNDATION**

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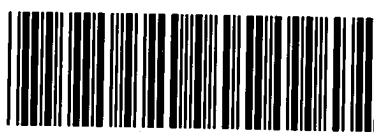
# Accounts

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*Think*  
*new things*  
*Make*  
*new connections*

THE COUNCIL'S  
ANNUAL REPORT  
AND ACCOUNTS  
2024-2025

FRIDAY



A30 \*AEBWKØ9K\* #64  
26/09/2025  
COMPANIES HOUSE

DITCHLEY

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**Office Holders, Trustees and Committee Members**

**COUNCIL OF MANAGEMENT**

*[Trustees of the Foundation]*

*Chairman*

The Right Honourable the Lord Hill of Oareford CBE

*Members of the Council*

Ms Rushanara Ali MP (retired 27 September 2024)

The Lord Bridges of Headley MBE

Ms Pamela Dow

Mrs Marjorie Neasham Glasgow BEM LL

\* His Excellency the Honourable Ralph Goodale PC

The Right Honourable Dominic Grieve KC (retired 25 September 2024)

Sir Julian King GCMG, KCVO

Mr James Landale

The Rt Hon the Lord Mandelson (retired 5 February 2025)

Mr Jamie P Merisotis

Mr David Morrison

Mrs Elizabeth Padmore (retired 25 September 2024)

Ms Emma Reynolds MP (retired 25 September 2024)

The Most Honourable The Marquess of Salisbury KG KCVO PC DL

The Honourable Rupert Soames OBE (appointed 25 September 2024)

The Honourable Robert Wills

*Company Secretary*

Ms Katie Williams

*\* The High Commissioner for Canada serves as an ex-officio member of the Council of Management for the duration of their tenure as representative to the Court of St James.*

**THE FOUNDATION'S EXECUTIVE STAFF**

*Director:* Mr James Arroyo OBE

*Chief Operating Officer:* Ms Wendy Shepherd (to 30 November 2024)

*Chief Financial Officer:* Ms Esther Teeken (from 12 December 2024)

*Head of Programme Delivery, Estates and Operations, and Company Secretary:*

Ms Katie Williams

Registered office: Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER

A company registered in England (No. 599389) limited by guarantee and not having a Share Capital, registered as a Charity (No. 309657) and exempt from Income Tax and Capital Gains Tax.

Auditors: Gravita Audit Oxford LLP, Oxford

Bankers: Barclays Bank plc, Oxford

Investment Managers: Partners Capital LLP, Cazenove Capital Management

Solicitors: Bower & Bailey, McCarthy Denning (HR legals) and Gillespie MacAndrew (Scottish Solicitor)

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

### *Chairman*

Mr David Morrison

### *Members*

Mr James Arroyo OBE  
Mr Nicholas Ferguson CBE  
Mr Daniel Higgins (appointed 2 September 2024)  
Mrs Elizabeth Padmore (retired 25 September 2024)  
The Honourable Rupert Soames OBE  
Elisabeth, Lady Stheeman  
The Honourable Robert Wills

### *Secretary*

Ms Wendy Shepherd (to 30 November 2024)  
Ms Esther Teeken (from 12 December 2024)

## **PROGRAMME COMMITTEE**

### *Chairman*

The Rt Honourable Douglas Alexander MP (retired 18 July 2024)  
Vacant

### *Members*

Mr James Arroyo OBE  
Ms Rhiannon Bearne (retired 16 May 2025)  
Mr Rüdiger Bohn (retired 23 October 2024)  
Ms Jessica Cecil  
Mr David Claydon (appointed 14 February 2025)  
Ms Lucy Coutinho (appointed 14 March 2025)  
Deputy High Commissioner Robert Fry  
Mr Alan Gemmell MP (appointed 3 March 2025)  
Mr Charles Grant CMG (retired 16 May 2024)  
Mr Will Hines (retired 8 May 2024)  
Mr Darren Jones MP (retired 4 September 2024)  
Mr Karl-Matthias Klause (appointed 19 December 2024)  
Mr Hiroshi Matsuura (retired 23 October 2024)  
Ms Alison McGovern MP (retired 22 October 2024)  
Professor Melinda Mills MBE FBA FAcSS (appointed 4 March 2025)  
Dr Munira Mirza  
Dr Theo Mitchell (appointed 14 February 2025)  
Professor Rana Mitter OBE FBA  
\*\*Mr Sam Selvadurai (nominated 9 June 2025)  
Ms Sonia Sodha  
Dr Marc Warner (appointed 14 March 2025)  
Ms Kate White CMG (appointed 10 May 2024)  
  
\*\* *Nominated to represent Ms Kate White CMG*

### *Secretary*

Ditchley team members by rotation

## **The Trustees' Annual Report**

### ***Aims, Objectives, Activities and their Public Benefit***

The overarching aim of the Foundation as set out in its Articles of Association is “to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education, likely to be for the common benefit of British subjects on the one hand and citizens of the United States of America on the other”. More specific objectives are the advancement of education and improvement of public policy-making in the UK, North America and beyond.

This broad statement from the inauguration of the Foundation in 1958 still holds true but has been clarified for the challenges facing the world today. Our aim is to help sustain peace, freedom and the rule of law through the renewal of democratic societies, states and their alliances.

Ditchley brings people together to think new things and make new connections. We convene frank conversations across divides and create space for strategic thinking.

Our primary route to impact is through people, engaging individuals and organisations with direct influence over outcomes. Ditchley discussions address complex challenges that, as a rule, do not have simple solutions.

*The meeting at Ditchley was invaluable in bringing together a diverse group of people with perspectives that challenged and enriched my own thinking. The depth of discussion and the range of expertise made it not just an exchange of ideas, but an opportunity to understand how different stakeholders approach complex challenges. It was a rare and highly productive opportunity for open, strategic debate and one that I found both stimulating and valuable.*

David Cleevely - Great British Growth: how can we take the British economy forward, January 2025

Ditchley is independent and not bound by the interests of any government, political party or company. We aim to find and include outstanding talent from all quarters. Ditchley is committed to ensuring and encouraging access for everyone, regardless of disability, age, gender, cultural or social background, sexual orientation, faith, location or wealth.

We publish the outcomes of conferences and other events for public benefit. We also share insights and conclusions with government ministers, civil servants, journalists, business and technology leaders and others in a targeted way, either by direct briefings, post-conference briefings to the Ditchley community, or through subsequent small group discussions exploring particular ideas or themes which require further examination.

Ditchley has an increasingly wide range of partnerships with other organisations and seeks to work on issues in coordination rather than isolation, aiming to achieve maximum impact and efficiency.

The public benefits generated by Ditchley are a deeper understanding amongst decision makers and influencers of issues of international concern across different fields, delivering in turn a wider public good. By design, Ditchley addresses the systemic long-term challenges we face, and so benefits are often difficult to quantify through short-term metrics. Nonetheless these benefits are clearly attested by participants' feedback.

*The Ditchley Foundation's extraordinary contribution is creating space -- space to think, space to learn, space to exchange ideas. Giving policy leaders both that physical and mental space unlocks so many possibilities, chief among them the*

*potential for future meaningful collaborations with the new people they connect with through Ditchley.*

Jennifer Ditchburn, President and CEO, Institute for Research on Public Policy (IRPP) – The role of the Fourth Estate in democracies, December 2024

Exceptionally busy and influential people continue to make time to participate in Ditchley events, whether face to face at Ditchley Park, at other venues abroad, or virtually. The Ditchley experience is educative even for those at the height of their careers and widely appreciated as a valuable contribution to public life. Ditchley conversations inform the reporting and develop the thinking on key issues of many respected journalists and news outlets.

*Ditchley's events provide trading-zones for ideas and safe spaces for frank and much-needed discussions, both of which can be hard to find elsewhere. It's a format well-worth supporting!*

Dr Felix M Simon, Research Fellow in AI and News, Reuters Institute for the Study of Journalism - The role of the Fourth Estate in democracies, December 2024

No individual receives financial benefit from Ditchley. Where events are residential, board and accommodation are provided in exchange for participants' time and expertise.

Ditchley offers the house and its gardens without charge to charities in Oxfordshire and the surrounding area for several fundraising events per annum. In the last year Ditchley has hosted 3 such events.

The Foundation maintains Ditchley Park as a historic house, part of the national heritage. It is open by appointment to individuals, groups and societies to study its history, art and architecture. The public is given access to the building in the form of pre-booked guided tours for a small charge. There were 2 such days during the period covered by this report.

Ditchley is committed to reducing its carbon footprint and has undertaken a comprehensive analysis of greenhouse gas emissions and is actively exploring ways to develop a responsible and deliverable approach to carbon reduction.

Ditchley's Director and other members of the team undertake a range of other activities to promote the reputation and objectives of the Foundation and to attract new participants and supporters. They regularly participate in discussions with policy-makers and thought leaders in the UK, Europe, North America and far beyond, to explore opportunities for collaboration, attract expert participants to the Ditchley programme, and to share insights from Ditchley discussions.

Some of the objectives stated in the Foundation's original Articles of Association of 1958 (such as "to establish fellowships, scholarships and prizes" and "to establish paid residential or other fellowships") are not currently part of Ditchley's programme but are actively being considered within Ditchley's current development plans.

All new Trustees are provided with a copy of the Charity Commission's guidance "The Essential Trustee (CC3)" together with Ditchley's Articles of Association. The training needs of Trustees are kept under review.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in fulfilling their duties and in setting the Foundation's objectives and planning its activities.

## ***Report of 2024-2025***

### **Context**

Between April 2024 and March 2025, the geopolitical landscape was profoundly reshaped by the re-election of President Donald Trump. The new Administration is both more radical than the first Trump Presidency and in a hurry to make the most of its opportunity, with most decisions made personally and informally by the President and a small number of close personal contacts, rather than through the traditional machinery of state.

Pursuing "America First" policies, the United States has embarked on a path shaped by economic self-interest, transactional diplomacy, and increasing disengagement from multilateral institutions. This shift has disrupted traditional alliances, exacerbated some global tensions, and contributed to an increasingly fragmented international order. The administration has taken a harder line on immigration and has curtailed foreign aid, especially to nations perceived as not aligning with U.S. interests. One consequence of this strategic re-evaluation is a growing sense of American volatility which could well undermine the stated objectives of increased investment in the U.S. and re-industrialisation.

That said, we have also seen significant upheavals in response to President Trump that could ultimately strengthen the transatlantic alliance and support strategic competition with authoritarian challengers such as China and Russia. European countries have finally followed through on increased defence spending as demanded by the Administration and justified by the continuing threat from Russia. The challenge now is to turn that spending into capability and to persuade the US to remain genuinely at the heart of NATO strategic deterrence and coordination, even if no longer willing to be the lead on conventional deterrence.

The tariffs announced by the President at the beginning of April have triggered a frantic parallel series of trade negotiations. It remains to be seen whether the results will be worth the cost to stability. Action on immigration has pushed the limits of presidential power and arguably the law. The Presidents' supporters point to the drastic reduction in illegal border crossings. The Democratic Party has yet to find a unifying voice in opposition but the U.S remains sharply divided and looking inward. Despite this, the President has proven definitively that he is not an ideological isolationist, helping Israel bomb the Iranian nuclear programme. Whether this will lead to the curbing or acceleration of Iran's pursuit of nuclear weapons also remains to be seen. The Gulf remains a key partner as in the first Administration. With so many initiatives launched in the first few months of the Presidency, there has to be a question on the ability to implement all these projects, and on consistency. But this remains a Presidency in the balance in multiple ways: by 2028 will America's alliances have been strengthened or weakened? Will the U.S.'s relative strength to China have grown or declined? These outcomes will be central to the democratic renewal and resilience that Ditchley was founded to support.

It is no surprise therefore that much of the year's work has focused on understanding what is happening in the U.S. by engaging with the new Administration as constructively and open-mindedly as possible, whilst also working on the fundamental values of democracies and the preservation of the institutions, traditions and practices that underpin them, such as the rule of law, the freedom of a flourishing media, and civil society.

### ***The 2024-2025 Programme of Events***

During this reporting period, the core programme consisted of 11 full Ditchley conferences with all but one followed by a post-conference briefing to the wider Ditchley community, enabling the swift dissemination of ideas and themes. Longer written summaries of each conference enrich these initial reflections.

In addition to the core conference programme, Ditchley has hosted 80 further one day conferences, workshops and other events. Whilst Ditchley Park remains the focus of activity, increasingly we hold discussions in London, other parts of the UK and overseas in the US, Canada and Germany. Ditchley these days means the method and the quality of the discussion as much as the place.

An important development this year was realisation of a long-held ambition to secure a base in London. Ditchley London, as it is known, is located in St James's, and provides an ideal location to host small scale discussions, as well as Ditchley's regular governance meetings. Events hosted so far have included high level meetings on trade, and rising national debt, the latter following up a similar discussion in New York. *Articulating the 'green growth prize'* was part of a brace of discussions on the growth potential of renewables, with the first session held in Newcastle at the Glasshouse.

Ditchley London has also provided a venue from which to host a regular series of press discussions to expand Ditchley's engagement with journalists and other media contacts. The first of these sessions was held in October of last year and this new initiative has proved valuable in expanding Ditchley's network and deepening existing connections, whilst simultaneously raising awareness about Ditchley and its programme.

Following its launch in June 2023, Ditchley Deutschland enjoyed its first full year with a programme which included a conference, *Economic statecraft in the age of geopolitical rivalry*, held at Schlosshotel Kronberg. There were 9 further events which included roundtable discussions such as the *How to further strengthen German-Scottish cooperation on green hydrogen and offshore wind energy* with Angus Robertson, the Scottish Government's Cabinet Secretary for Constitution, External Affairs and Culture, *Innovative philanthropic approaches to democracy building*, and an important side event discussion at the Munich Security Conference on the progress of the war in Ukraine. Anja Richter, formerly Country Director UK, for Hanns Seidel Foundation UK, took over from Robin Markwica as director of Ditchley Deutschland and will divide her time between Germany and the UK.

We have continued to partner with other organisations aligned with Ditchley's purpose, values and objectives. There have been collaborations with, for example, the MacArthur Foundation, Lumina Foundation, the United States Indo-Pacific Command, the Annenberg Trust at Sunnylands, the Oxford Consortium for Human Rights and the Children's Investment Fund Foundation.

We continue to organise the programme around four enduring themes: geopolitics, democracy, technology, and energy and climate. Under those very broad headings we focus on specific complex challenges and questions that we judge are most pivotal to the resilience and renewal of democratic states and societies.

## **I Geopolitics**

Geopolitics remains our prime focus, both directly and indirectly underpinning the rest of the programme.

Aside from the Annual Lecture, there were 5 conferences with a geopolitical focus. In May, the Supreme Allied Commander of Europe, General Christopher G. Cavoli, once again participated in a conference exploring *The implications of a long war in Ukraine*. Ditchley's engagement with the US military is deepening as evidenced by the full participation in the September conference hosted in Maryland, USA, *Indo-Pacific Strategy: how can we best develop a coherent strategy for a free, prosperous and peaceful Indo-Pacific?*, of Admiral Samuel Paparo, Commander of the United States Indo-Pacific Fleet.

*Special Relationships in Uncertain Times: how can US allies best prepare for outcomes of US elections in October, and Advancing EU–UK Cooperation: Charting a Path to the 2025 Summit and Beyond*, in March, both explored the changing dynamics on the world stage and the need to reevaluate alliances, with some urgency.

There have been 2 conferences on the theme of the economy with our now well-established business focused conference at Greentree, New York, in April 2024, *Geopolitics and business: the changing nature of the corporation*, and with a focus closer to home, *Great British Growth: how can we take the British economy forward?* in January 2025. As mentioned above in the context of Ditchley London, we also hosted 2 discussions during the year on the issue of rising national debt. The first was again in New York in September, attended by Sir Robert Stheeman, former CEO of the UK Debt Management Office, The Hon Robert E Rubin, United States Secretary of the Treasury, and The Hon Bill Morneau, Canada's 39th Minister of Finance (2015-20). Sir Robert Stheeman joined the second iteration at Ditchley London in January 2025 with a range of leading figures from government and business.

## **II Education and democracy**

In June 2024, we hosted *Does older mean poorer?* in partnership with the Canadian Ditchley Foundation at Montebello, Quebec. Chaired, by former Canadian Finance Minister, Bill Morneau, the conference addressed the philosophical challenges, the implications for policy governance and for the economic models of developed economies.

In July a small group travelled to Scotland for the last Ditchley retreat to be hosted at Knockando, *The Great Reskilling: what does it mean to prepare for a skills-based future and what are the skills needed now and in the longer term?* The context for this discussion was the rapid development of Artificial Intelligence (AI) capabilities and participants explored what this would mean for education and work in the years through to 2030.

*The role of the Fourth Estate in democracies* in December 2024, acted as a launching pad for Ditchley's 2025 programme on the media, in partnership with the MacArthur Foundation. This programme builds on themes to emerge from the conference through a series of discussions held in the UK, Europe and the US over the course of the year.

The first anchor event took place in March, *Reporting the Second Trump Presidency: what are the implications of a second Trump presidency for the news media around the world, and how can the news media adapt to changing audience preferences and political environments?*, and was informed by a series of smaller working group discussions hosted at Ditchley London exploring issues around the reporting and delivery of news stories as well as the business models to sustain media outlets.

## **III Technology and democracy**

Once again, the impact of AI has been a recurring theme running through almost every Ditchley discussion in acknowledgement of how AI is gradually reshaping so much of how we live.

In April 2024, we hosted a discussion on *AI and defence* which addressed three areas around the impact of artificial intelligence in defence: the future shape of AI-enabled conflict, procurement of AI for defence, and associated organisational and human capability issues. It brought together a group of mostly British defence and artificial intelligence specialists, with expertise ranging from military operations to behavioural psychology, and included those involved in research, development and deployment of AI solutions, as well as external analysts and those with political and business experience. It informed MOD inputs into the Strategic Defence Review.

Earlier this year, continuing the exploration of how AI will impact defence capabilities, our February conference focused explicitly on *Artificial intelligence and national security in 2025*, an acknowledgment that AI stands as perhaps the most transformative force in global security, potentially reshaping how nations protect their interests and respond to threats.

Other topics covered in the technology programme over the last year have *included Internet governance* hosted in collaboration with the DNS Research Federation and chaired by Dr Vint Cerf, one of the fathers of the internet and a Ditchley Governor.

We have also worked with the Annenberg Foundation Trust at Sunnylands on building a transatlantic community of investors under the banner *US-UK Strategic Technologies Investor Council*. The first meeting in November 2024, recognised that transatlantic cooperation on strategic technologies would be crucial to democratic countries' success in geopolitical competition with China and other authoritarian challengers and adversaries. Some of those involved in the original discussion reconvened in February for further talks.

We hosted our now biannual Tech Group discussion in June 2024, bringing together a diverse group of people including industry innovators, academics and regulators.

#### **IV Climate and energy**

The programme of activity around climate and energy began in April 2024 with the summit, *Khaki Green: National security and opportunities for growth in the green transition*. This summit set out to explore the intersection of national security and economic prosperity within the green transition, kickstarting an extensive programme of work over the next twelve months.

The themes and ideas to emerge from *Khaki Green*, developed towards the November 2024 conference, *Climate and security trade-offs: Transatlantic industrial and trade policies in the green transition* and two further summits focused on *Articulating the 'green growth prize'*. The twin sessions, one session hosted at the Glasshouse, Newcastle and the other at Ditchley London, looked at the value in prosperity terms of green transition in the UK and fed directly into the January conference, as well as supporting Ditchley's regional work in the North East.

Details of all conferences, and other virtual discussions and events can be found on the Ditchley website: <https://www.ditchley.com/events/past-events>

#### **Other Projects**

Alongside the delivery of the thematic programme, Ditchley has pressed ahead with a range of other projects to support the programme and its impact.

#### **Engagement with emerging talent**

The Ditchley Internship and Intern Alumni programmes continue to provide a long-term foundation to our vision of engaging emergent talent on a global basis, helping to cultivate the leaders of tomorrow and inspiring them to engage with the complex challenges of our times. Furthermore, it is a key element of our talent pipeline.

The programme engages over 50 interns per year from a wide range of universities and countries. In addition to a rigorous open recruitment process, Ditchley works with universities and partners including The Crankstart Foundation at the University of Oxford. The primarily virtual programme runs in a series of cohorts over the year, with all either paid at or above the Oxford living wage or receiving academic credits dependent on their institution.

The programme provides an opportunity for undergraduate and graduate students from diverse backgrounds and geographies to experience the Ditchley model of leadership, engage in career exploration and development, learn new skills and participate in our network – gaining exposure to new people and ideas.

Since the internship programme's inception in 2019, we have developed an active network of around 300 alumni who we engage with regularly via events, debriefs, intern and alumni gatherings and networking evenings.

### **Technology projects**

At Ditchley, our strength stems from our ability to convene and connect key individuals. We are enhancing this core strength through technological innovation and human insight. Our recent migration to a new CRM, Salesforce, has significantly improved our efficiency and technical capacity, paving the way for programme expansion. The upcoming Ditchley website relaunch will see automatic integration with Salesforce, providing a comprehensive view of our extensive work, both past and present. We are also building custom features, like a graph database for deeper network insights and exploring how AI can further improve our operations.

### **Heritage and Building Projects**

After years of planning and enabled by Catherine Wills' transformational legacy, work began on our most ambitious building project yet, the multi-million pound refurbishment of the East Wing of the mansion to provide 7 ensuite period bedrooms of the same quality as the rest of the now refurbished main mansion and, on the ground, floor modern open plan offices for the expanding Ditchley team. The turnkey building phase of the project is scheduled for completion by end October 2025 with furnishings, already designed and selected, immediately to follow. The team should be back in the offices by the end of the year and the first guests in the rooms early in 2026.

Significant progress has been made with regards to the conservation and enhancement of Ditchley's historic collections and interiors. In October 2024, we embarked on a major conservation project focused on the Velvet Room's historic textiles. The room's 18th-century Genoese velvet curtains and pelmets, original to the house's state bedroom, were carefully removed for condition assessment and future conservation by a textile conservator. The work was made possible by generous donor support.

Ditchley Park's collection has been further enriched by two additions, both linked to Sir Winston Churchill. In September 2024, Ditchley was gifted a cigar, attested to have been smoked Churchill during a flight to Nice between 1959 and 1961. It is now being conserved in a humidor in the Ditchley Library. In October 2024, we were delighted to receive the gift of a bust of Churchill, sculpted by artist Paul Rafferty, donated by former Member of the Council of Management and the Finance and General Purposes Committee, Paul Newman. The bust is also now housed in the Library.

### ***The Ditchley Team and Governance***

The three Ditchley Foundations, along with Ditchley Deutschland, remain committed to working in close collaboration to advance the overarching Ditchley mission. We extend our deepest gratitude to all those involved—across Ditchley in the UK, American and Canadian Ditchley, and our newest international partner, Ditchley Deutschland. We continue to work also on extending our networks and reach in Japan, supported by a range of Japanese friends of Ditchley.

It was with great sadness that we learnt of the death of Professor Joseph Nye on 6 May of this year. He was an eminent supporter of the Ditchley project and continued to serve as a Director of American Ditchley until the time of his death. The May 2025 conference which he had planned to attend, *Russia's war in Ukraine*, was the poorer for his absence.

American Ditchley also mourned the loss of Mr Jay Mazur who had similarly served as a Director for many years.

Finally, we were sad to learn of the deaths of former Governors, The Hon. Peter Jay, The Lord Renwick of Clifton and Sir John Ashworth.

### ***Plans for the Future***

The political upheaval in many parts of the world ensures that Ditchley's purpose, to enable open and respectful discussion across divisions of expertise, geography, generations and political opinion, is needed more than ever. Ditchley's strength is its independence and with its well-established transatlantic focus and networks is well placed to develop further philanthropic relationships.

Alongside completion of the current major capital project, the redevelopment of the East Wing, we will also explore options for the repurposing of Lower House as an extension of our conference and meeting facilities, expanding bedroom capacity for guests as well as staff on occasions, but also providing for the possibility of small self-contained retreats and an additional income stream for Ditchley Park Conference Centre Limited.

We are working closely with our sister charity the HDH Wills Trust, which owns and manages the wider Ditchley estate alongside other assets, to identify opportunities for collaboration and efficiencies. Initiatives so far have resulted in an increased use in the kitchen of locally sourced ingredients, joined up estate tenant management, a commitment to a joint conservation plan across the whole Ditchley estate, and similar combined efforts towards achieving longer term environmental sustainability.

### ***Financial Review***

#### **2024-2025**

This reporting year was the first to reflect fully the impact of Dr Catherine Wills' transformational legacy, amounting to a second founding. The legacy ensures the long-term financial sustainability of the Foundation and strengthens our independence and reputation as an honest broker. It gives a firm base for strategic partnerships and funding to enable the Ditchley programme to continue to grow in depth and impact.

During 2024/2025, sales were concluded on several of the more substantial assets within Dr Catherine Wills' legacy. These included the sale of Knockando House (the principal house on the Knockando estate) together with 2 salmon fishing beats on the River Spey and 5 associated residential properties, the Michael Andrews painting School IV Barracuda (via Christie's) and a residential property in Lechlade.

The Craigmill estate (part of the wider Knockando Estate) comprising forestry, tenanted farmland and properties, is currently being marketed for sale. We continue to explore how to make the most of the estate, including renewables potential, whilst respecting its heritage and communities as Catherine Wills would have wanted.

Historically Ditchley Park and Estate has not appeared on the balance sheet as an asset having been gifted to the Foundation at its inauguration. However, and as indicated last year, from 2024/2025 the legacy assets have also been treated differently, and have now been added to the assets register at the probate valuation and subsequently treated as income when sold, and the resulting funds reinvested. This treatment is standard practice for charity accounts of this nature, with the majority of buildings and other art assets not listed where there is no intention to sell.

### **Management and role of the invested portfolio**

As reported last year the legacy funds invested and the renewables of the Knockando estate should create a diverse portfolio of revenue generating assets. Our strategy will be, over the long term, to continue to grow and diversify the invested portfolio as assets are realised and the cash reinvested.

The investment portfolio with a total value of £61.2m in March 2025, consists of £51.5m of investments and a £9.7m investment portfolio in debtors whilst ownership is transferred. This compares to £17.9m in March 2024. Over the year £32m was transferred to investments made up of £25m in May 2025 of held funds, £576k from the sale of a property in Lechlade, and £6.2m from the sale of Knockando House with fishing beats and five associated properties. Since inception, on 1<sup>st</sup> September 2010, the original portfolio has delivered an annualised return of 7.0% pa.in GBP (net of fees).

A new Investment Policy Statement has been adopted by the Finance and General Purposes Committee, and endorsed by the Council of Management. The aim of this Investment Policy Statement is to set out Ditchley's objectives and policy for the management of its financial assets. This new policy will be reviewed in 12 months and will be referred to by the new investment parties upon appointment following a thorough RFP process.

Ditchley's financial investments will be managed on a total return basis, maintaining sufficient diversification across a range of asset classes to produce an appropriate balance between risk and return. The long-term investment objective is to achieve annualised total returns, net of all fees and expenses, that exceed inflation (as measured by UK Consumer Price Index ("CPI")) plus 4% per annum, to be measured over 5 year rolling periods.

For the financial year 2025/2026, the cash balance will continue to be managed closely, avoiding the need for any drawdown from the investment portfolio for operational expenditures. The longer-term capital waterfall projections, reflecting the proposed management of the legacy, should allow for the drawdown to be maintained at a maximum level of 3% in future financial years.

### **Strategic financial risks**

We now have sufficient funds to sustain Ditchley indefinitely and to provide an excellent base for further fundraising. This depends of course on professional management of the investments, hence all the effort we have put into strengthening the Finance and General Purposes Committee with appropriate expertise, agreeing thoughtful policies and using investment consultants to help us choose the right investment managers.

The capital investment plan for the East Wing Project is well underway, following the granting of listed planning consent at the end of August 2024. The total project costs are budgeted for £3m and are fully funded by Dr Catherine Wills' legacy. Progress is on schedule and within budget and completion is expected at the end of October 2025.

Over the course of the last financial year, a more sophisticated approach has been adopted with regards to risk management with risks now listed based on ranking of impact and

business criticality. Dedicated working groups have been set up to review the risk register and compliance requirements on a bimonthly basis with accountability to risks allocated to departmental / functional heads besides the Director. The working groups will use a risk scoring system to manage and update the mitigating actions regularly as part of their roles and risk awareness will be expanded across the organisation.

### **Management of finances**

In FY 2024/2025 the income was £2.4m compared to £2.0m in FY 2023/2024 on a comparable basis and excluding the legacy income. This includes the revenue from Ditchley Park Conference Centre Limited (DPCC) which was £387k, double the income in 2023/2024 of £181k. Income of £842k was higher than budgeted mainly as a result of higher DPCC income and new short term interest income of £167k. This was as a result of well managed short-term deposits with available cash.

As already mentioned, legacy income has been reflected as an asset, moving it from income to the fixed assets on the Balance sheet this year.

Total expenditure of £4.6m, was above the budget as a result of increased costs on mansion and woodlands maintenance, and repairs as a result of weather impact and normal wear and tear. This was in line with the rolling forecast and a small uplift of £0.2m from last year at £4.4m. Half of this increase, £110k, can be explained by new costs associated with the lease agreement for the space at Spencer House, Ditchley's London presence.

### **People matters**

We expanded the team from 58 to 60 staff members, equivalent in FTE's from 38 to 39 at 31 March 2025.

The budget for 2025/2026 included an annual 4% pay rise to reflect the rise in inflation as well as further development and expansion of the team to establish a workforce fit for purpose and future growth.

We maintained our commitment to the Oxford Living Wage for all staff, both permanent and casual, to protect the lowest paid members of our team and to ensure consistency of terms and conditions. Following the year end, we received the official acknowledgement of being an Oxford Living Wage employer by the Economic Department at Oxford City Council.

### ***Development Report***

Ditchley raised £730k in donations during this year from a combination of individuals, trusts and foundations and corporations. We are grateful to our dedicated and growing community of supporters, new and longstanding, all of whom contribute to our mission whilst respecting our resolute independence.

Donations to our 1580 Fellowship are an increasingly important part of our unrestricted income. We hope that those who benefit from and believe in Ditchley will help us grow this income over time by joining the fellowship.

Our development campaign focuses on Ditchley's programme and impact across core themes, along with a small number of historically important heritage conservation projects at Ditchley Park. We continue to maintain and build a small set of strategic partnerships which combine intellectual and financial support and allow us to further expand the programme and to increase our impact.

A full list of donors – trusts and foundations, corporations and individuals – for 2024/25 is included below in alphabetical order

The Aurelius Charitable Trust  
Deutsche Bank  
General Motors  
John D. and Catherine T. MacArthur Foundation  
Lumina Foundation\*  
Microsoft Corporation  
The Charlbury Society  
The William Delafield Charitable Trust

Anonymous  
Lord and Lady Aldington  
Thomas T. Andersen  
Mr Wahid Azaoui  
Ms Melissa Bethell MBA BA  
The Rt Hon. Baroness Virginia Bottomley DL and Sir Peter Bottomley  
Sir Andrew Cahn KCMG  
Mr Sam Daws and Ms Martha Ettouil  
Dr Pinar Emirdag  
Sir Christopher Greenwood GBE CMG KC  
The Rt Hon. Dominic Grieve KC  
Jan Hall OBE  
Russell and Andrea Hartley  
The Rt Hon. The Lord Hill of Oareford CBE  
Mr Will Hutton  
Ms Suzanne Ferlic Johnson\*  
Sir John Kemp-Welch  
Professor Jane E. Kirtley, JD\*  
Mr Shigeru Kitamura  
The Late Sir Richard Lloyd Bt  
Ms Rachel Lomax  
Chris Mairs CBE FREng  
The Rt Hon Sir John Major KG CH  
Mr Jamie Merisotis\*  
Col Mike and Caroline Montagu  
Mr Dan Morrison\*  
Mr David Morrison  
Marc and Odile Mourre  
Mr Paul Newman  
Mr Paul Newman+  
Margaret and Robert Nibbi  
Mrs Elizabeth Padmore  
Mr Jonathan Paris  
Mr Mark Pears CBE  
Sir John Sawers  
Mr James Shinn  
Sir Martin and Lady Smith  
Ms Elizabeth St.John

Lady Elisabeth Stheeman  
Dr Nigel Toon  
Dr Diana Walford CBE MD FRCP FRCPath FFPH  
Mr John B. Wilmoth  
Mr Peter Wilson-Smith  
Dr Dawn Wright\*

Key:

- \* denotes supporters of The American Ditchley Foundation
- + denotes gift-in-kind

Thank you to the many individuals who support our work.

### **Private Events and Other Income**

Ditchley Park Conference Centre Limited (DPCC) saw several longstanding clients return for another year, including The Centre for European Reform, Logos Forum and The School of Tropical Medicine from Oxford. Throughout the course of the year new organisations, such as E3G made bookings and held events, along with some of the more established contacts.

June 2024 saw a new event, with a four-day retreat held by The Craig Farm Historic Foundation, for the USA, which was contracted on Ditchley Park Conference Centre's higher commercial event tariff.

Throughout the year, where the programme allowed, we ran smaller day events and workshops with key partners, such as Historic Houses and Harwell Restoration, which provide a smaller profit, but develop networks within a useful sector.

Overall, the increase in DPCC events resulted in higher income for the year in comparison with FY 2023/2024.

### **Reserves Policy**

The Foundation's core finances are based upon its investment portfolio (valued at £61m as at end March 2025), which still provides the principal source of income. The portfolio is not a reserve, nor managed as such, and in the absence of any dedicated reserve fund, the Council of Management consider it a matter of essential financial discipline that the value of the capital is preserved as far as possible in order that the Foundation can deliver on its founding mission to run its programme for positive impact, rather than for profit or the interest of any party.

#### *Short term reserve*

During this transitional year the funding required to support 2024/2025 activities besides the operational income was held separately in short to medium term deposits with higher interest rates rather than transferred to investment. The expiry of these deposits has been matched to the cashflow requirements. We continue to have a minimum of £400k of liquid reserves available to the Foundation within a week. This sum was agreed as an appropriate amount of short-term reserve to cover contingencies such as major emergency repairs. As at March 2025, the cash balance kept was £882k.

### *Strategic long-term reserves*

The Foundation's strategic aim is to build its invested portfolio to £70m by 2025/2026. The aim will be to take no more than a 3% drawdown annually, allowing the invested portfolio to grow over time. We are exploring a range of investment options to generate the necessary income, including renewable energy income.

As at 31 March 2025, total funds stood at £102m. The level of unrestricted free reserves, after excluding fixed assets and designated funds, stood at £101m.

### ***Financial Resilience Statement***

Ditchley's Trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The budget endorsed for FY 2025/2026 allows for an unrestricted cash balance at the end of the period, in addition to the Foundation's invested portfolio of £61.2m with sufficient liquidity to cover any short-term urgent needs.

### ***Fundraising Compliance Notice***

The Ditchley Foundation receives income from donations and has a trading subsidiary, Ditchley Park Conference Centre Limited. The Ditchley Foundation has signed up to the Code of Practice issued by the Fundraising Regulator. We do not carry out any direct marketing to the public and give clear instructions as to how individuals can be removed from our mailing lists. Our fundraising capability is in-house, and we do not use external commercial participators in our fundraising activities. There have been no complaints about fundraising in the year.

A formal donor policy was reviewed by the Finance and General Purposes Committee and endorsed by the Council of Management in November 2024.

### ***Structure, Governance and Management***

The Ditchley Foundation is "a Company limited by guarantee not having a share capital", incorporated on the 24 February 1958, the Articles of Association having been subsequently amended on the 29 November 1966, 7 July 2007 and 7 July 2018.

Members of the Foundation are currently designated "Governors". They meet at least once a year, whether virtually or in person, at the Annual General Meeting of the Foundation, to approve the Annual Report and accounts of the Foundation and to receive the report of the auditors; to elect, as necessary, in accordance with the Articles of Association, the Council of Management; and to deal with other business of the Foundation. In addition to the AGM, Governors are also invited to further briefings during the course of the year and receive regular updates by email or letter.

Trustees (Members of the Council of Management) are generally selected from the ranks of the Governors and invited to join the Council by the Chairman, acting on the recommendations and advice of the existing Trustees, with a view to maintaining a balance of experience, expertise and background within the body of Trustees. They are subsequently elected by the Governors and serve a four-year term, renewable for one further four-year term.

All Trustees are fully familiar with the aims and ideals of the Foundation.

The administration of the Foundation is carried out by the Council of Management, through the Finance and General Purposes Committee. The day-to-day management of the Foundation is conducted by the Director, who is appointed by, and responsible to, the Council of Management.

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned.

Ditchley Park Conference Centre Limited is the trading arm of the Foundation and oversees events at Ditchley Park when not in use by the Foundation. These events include visits (the house is a Grade I listed historic building), conferences and meetings organised by outside bodies and use of Ditchley Park for education, photography and films.

The Council of Management is responsible for the management of risks faced by the Foundation. Detailed consideration and management of risk are delegated to the Director and his staff. Risks are identified, assessed, and controls established throughout the year with a formal review undertaken tri-annually. A high-level Risk Register was introduced in 2018 and is now reviewed regularly with appointed working groups, six monthly at Finance and General Purposes Committee meeting and, annually by the Council of Management. With the implementation of dedicated working groups, the intention is to allocate deeper accountability across the organisation of risk management and documentation to ensure basic operational stability and compliance. The Register has been updated with risk scoring levels of likelihood and impact.

The Disaster Recovery Plan is subject to ongoing review, particularly regarding the business continuity aspects. The key controls used by the Foundation include:

- The above-mentioned tri-annual meetings of the Council at which the Director and his senior staff brief the Trustees.
- Bi-monthly meetings of the Finance and General Purposes Committee including an annual meeting of the Committee at Ditchley at which they decide on major works and review health and safety procedures.
- Detailed job descriptions for the Director and Senior Staff, which are reviewed in detail on changes of incumbent.
- Due to the value of investments, the investment strategy and performance is discussed at every meeting of the Finance and General Purposes Committee. Additionally, members of this Committee with investment experience liaise with the investment managers as often as market conditions warrant it.
- Bi-monthly meetings of the Risk Committee as well as the Health & Safety Committee to update and discuss any operational risks as well as track the compliance levels 1 and 2 (compliance with the external rules that are imposed upon an organisation as a whole as well as compliance with internal systems of control that are imposed to achieve compliance with the externally imposed rules and internally agreed policies and practices).
- The Company Secretary and CFO report to the Director on a quarterly basis with the relevant risk & compliance updates which will also be reported to the Finance and General Purposes Committee.

Through these processes the Trustees are satisfied that the major risks have been identified and adequately mitigated where necessary.

### ***Trustees' Responsibilities***

As directors, the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are required by UK company law to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the company, and the group, and of the profit or loss of the company and the group for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ending 31 March 2025. They are responsible for keeping appropriate accounting records that disclose with reasonable accuracy at any time the financial position of the company in recognition of their responsibilities under the Companies Act 2006. The Trustees are responsible for taking reasonable steps to safeguard the assets of the company and the group, as well as to prevent and detect fraud and other irregularities.

As far as the Trustees are aware, there is no relevant audit information (information needed by the Foundation's auditors in connection with preparing their report) of which the Foundation's auditors are unaware. Trustees individually have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's Auditors are aware of that information. The Trustees are required to prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charity will continue in operation.

### ***Principal Activities and Business Review***

The consolidated statement of financial activities for the year is set out on page 23. A review of the Foundation's business during the year is contained in the Trustee's Annual Report starting on page 4 and incorporates the requirements of the Directors' report as required by company law.

### ***Dividends***

In accordance with the Memorandum of Association, no dividends may be paid to Members.

### ***Directors***

The Members of the Council of Management are listed on page 2.

By order of the Council of Management,



KATIE WILLIAMS  
Company Secretary

Dated: 16 July 2025

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**

**Opinion**

We have audited the financial statements of The Ditchley Foundation (the "Charity") for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, the Statements 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 group and Charity's affairs as at 31 March 2025 and of the group's 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.

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

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement [set out on page 18], the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**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 engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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](http://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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland FCA  
Senior Statutory Auditor  
for and on behalf of Gravita Audit Oxford LLP  
Statutory Auditor  
First Floor, Park Central  
40-41 Park End Street  
Oxford, OX1 1JD

Date: 28/7/2025 .....

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment Funds 2025 £	Total funds 2025 £	Total funds 2024 £
<b>Income from:</b>						
Donations and grants	3	722,861	7,000	-	729,861	1,047,351
Legacy	3	4,013,814	-	-	4,013,814	74,694,611
Trading turnover of subsidiary (DPCC)		386,860	-	-	386,860	181,414
Legacy – Farming income (DPCC)		83,052	-	-	83,052	633,093
Investment income	4	1,191,780	-	-	1,191,780	74,024
Other sources		<u>44,415</u>	-	-	<u>44,415</u>	<u>83,143</u>
<b>Total income</b>		<u>6,442,782</u>	<u>7,000</u>	-	<u>6,449,782</u>	<u>76,713,636</u>
<b>Expenditure on:</b>						
Raising funds:						
Development administrative costs		25,211	-	-	25,211	57,842
Costs of subsidiary (DPCC)		211,582	-	-	211,582	281,878
Investment management fees		137,538	-	-	137,538	88,900
Charitable activities: Conference programme costs	5	<u>4,261,405</u>	<u>9,116</u>	-	<u>4,270,521</u>	<u>4,093,838</u>
<b>Total Expenditure</b>		<u>4,635,736</u>	<u>9,116</u>	-	<u>4,644,852</u>	<u>4,522,458</u>
<b>Net income/(expenditure) before net gains on investments</b>						
		1,807,046	(2,116)	-	1,804,930	72,191,178
Net gains/(losses) on investments	11	<u>1,239,159</u>	-	-	<u>1,239,159</u>	<u>2,059,665</u>
<b>Net income / (expenditure)</b>		<u>3,046,205</u>	<u>(2,116)</u>	-	<u>3,044,089</u>	<u>74,250,843</u>
<b>Net movement in funds</b>		<u>3,046,205</u>	<u>(2,116)</u>	-	<u>3,044,089</u>	<u>74,250,843</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		98,342,851	2,116	1,000,000	99,344,967	25,094,124
Net movement in funds		<u>3,046,205</u>	<u>(2,116)</u>	-	<u>3,044,089</u>	<u>74,250,843</u>
<b>Total funds carried forward</b>		<u>101,389,056</u>	-	<u>1,000,000</u>	<u>102,389,056</u>	<u>99,344,967</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Fixed assets:</b>			
Tangible assets	9	7,914,964	4,072,723
Investment property	10	27,328,669	4,281,798
Investments	11	<u>51,507,978</u>	<u>17,861,116</u>
		86,751,611	26,215,637
<b>Current Assets</b>			
Stocks	12	42,652	49,202
Debtors	13	15,181,781	39,517,751
Cash at bank and in hand		882,540	27,013,159
Assets held for sale	14	<u>-</u>	<u>6,977,521</u>
		16,106,973	73,557,633
Creditors: amounts falling due within one year	15	<u>(469,528)</u>	<u>(428,303)</u>
<b>Net current assets/(liabilities)</b>		<u>15,637,445</u>	<u>73,129,330</u>
<b>Total assets less current liabilities</b>		<u>102,389,056</u>	<u>99,344,967</u>
<b>Total net assets</b>		<u>102,389,056</u>	<u>99,344,967</u>
<b>Funds</b>			
Endowment funds	17/18	1,000,000	1,000,000
Restricted funds	17/18	-	2,116
Unrestricted funds	17/18	<u>101,389,056</u>	<u>98,342,851</u>
<b>Total funds</b>		<u>102,389,056</u>	<u>99,344,967</u>

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 16 July 2025

The notes on pages 27-47 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

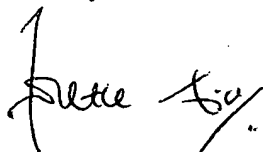
**COMPANY BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
<b>Fixed assets:</b>			
Tangible assets	9	7,914,964	4,072,723
Investment property	10	27,328,669	4,281,798
Investments	11	<u>51,507,978</u>	<u>17,861,118</u>
		86,751,611	26,215,639
<b>Current Assets</b>			
Stocks	12	42,652	49,202
Debtors	13	15,171,852	39,352,270
Cash at bank and in hand		875,369	26,942,663
Assets held for sale	14	<u>                  -</u>	<u>6,977,521</u>
		16,089,873	73,321,656
Creditors: amounts falling due within one year	15	<u>(604,490)</u>	<u>(627,862)</u>
<b>Net current assets/(liabilities)</b>		<u>15,485,383</u>	<u>72,693,794</u>
<b>Total assets less current liabilities</b>		<u>102,236,994</u>	<u>98,909,433</u>
<b>Total net assets</b>		<u>102,236,994</u>	<u>98,909,433</u>
<b>Charity funds</b>			
Endowment funds	17/18	1,000,000	1,000,000
Restricted funds	17/18	-	2,116
Unrestricted funds	17/18	<u>101,236,994</u>	<u>97,907,317</u>
<b>Total funds</b>		<u>102,236,994</u>	<u>98,909,433</u>

The Charitable Company's net movement in funds for the year was £3,327,561 (2024 - £74,029,427)

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 16 July 2025

Company registration number: 599389, Charity registration number: 309657

The notes on pages 27-47 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash generated by operating activities (note 19)	8,374,245	25,073,321
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	1,118,020	74,024
Purchase of tangible fixed assets (note 9)	(4,103,815)	(27,396)
Proceeds from sale of tangible fixed assets (note 9)	12,048	-
Drawdown from investments	-	1,700,000
Purchase of investments	<u>(31,531,117)</u>	<u>-</u>
<b>Net cash provided by investing activities</b>	<b>(34,504,864)</b>	<b>1,746,628</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(26,130,619)</b>	<b>26,819,949</b>
Cash and cash equivalents at the beginning of the year	<u>27,013,159</u>	<u>193,210</u>
Cash and cash equivalents at the end of the year (note 20)	<u><u>882,540</u></u>	<u><u>27,013,159</u></u>

The notes on pages 27-47 form part of these financial statements.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

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

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

**1.2 Company status**

The charitable company is limited by guarantee, incorporated in England and Wales, and no shares are authorised or issued by the Foundation. The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER. Each member undertakes to contribute £1 to the assets of the Foundation in the event of the same being wound up whilst a member, or within a year of ceasing to be a member, for the payment of debts and liabilities of the Foundation contracted before ceasing to be a member, and of the cost, charges and expenses of winding up, such as may be required not exceeding £1.

**1.3 Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**1. Accounting policies (continued)**

**1.4 Income (continued)**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Guest conference income excludes value added tax and represents the invoiced value of goods and services supplied.

**1.5 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds, including the activities of Ditchley Park Conference Centre Limited.

Expenditure on charitable activities comprises the costs of running the conference programme.

Irrecoverable VAT is charged to resources expended.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of the Ditchley Foundation and its subsidiary undertaking, Ditchley Park Conference Centre Limited.

**1.7 Government grants**

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

**1.8 Tangible fixed assets and depreciation**

The house and land at Ditchley Park, acquired by gift, are not valued. Expenditure on improvements is at cost less depreciation.

Individual fixed assets costing £1,000 or more are capitalised at cost.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets and depreciation (continued)**

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

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- between 20 and 50 years
Motor Vehicles	- 5 years
Fixtures and fittings	- Between 3 and 10 years
Office and IT equipment	- Between 3 and 10 years

Artwork valued at £4,000,000 is included within Fixtures and fittings and has been deemed have a realisable value equal to or greater than it's its probate value. Therefore, no depreciation has been included for these items.

**1.9 Investments**

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

Freehold properties held for investment purposes are valued periodically on professional advice and are included in the financial statements at their market value at the year end.

Quoted investments have been valued at the bid market price at the close of business at the year end. The market value of unit trusts and managed funds units is either taken as the bid or Net Asset Value price at the year end as advised by the investment managers.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or subsequent cost and are credited or charged to the Statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the Statement of financial activities based on the market value at the year end.

The investment in subsidiary undertaking is valued at cost less provision for impairment.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**1. Accounting policies (continued)**

**1.12 Debtors**

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

**1.13 Cash at bank and in hand**

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

**1.14 Assets held for sale**

Current assets held for sale consists of assets received within the legacy that are expected to be sold within 12 months of the Balance Sheet date. They are a form of financial instrument and are initially recognised at fair value and subsequently measured at fair value at the Balance Sheet date. Assets held for sale gains and losses, whether realised or unrealised, are combined and shown in the heading '(Losses)/Gains on investments' in the Statement of financial activities.

**1.15 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.16 Financial instruments**

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

**1.17 Pensions**

The pension scheme is a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

**1.18 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**2. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties:

Property valuations are performed annually by the Council, based upon external indications of value (including periodic valuations by qualified Independent Chartered Surveyors) and consideration of market conditions.

Legacy valuation:

A legacy totalling a value of £74,794,611 was received during the previous year. The value of this legacy was based on the estimated value of different assets: investment properties, tangible fixed assets, current assets held for sale, debtors and cash. The values of different assets were based on third party valuations and sales proceeds received. £4,013,814 was received relating to the same legacy this year for updates to values of assets not yet received as of the year ended 31 March 2025.

**3. Income from donations, grants and legacy**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations and grants	722,861	7,000	729,861	1,047,351
Legacy	<u>4,013,814</u>	-	<u>4,013,814</u>	<u>74,694,611</u>
<b>Total 2025</b>	<u>4,736,675</u>	<u>7,000</u>	<u>4,743,675</u>	<u>75,741,962</u>
<b>Total 2024</b>	<u>75,735,962</u>	<u>6,000</u>	<u>75,741,962</u>	

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**4. Investment income**

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Rents receivable	207,785	207,785	70,355
Bank interest	164,670	164,670	3,669
Dividend income	819,325	819,325	-
<b>Total 2025</b>	<u>1,191,780</u>	<u>1,191,780</u>	<u>74,024</u>
<b>Total 2024</b>	<u>74,024</u>	<u>74,024</u>	

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Conference programme costs	<u>4,261,405</u>	<u>9,116</u>	<u>4,270,521</u>	<u>4,299,750</u>
<b>Total 2024</b>	<u>4,064,458</u>	<u>29,380</u>	<u>4,093,838</u>	

**Summary by expenditure type**

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total funds 2025 £	Total funds 2024 £
Conference programme costs	<u>1,878,815</u>	<u>241,947</u>	<u>2,149,759</u>	<u>4,270,521</u>	<u>4,093,838</u>
<b>Total 2024</b>	<u>1,631,028</u>	<u>261,083</u>	<u>2,201,727</u>	<u>4,093,838</u>	

**6. Analysis of expenditure by charitable activities**

	Activities Undertaken Directly 2025 £	Governance Costs 2025 £	Total Funds 2025 £	Total funds 2024 £
Conference programme costs	<u>4,247,441</u>	<u>23,080</u>	<u>4,270,521</u>	<u>4,093,838</u>
<b>Total 2024</b>	<u>4,070,923</u>	<u>22,915</u>	<u>4,093,838</u>	

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**7. Analysis of expenditure on charitable activities**

**Analysis of charitable activities**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Staff costs	1,953,633	1,953,633	1,668,312
Less staff costs allocated to DPCC	(74,818)	(74,818)	(37,284)
Depreciation	241,947	241,947	261,083
Administration	257,923	257,923	250,567
IT	104,742	104,742	106,917
Repairs and maintenance	298,642	298,642	482,083
Household and service costs	327,098	327,098	297,887
Conference and events	377,802	377,802	229,282
Irrecoverable VAT	218,199	218,199	172,344
Development programme costs	500,781	500,781	155,605
Bridge project, Lumina costs and Rotunda	37,046	37,046	54,487
Second floor refurbishment costs	4,446	4,446	280,920
Legacy costs	-	-	148,720
Governance costs	<u>23,080</u>	<u>23,080</u>	<u>22,915</u>
<b>Total 2025</b>	<u>4,270,251</u>	<u>4,270,251</u>	<u>4,093,808</u>
<b>Total 2024</b>	<u>4,093,808</u>	<u>4,093,808</u>	

**Analysis of governance costs**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<b>Total funds 2024 £</b>
Auditor's remuneration	21,100	21,100	22,200
Non-audit fees – other compliance services	<u>1,980</u>	<u>1,980</u>	<u>715</u>
<b>Total 2025</b>	<u>23,080</u>	<u>23,080</u>	<u>22,915</u>
<b>Total 2024</b>	<u>22,915</u>	<u>22,915</u>	

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**8. Staff costs**

	<b>Group 2025 £</b>	<b>Group 2024 £</b>	<b>Company 2025 £</b>	<b>Company 2024 £</b>
Wages and salaries	1,667,737	1,422,154	1,592,919	1,307,333
Social security costs	153,546	128,738	153,546	123,795
Contributions to defined contribution pension schemes	<u>132,350</u>	<u>117,420</u>	<u>132,350</u>	<u>108,426</u>
	<u><b>1,953,633</b></u>	<u><b>1,668,312</b></u>	<u><b>1,878,815</b></u>	<u><b>1,539,554</b></u>

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

	<b>Group 2025 No.</b>	<b>Group 2024 No.</b>
Administration	31	30
Establishment	12	12
Conference	<u>17</u>	<u>16</u>
	<u><b>60</b></u>	<u><b>58</b></u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2025 No.</b>	<b>Group 2024 No.</b>
Administration	24	24
Establishment	11	11
Conference	<u>4</u>	<u>3</u>
	<u><b>39</b></u>	<u><b>38</b></u>

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

	<b>Group 2025 No.</b>	<b>Group 2024 No.</b>
In the band £60,001 - £70,000	1	1
In the band £100,001-£110,000	1	-
In the band £150,001 - £160,000	1	1

No members of the Council of Management received any emoluments during the year (2024: £Nil).

No members of the Council of Management received payment for professional or other services supplied to the Charity (2024: £Nil).

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**8. Staff costs (continued)**

During the year, disbursements of £Nil (2024: £5,341) for travel and associated expenses were incurred by members (2024: 1 member) of the Council of Management while undertaking activities directly associated with the purposes of the Foundation.

The key management personnel of the Foundation comprise the Council of Management, the Director and the Chief Financial Officer. The total employee benefits of the key management personnel of the Foundation were £415,212 (2024: £246,354).

During the year, redundancy costs totalled £59,000 (2024: £69,943) including payments in lieu of notice.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**9. Tangible fixed assets**

Group	Freehold property £	Motor vehicles £	Art Collection Items £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>						
At 1 April 2024	4,568,455	5,000	1,000,000	184,726	1,078,542	6,836,723
Additions	997,460	-	-	75,295	31,060	1,103,815
Disposals	-	-	-	-	(21,881)	(21,881)
Transfers from current assets held for sale	-	-	<u>3,000,000</u>	-	-	<u>3,000,000</u>
At 31 March 2025	<u>5,565,915</u>	<u>5,000</u>	<u>4,000,000</u>	<u>260,021</u>	<u>1,087,721</u>	<u>10,918,658</u>
<b>Depreciation</b>						
At 1 April 2024	1,867,826	4,083	-	50,578	841,513	2,764,000
Charge for the year	121,408	917	-	69,153	50,469	241,947
Depreciation eliminated on disposals	-	-	-	-	(2,253)	(2,253)
At 31 March 2025	<u>1,989,234</u>	<u>5,000</u>	<u>-</u>	<u>119,731</u>	<u>889,729</u>	<u>3,003,694</u>
<b>Net book value</b>						
At 31 March 2025	<u>3,576,681</u>	<u>-</u>	<u>4,000,000</u>	<u>140,290</u>	<u>197,993</u>	<u>7,914,964</u>
At 31 March 2024	<u>2,700,629</u>	<u>917</u>	<u>1,000,000</u>	<u>134,148</u>	<u>237,029</u>	<u>4,072,723</u>

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**9. Tangible fixed assets (continued)**

Company	Freehold property £	Motor vehicles £	Art Collection Items £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>						
At 1 April 2024	4,568,455	5,000	1,000,000	184,726	1,078,542	6,836,723
Additions	997,460	-	-	75,295	31,060	1,103,815
Disposals	-	-	-	-	(21,881)	(21,881)
Transfers from current assets held for sale	-	-	<u>3,000,000</u>	-	-	<u>3,000,000</u>
At 31 March 2025	<u>5,565,915</u>	<u>5,000</u>	<u>4,000,000</u>	<u>260,021</u>	<u>1,087,721</u>	<u>10,918,658</u>
<b>Depreciation</b>						
At 1 April 2024	1,867,826	4,083	-	50,578	841,513	2,764,000
Charge for the year	121,408	917	-	69,153	50,469	241,947
Depreciation eliminated on disposals	-	-	-	-	(2,253)	(2,253)
At 31 March 2025	<u>1,989,234</u>	<u>5,000</u>	<u>-</u>	<u>119,731</u>	<u>889,729</u>	<u>3,003,694</u>
<b>Net book value</b>						
At 31 March 2025	<u>3,576,681</u>	<u>-</u>	<u>4,000,000</u>	<u>140,290</u>	<u>197,993</u>	<u>7,914,964</u>
At 31 March 2024	<u>2,700,629</u>	<u>917</u>	<u>1,000,000</u>	<u>134,148</u>	<u>237,029</u>	<u>4,072,723</u>

Freehold property comprises expenditure on improvements. The House and associated land are valued at £Nil since they were acquired by gift. No value has been attributed to these assets as, in accordance with the wishes of the donor, it is intended that the House and associated land will be held in perpetuity to support the objectives and activities of the Foundation. Ditchley House was built in 1722 and is a listed Grade 1 building. The House and outbuildings are currently insured for £69,846,963.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

Other properties occupied by staff and considered as permanent staff quarters are included at deemed cost based upon a valuation performed at 31 March 2008 by Laws and Fiennes, Chartered Surveyors.

£3,000,000 was transferred from current assets held for sale for art & furnishings received as part of the legacy during the previous year. This has been included at the total of the items' market values.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**10. Investment property**

<b>Group</b>	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2024	4,281,798
Additions	22,696,871
Transfer from current assets held for sale	350,000
Revaluations	-
	<hr/>
At 31 March 2025	<u>27,328,669</u>
<b>Company</b>	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2024	4,281,798
Additions	22,696,871
Transfer from current assets held for sale	350,000
Revaluations	-
	<hr/>
At 31 March 2025	<u>27,328,669</u>

Investment properties comprise properties and farmland on the estate rented on a commercial basis. The last professional valuation of the properties was undertaken in 2021 by Savills, Chartered Surveyors, on an open market value for existing use basis. Council have considered this valuation and its appropriateness. Council decided to increase the value of investment property in line with the Oxfordshire market since the last professional valuation. The farmland was last valued in 2020 and the Council considers this valuation to be materially correct at 31 March 2025.

**The Ditchley Foundation**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**11. Fixed asset investments**

**Group**

	Investment securities £	Uninvested cash £	Total £
<b>Cost of valuation</b>			
At 1 April 2024	17,823,401	37,715	17,861,116
Additions	45,313,140	31,726,312	77,039,452
Disposals	(45,508,735)	-	(45,508,735)
Revaluations	1,239,159	-	1,239,159
Other movements	<u>15,649,157</u>	<u>(14,772,171)</u>	<u>876,986</u>
At 31 March 2025	34,516,122	16,991,856	51,507,978
<b>Net book value</b>			
At 31 March 2025	<u>34,516,122</u>	<u>16,991,856</u>	<u>51,507,978</u>
At 31 March 2024	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,116</u>

**Company**

	Investments in subsidiary companies £	Investment securities £	Uninvested cash £	Total £
<b>Cost of valuation</b>				
At 1 April 2024	2	17,823,401	37,715	17,861,118
Additions	-	45,313,140	31,726,312	77,039,452
Disposals	-	(45,508,735)	-	(45,508,735)
Revaluations	-	1,239,159	-	1,239,159
Other movements	-	<u>15,649,157</u>	<u>(14,772,171)</u>	<u>876,986</u>
At 31 March 2025	2	34,516,122	16,991,856	51,507,980
<b>Net book value</b>				
At 31 March 2025	<u>2</u>	<u>34,516,122</u>	<u>16,991,856</u>	<u>51,507,980</u>
At 31 March 2024	<u>2</u>	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,118</u>

**12. Stocks**

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Finished goods and goods for resale	<u>42,652</u>	<u>49,202</u>	<u>42,652</u>	<u>49,202</u>
	<u>42,652</u>	<u>49,202</u>	<u>42,652</u>	<u>49,202</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**13. Debtors**

	<b>Group</b> <b>2025</b> £	<b>Group</b> <b>2024</b> £	<b>Company</b> <b>2025</b> £	<b>Company</b> <b>2024</b> £
<b>Due within one year</b>				
Trade debtors	25,228	110,036	21,081	89,952
Legacy receivable	15,083,003	39,326,137	15,083,003	39,180,740
Other debtors	2,362	2,344	2,362	2,344
Prepayments and accrued income	47,098	79,234	47,098	79,234
VAT recoverable	<u>24,090</u>	<u>-</u>	<u>18,308</u>	<u>-</u>
	<u><u>15,181,781</u></u>	<u><u>39,517,751</u></u>	<u><u>15,171,852</u></u>	<u><u>39,352,270</u></u>

**14. Assets held for sale**

	<b>Group</b> <b>2025</b> £	<b>Group</b> <b>2024</b> £	<b>Company</b> <b>2025</b> £	<b>Company</b> <b>2024</b> £
Properties	-	975,000	-	975,000
Artwork and furniture	<u>-</u>	<u>6,002,521</u>	<u>-</u>	<u>6,002,521</u>
	<u><u>-</u></u>	<u><u>6,977,521</u></u>	<u><u>-</u></u>	<u><u>6,977,521</u></u>

**15. Creditors: Amounts falling due within one year**

	<b>Group</b> <b>2025</b> £	<b>Group</b> <b>2024</b> £	<b>Company</b> <b>2025</b> £	<b>Company</b> <b>2024</b> £
Trade creditors	172,754	189,782	170,093	184,853
Amounts owed to group undertakings	-	-	167,491	235,118
Other taxation and social security	45,563	41,682	43,821	37,696
Other creditors	9,350	11,369	9,350	11,369
Accruals and deferred income	<u>241,861</u>	<u>185,470</u>	<u>213,735</u>	<u>158,826</u>
	<u><u>469,528</u></u>	<u><u>428,303</u></u>	<u><u>604,490</u></u>	<u><u>627,862</u></u>

**16. Deferred income**

	<b>Group</b> <b>2025</b> £	<b>Group</b> <b>2024</b> £	<b>Company</b> <b>2025</b> £	<b>Company</b> <b>2024</b> £
Deferred income	<u>24,826</u>	<u>25,636</u>	<u>-</u>	<u>1,992</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**16. Deferred income (continued)**

Deferred income is included in the financial statements as follows:

	<b>Group 2025</b>	Group 2024	<b>Company 2025</b>	Company 2024
	£	£	£	£
Deferred income is included within:				
Current liabilities	<u>24,826</u>	<u>25,636</u>	<u>-</u>	<u>1,992</u>
Movements in the year:				
Deferred income at 1 April 2024	25,636	29,137	1,992	1,992
Released from previous periods	(25,542)	(29,043)	(1,992)	(1,992)
Resources deferred in the year	<u>24,732</u>	<u>25,542</u>	<u>-</u>	<u>1,992</u>
Deferred income at 31 March 2025	<u>24,826</u>	<u>25,636</u>	<u>-</u>	<u>1,992</u>

Deferred income relates to rents received in advance and conference deposits.

**17. Statement of funds**

**Statement of funds – current year**

	<b>Balance at 1 April 2024</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2025</b>
	£	£	£	£	£
<b>Endowment funds</b>					
Artwork fund	1,000,000	-	-	-	1,000,000
<b>Restricted funds</b>					
Travel fund	2,116	-	(2,116)	-	-
Earmarked donations	-	7,000	(7,000)	-	-
<b>Unrestricted funds</b>					
General funds	<u>98,342,851</u>	<u>6,442,782</u>	<u>(4,635,736)</u>	<u>1,239,159</u>	<u>101,389,056</u>
<b>Total funds</b>	<u>99,344,967</u>	<u>6,449,782</u>	<u>(4,644,852)</u>	<u>1,239,159</u>	<u>102,389,056</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**Statement of funds – prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Endowment funds</b>					
Artwork fund	-	1,000,000	-	-	1,000,000
<b>Restricted funds</b>					
Travel fund	25,496	-	(23,380)	-	2,116
Earmarked donations	-	6,000	(6,000)	-	-
<b>Unrestricted funds</b>					
General funds	<u>25,068,628</u>	<u>75,707,636</u>	<u>(4,493,078)</u>	<u>2,059,665</u>	<u>98,342,851</u>
<b>Total funds</b>	<u>25,094,124</u>	<u>76,713,636</u>	<u>(4,522,458)</u>	<u>2,059,665</u>	<u>99,344,967</u>

**18. Summary of funds**

**Summary of funds – current year**

	Balance at 1 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2025 £
Endowment funds	1,000,000	-	-	-	1,000,000
Restricted funds	2,116	7,000	(9,116)	-	-
Unrestricted funds	<u>98,342,851</u>	<u>6,442,782</u>	<u>(4,635,736)</u>	<u>1,239,159</u>	<u>101,389,056</u>
<b>Total funds</b>	<u>99,344,967</u>	<u>6,449,782</u>	<u>(4,644,852)</u>	<u>1,239,159</u>	<u>102,389,056</u>

**Summary of funds – prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Endowment funds	-	1,000,000	-	-	1,000,000
Restricted funds	25,496	6,000	(29,380)	-	2,116
Unrestricted funds	<u>25,068,628</u>	<u>75,707,636</u>	<u>(4,493,078)</u>	<u>2,059,665</u>	<u>98,342,851</u>
<b>Total funds</b>	<u>25,094,124</u>	<u>76,713,636</u>	<u>(4,522,458)</u>	<u>2,059,665</u>	<u>99,344,967</u>

Endowment funds consist of inherited works of art that cannot be sold.

Restricted funds are non-staff project specific expenditure, earmarked by the donor.

Unrestricted funds are allocated towards the general Ditchley Foundation programme, staff costs, associated technology and infrastructure.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**19. Analysis of net assets between funds**

**Analysis of net assets between funds – current year**

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £
Tangible fixed assets	6,914,964	-	1,000,000	7,914,964
Fixed asset investments	51,507,978	-	-	51,507,978
Investment property	27,328,669	-	-	27,328,669
Current assets	16,106,973	-	-	16,106,973
Creditors due within one year	<u>(469,528)</u>	<u>-</u>	<u>-</u>	<u>(469,528)</u>
<b>Total</b>	<u><b>101,389,056</b></u>	<u><b>-</b></u>	<u><b>1,000,000</b></u>	<u><b>102,389,056</b></u>

**Analysis of net assets between funds – prior year**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	3,072,723	-	1,000,000	4,072,723
Fixed asset investments	17,861,116	-	-	17,861,116
Investment property	4,281,798	-	-	4,281,798
Current assets	73,555,517	2,116	-	73,557,633
Creditors due within one year	<u>(428,303)</u>	<u>-</u>	<u>-</u>	<u>(428,303)</u>
<b>Total</b>	<u><b>98,342,851</b></u>	<u><b>2,116</b></u>	<u><b>1,000,000</b></u>	<u><b>99,344,967</b></u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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

	<b>Group 2025 £</b>	<b>Group 2024 £</b>
Net income for the year (as per Statement of Financial Activities)	3,044,089	74,250,843
<b>Adjustments for:</b>		
Depreciation charges	241,947	261,083
Investment property gain	-	(814,970)
Gains on investments	(1,239,159)	(1,244,695)
Dividends, interests and rents from investments	(1,118,020)	(74,024)
(Increase)/decrease in stocks	6,550	169
(Increase)/decrease in debtors	24,335,970	(39,321,621)
Increase/(decrease) in creditors	41,225	(94,844)
(Increase)/decrease in current assets held for sale	6,977,521	(6,977,521)
Other investment movements	(876,986)	88,903
Exchange rate gains	401	2,275
Legacy fixed assets and investments received	(23,046,871)	(1,000,000)
Loss/(profit) on sale of tangible fixed assets	<u>7,578</u>	<u>(2,277)</u>
<b>Total funds</b>	<u><b>8,374,245</b></u>	<u><b>25,073,321</b></u>

**20. Analysis of cash and cash equivalents**

	<b>Group 2025 £</b>	<b>Group 2024 £</b>
Cash in hand	<u>882,540</u>	<u>27,013,159</u>
<b>Total cash and cash equivalents</b>	<u><b>882,540</b></u>	<u><b>27,013,159</b></u>

**21. Analysis of changes in net debt**

	<b>At 1 April 2024 £</b>	<b>Cash flows £</b>	<b>At 31 March 2025 £</b>
Cash in hand	<u>27,013,159</u>	<u>(26,130,619)</u>	<u>882,540</u>
<b>Total cash and cash equivalents</b>	<u><b>27,013,159</b></u>	<u><b>(26,130,619)</b></u>	<u><b>882,540</b></u>

**22. Capital commitments**

	<b>Group 2025 £</b>	<b>Group 2024 £</b>	<b>Company 2025 £</b>	<b>Company 2024 £</b>
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	<u>1,855,740</u>	<u>-</u>	<u>1,855,740</u>	<u>-</u>

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**23. Operating lease commitments**

At the reporting end date the Charity had outstanding commitments for future minimum payments under non-cancellable operating leases, which fall due as follows:

	<b>Group 2025 £</b>	<b>Group 2024 £</b>
Within one year	5,160	11,604
Between two and five years	<u>6,450</u>	<u>13,968</u>
	<u>11,610</u>	<u>25,572</u>

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements was £5,160 (2024: £10,794).

**24. Pensions commitments**

The Foundation maintains a pension scheme covering all of its employees. It is a defined contribution scheme (employer 10%) administered by the Trustees. Its funds are kept separate from those of the Foundation. Contributions outstanding at 31 March 2025 were £15,500 (2024: £12,000). The pension cost charge represents contributions payable by the Foundation in accordance with the rules of the scheme.

**25. Principal subsidiary**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Company number</b>	<b>Holding</b>	<b>Included in consolidation</b>
Ditchley Park Conference Centre Limited	01944182	100%	Yes

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) for the year £</b>	<b>Net assets £</b>
Ditchley Park Conference Centre Limited	470,607	(318,547)	152,060	152,060

The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

**26. Related party transactions**

In the year, 3 Trustees (2024: 4 Trustees) made donations totalling £8,960 (2024: £14,160) to the Foundation under the 1580 Fellowship Scheme.

The wife of the Foundation's Director, K Arroyo, was paid £5,500 in the year (2024: £19,000) for interior design consultancy work as part of the second floor, east wing and lower ground floor projects.

Marjorie Neasham Glasgow, who is a Trustee, was also a Trustee of The Glasgow Foundation. During the previous year The Glasgow Foundation donated £20,252 to the Foundation.

Jamie Merisotis, who is a Trustee, was also a Trustee of Lumina Foundation. During the previous year, The Lumina Foundation donated £475,174 to the Foundation.

**THE DITCHLEY FOUNDATION**

England & Wales - Charity number 309657

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# Accounts

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*Think*  
*new things*  
*Make*  
*new connections*

THE COUNCIL'S  
ANNUAL REPORT  
AND ACCOUNTS  
2023-2024

DITCHLEY

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## **Office Holders, Trustees and Committee Members**

### **COUNCIL OF MANAGEMENT**

*[Trustees of the Foundation]*

#### *Chairman*

The Right Honourable the Lord Hill of Oareford CBE

#### *Members of the Council*

Ms Rushanara Ali MP

The Lord Bridges of Headley MBE

Ms Pamela Dow

Mrs Marjorie Neasham Glasgow BEM LL

\* His Excellency the Honorable Ralph Goodale PC

The Right Honourable Dominic Grieve KC

Sir Julian King GCMG, KCVO

Mr James Landale

The Rt Hon the Lord Mandelson

Mr Jamie P Merisotis

Mr David Morrison

Mrs Elizabeth Padmore

Ms Emma Reynolds MP

The Most Honourable The Marquess of Salisbury KCVO PC DL

The Hon. Robert Wills

#### *Company Secretary*

Ms Katie Williams

\* The High Commissioner for Canada serves as an ex-officio member of the Council of Management for the duration of their tenure as representative to the Court of St James.

### **THE FOUNDATION'S EXECUTIVE STAFF**

*Director:* Mr James Arroyo OBE

*Chief Operating Officer:* Ms Wendy Shepherd

*Head of Programme Delivery and Company Secretary:* Ms Katie Williams

Registered office: Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER

A company registered in England (No. 599389) limited by guarantee and not having a Share Capital, registered as a Charity (No. 309657) and exempt from Income Tax and Capital Gains Tax.

Auditors: Critchleys Audit LLP, Oxford

Bankers: Barclays Bank plc, Oxford

Investment Managers: Partners Capital LLP, Cazenove Capital Management

Solicitors: Julian Taylor Solicitors, Bower Bailey

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

### *Chairman*

Mr David Morrison

### *Members*

Mr James Arroyo OBE

Mr Nicholas Ferguson CBE

Ms Rachel Lomax (retired 9 November 2023)

Mrs Elizabeth Padmore

The Hon Rupert Soames OBE (appointed 18 December 2023)

The Hon. Robert Wills

### *Secretary*

Ms Wendy Shepherd

## **PROGRAMME COMMITTEE**

### *Chairman*

The Rt Hon. Douglas Alexander MP

### *Members*

Mr Bim Afolami FRSA (retired 9 March 2024)

Mr James Arroyo OBE

Ms Rhiannon Bearne (appointed 26 April 2024)

Ms Melinda Bohannon (retired 27 October 2023)

Mr Rüdiger Bohn

Ms Jessica Cecil (appointed 28 March 2024)

Deputy High Commissioner Robert Fry

Mr Charles Grant CMG (retired 16 May 2024)

Mr Will Hines (retired 8 May 2024)

Mr Darren Jones MP

Ms Elizabeth Linder (retired 8 March 2024)

Mr Hiroshi Matsuura

Ms Alison McGovern MP

Dr Munira Mirza (appointed 28 March 2024)

Professor Rana Mitter OBE FBA

Dr Edwina Moreton OBE (retired 8 March 2024)

Mr Rajay Naik (retired 8 March 2024)

Professor Sir Adam Roberts KCMG FBA (retired 8 March 2024)

Ms Sonia Sodha

The Right Honourable Rory Stewart OBE (Retired 8 March 2024)

Ms Jo Swinson CBE (retired 8 March 2024)

Ms Kate White CMG (appointed 10 May 2024)

Mrs Xenia Wickett (retired 8 March 2024)

### *Secretary*

Ms Liz Greenhalgh

## ***The Trustees' Annual Report***

### ***Aims, Objectives, Activities and their Public Benefit***

The overarching aim of the Foundation as set out in its Articles of Association is “to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education, likely to be for the common benefit of British subjects on the one hand and citizens of the United States of America on the other”. More specific objectives are the advancement of education and improvement of public policy-making in the UK, North America and beyond.

This broad statement from the inauguration of the Foundation in 1958 still holds true but has been clarified for the challenges facing the world 66 years on. Our aim is to help sustain peace, freedom and order through the renewal of democratic societies, states and their alliances.

Ditchley brings people together to think new things and make new connections. We orchestrate frank conversations across divides and create space for strategic thinking.

Our primary route to impact is through people, engaging the individuals and organisations with direct influence over outcomes. Ditchley discussions address complex challenges that, as a rule, do not have simple solutions.

Ditchley is independent and not bound by the interests of any government, political party or company. We aim to find and include outstanding talent from all quarters. Ditchley is committed to ensuring and encouraging access for everyone, regardless of disability, age, gender, cultural or social background, sexual orientation, faith, location or wealth.

We publish the outcomes of conferences and other events for public benefit. We also share insights and conclusions with government ministers, civil servants, journalists, business and technology leaders and others in a targeted way, either by direct briefings, post-conference briefings to the Ditchley community, or through subsequent small group discussions exploring particular ideas or themes which require further examination. Ditchley has an increasingly wide range of partnerships with other organisations and seeks to work on issues in coordination rather than isolation, aiming to achieve maximum impact and efficiency.

The public benefits generated by Ditchley are a deeper understanding amongst decision makers and influencers of issues of international concern across different fields, delivering in turn a wider public good. By design, Ditchley addresses the systemic long-term challenges we face, and so benefits are often difficult to quantify through short-term metrics. Nonetheless these benefits are clearly attested by participants' feedback.

*The Ditchley experience is unique and extremely rewarding -- a stimulating conference, on a timely subject, with interesting participants, in an historic setting, managed with warmth and good cheer. I highly recommend it!*

Ambassador Kenneth I Juster, Distinguished Fellow, Council on Foreign Relations – Partnering with the Indo-Pacific, November 2023

*Participating in Ditchley was an opportunity to see things differently. What was once a familiar topic is now new and exciting, and I feel empowered with further questions to think about. I have never experienced such an enriching two days, swept away in one of the most beautiful places in the world.*

Dr Takako Hikotani, Professor, Gakushuin University International Centre - Partnering with the Indo-Pacific, November 2023

Exceptionally busy and influential people continue to make time to participate in Ditchley events, whether face to face at Ditchley Park, at other venues abroad, or virtually. The Ditchley experience is educative even for those at the height of their careers and widely appreciated as a valuable contribution to public life. Ditchley conversations inform the reporting and develop the thinking on key issues of many respected journalists and news outlets.

*The possibility of impact is great at Ditchley, where people who make decisions seek diverse perspectives in a safe environment. Every conversation inches us toward solutions that matter.*

Dr Mary Flanagan, Sherman Fairchild Distinguished Professor in Digital Humanities  
Dartmouth College – The impact of AI on work and education, February 2024

No individual receives financial benefit from Ditchley. Where events are residential, board and accommodation are provided in exchange for participants' time and expertise.

Ditchley offers the house and its gardens without charge to charities in Oxfordshire and the surrounding area for several fundraising events per annum. In the last year Ditchley has hosted 4 such events.

The Foundation maintains Ditchley Park as a historic house, part of the national heritage. It is open by appointment to individuals, groups and societies to study its history, art and architecture. The public is given access to the building on 14 days a year in the form of pre-booked guided tours for a small charge.

Ditchley is committed to reducing its carbon footprint and has undertaken a comprehensive analysis of greenhouse gas emissions with external support to provide a baseline from which to develop a responsible and deliverable approach to carbon reduction.

Ditchley's Director and other members of the team undertake a range of other activities to promote the reputation and objectives of the Foundation and to attract new participants and supporters. They regularly participate in discussions with policy-makers and thought leaders in the UK, Europe, North America and far beyond, to explore opportunities for collaboration, attract expert participants to the Ditchley programme, and to share insights from Ditchley discussions.

Some of the objectives stated in the Foundation's original Articles of Association of 1958 (such as "to establish fellowships, scholarships and prizes" and "to establish paid residential or other fellowships") are not currently part of Ditchley's programme but are actively being considered within Ditchley's current development plans.

All new Trustees are provided with a copy of the Charity Commission's guidance "The Essential Trustee (CC3)" together with Ditchley's Articles of Association. The training needs of trustees are kept under review.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in fulfilling their duties and in setting the Foundation's objectives and planning its activities.

## ***Report of 2023-2024***

### **Context**

This year has seen momentous events on the global stage. The much-heralded Ukrainian counteroffensive against Russia's war of aggression did not make decisive breakthroughs and the war is set to continue for some years, assuming that Russia's incremental advances can

be contained, and western support continues. Hamas' appalling marauding terrorist attacks on Israeli communities on 7 October and the subsequent much contested Israeli devastating response has led to a humanitarian crisis. Careful diplomacy has, so far at least, averted the breakout of a broader Middle East War, and Arab states, and many Israelis and Palestinians, remain open to peace and normalisation if a political way forward can be found. Nonetheless it is a powder keg even by historical standards.

The US and China have resumed back-channel talks and reduced the risk of an outbreak of conflict due to mutual misunderstanding. But geopolitical competition continues to simmer with tariffs and counter tariffs back on the agenda and the US looking to technology and industrial policy to maintain its current lead on AI over China. Ditchley realised earlier than most organisations that 21<sup>st</sup> century power will be contested through technologies which are developing at an exponential rate. We were thus well placed to hold the right discussions with the right people when the release of ChatGPT brought the technology into public and political consciousness.

With 2023 the hottest year on record, extreme weather events have become a norm. Whilst at COP27 global leaders signalled the beginning of the end of the fossil fuel era and acknowledged progress is too slow, geopolitics continues to hinder progress in climate action and the cost of living crisis due to inflation put the spotlight on growth and cheaper energy. Governments that sought to press on with climate action, as in Germany, quickly became unpopular.

Whether from the left or the right, from the US to the UK, incumbent governments have come under pressure from electorates disillusioned with economic stagnation, declining services and a general sense of creeping chaos. In some countries, for example Poland, this has marked a turning away from authoritarianism and back towards more orthodox liberal democracy. In other countries then the far right is surging forwards. The US remains as polarised as ever with the coming election between President Biden and President Trump too close to call. A range of elections around the world could leave the political landscape transformed.

### ***The 2023-2024 Programme of Events***

A strength of our programme is its agility in responding to emerging and evolving challenges. There were ten Ditchley conferences over the period covered by this report, each followed by a post-conference briefing via 'the Bridge', the world-leading audio-visual capability installed in the library. Our impact primarily flows through what those engaged in Ditchley discussions take back to the complex challenges with which they are grappling. Our online briefings, attended by over 600 individuals, have expanded that interface, swiftly disseminating key ideas and themes from the discussions to the right constituencies. Whilst Ditchley is about people not reports, short conference summaries are also distributed widely.

*There's a magic formula at the heart of Ditchley that I don't think could be replicated anywhere else. It manages to spark the most insightful and thought-provoking global discussions.... Basically, Ditchley is one of the UK's most important contributions to global policy making*

John Hancock, Head, Policy Development, World Trade Organisation - Partnering with the Indo-Pacific, November 2023

Beyond the gold standard conference programme, Ditchley has hosted around 100 other sessions ranging from large scale events to small working group discussions. The programme of working group discussions, hosted by the team of Network Leads, with each focused on informing and defining a specific theme, are now a permanent element in Ditchley's approach

to addressing complex challenges. These sessions also often act as a first introduction to the Ditchley style of discussion for new contacts identified through research or recommendations.

We have continued to partner with other organisations aligned with Ditchley's purpose, values and objectives. There have been collaborations with for example the MacArthur Foundation, the White House National Security Council, Stanford University and Oxfam.

Ditchley Deutschland has been firmly established with an informal senior board and a head of Ditchley Deutschland based in Berlin but fully integrated with the team in the UK. Formally launched in June 2023, with the inaugural conference *Evolving alliances: How does coordination of democratic countries' interests need to evolve in response to geo-politics today*, subsequent events have included a roundtable on *The geopolitics of AI: what do advances in artificial intelligence mean for European states' power and capabilities?* and an important side event discussion at the 60<sup>th</sup> Munich Security Conference on the Ukraine war. German and broader European participation in Ditchley's wider programme has also been strengthened.

## I Geopolitics

A significant programme of work was undertaken on this theme including six conferences, a series of small group sessions, the Annual Lecture and other events in collaboration with significant partners.

The continued impact of Russia's invasion and occupation of Ukraine has again shaped our programme. In June 2023 we reconvened and refreshed a core group of participants which included the Supreme Allied Commander of Europe, General Christopher G. Cavoli, to continue to think through the challenges and implications at *Russia and Ukraine: how will the counter offensive impact on our short- and long-term strategy for security in Europe and beyond?* During the 60<sup>th</sup> Munich Security Conference in February, Ditchley regrouped key decision makers at a dinner examining how the NATO alliance could deliver a free and democratic Ukraine and reassert globally democratic resolve, strength and deterrence. This discussion built on some of the findings from the June 2023 Ditchley conference and developed thinking and connections ahead of a further conference in May 2024.

Two conferences examined themes within the business community. At Greentree, NY in April 2023, *What does geopolitics today mean for business tomorrow*, brought together leaders in business to think through the challenges of the shifting geopolitical landscape. *Africa and business: can African entrepreneurs lead a new era of economic development* drew on strands from across each Ditchley theme and discussed how partners, investors, governments and the international community could best work with the private sector.

The three other conferences addressing this theme and related issues were held in Kronberg, Germany, Greentree, NY and at Ditchley Park. They were *Evolving alliances: how does coordination of democratic countries' interests need to evolve in response to geopolitical pressures* in June 2023; *Authoritarian Alliances: an alternative world order in the making or just marriages of convenience* in September 2023; and *Partnering with the Indo-Pacific: how can the West best partner with the fast-growing economies of the Indo-Pacific to maximise global economic growth, make progress on the climate crisis and increase shared resilience to shocks?* in November 2023;

During the year we also initiated a more formal European Politics Programme with an initial focus on deepening engagement with and building networks within the Western Balkans.

## Annual Lecture

The 59<sup>th</sup> Ditchley Annual Lecture was delivered on Saturday 1<sup>st</sup> July 2023 by U.S. Central Intelligence Agency Director William J. Burns on the subject *A World Transformed and the Role of Intelligence*. He argued that the US and its allies have to adapt to a world of permanently contested primacy. Strategic competition with a rising and ambitious China and war with a declining but disruptive Russia are making addressing transnational threats such as the climate crisis and global pandemics more difficult. This is being played out against the backdrop of a technological revolution that will fundamentally transform human lives. The revolution in technology is a primary arena for strategic competition, which highlights the need for partnership amongst like-minded countries for maximised benefit and minimised danger. Yet the value of intelligence remains as important as ever. Whilst the landscape of intelligence and espionage is rapidly changing in the technological revolution, investment in people as well as technology is vital. Diplomacy, human interactions, and direct contact are important for both strengthening existing ties and communicating with fierce adversaries. Deepened intelligence partnerships and renewed commitment to intelligence diplomacy are essential, as we work with our allies to support free, open, and prosperous societies.

## II Education and democracy

In collaboration with the MacArthur Foundation, *The new Fourth Estate revisited: how can we strengthen the news and information landscape in advance of the likely tough challenges of 2024?* was the second in a series of conferences on the topic. It explored the changing media landscape and the challenges that lie ahead for the news media as a source of trustworthy information for citizens as we entered 2024 – a record year of elections across the world.

*The impact of AI on work and education* explored issues to inform innovation and policy changes in education and considered the practical steps which can be taken now to prepare. The week-long annual Lumina summit in autumn 2023 *Where Agency and Resilience Meet Opportunity*, included workshops, working group sessions and panel discussions. Specific sessions included *Understanding the Intersection of Despair and Misinformation* and a gathering of Ditchley's Intern Alumni in London for a *Disinformation Resilience Workshop*.

Cross-party discussions on regionalism have continued, with a particular focus in the North East of England.

## III Technology and democracy

The impact of Artificial Intelligence (AI) was a recurrent and cross-cutting theme in almost every Ditchley discussion across our programme as we seek to understand the balance of opportunities and threats to democratic societies and the security of our world. Having been ahead of the curve, Ditchley remains at the centre of evolving thinking in the UK and US and is well positioned to join the dots across companies, academics and government.

Ditchley convened two conferences specifically focused on AI: *Transforming democracy: how can democratic states best use AI and thrive?* in January 2024 and *The Impact of AI in work and education* in February 2024.

Ditchley hosted a number of important collaborative events. In advance of the first AI Safety Summit hosted by the UK Government at Bletchley Park in November 2023, Ditchley convened an international dialogue of global experts, notably from the US and China, in October to explore understandings and prepare for the Summit. In April 2023, in collaboration with the U.S. National Security Council, Ditchley convened a range of experts and investors to discuss capital controls on investment in Chinese technology at *Fostering resilient innovation: the role of capital*.

Ditchley's Data in Democracies programme aims to accelerate the development of norms for data sharing and technology regulation across democratic states. A series of working sessions focused on how to maintain information integrity and create trustworthy information ecosystems online in the face of a growing number of cybersecurity and geopolitical challenges. This was followed in September 2023 with *Advancing Transatlantic Principles for Appropriate Law Enforcement: Access to Data to Combat Serious Crime* – a timely discussion in fast moving technological advancements and with forthcoming elections.

#### **IV Climate and energy**

The climate and energy programme and network is built on the emerging theme of challenging climate action in a geopolitically competitive world.

With understanding derived from work on the challenge of critical minerals, Ditchley's second hybrid Climate and Energy Summit in October 2023 focused on how to deliver the green transition in a way that is politically achievable. A series of small working group sessions followed, including on learning from the US in avoiding polarisation.

With climate change as a major intelligence priority a key element of Director Burns lecture, Ditchley planned a further Summit in April 2024 *Khaki Green: National Security and opportunities for growth in the green transition*.

Details of all conferences, and other virtual discussions and events can be found on the Ditchley website: <https://www.ditchley.com/events/past-events>

#### **Other Projects**

Alongside the delivery of the thematic programme, Ditchley has pressed ahead with a range of other projects to support the programme and its impact.

#### **Engagement with emerging talent**

The Ditchley Internship and Intern Alumni programmes continue to provide a long-term foundation to our vision of engaging emergent talent on a global basis, helping to cultivate the leaders of tomorrow and inspiring them to engage with the complex challenges of our times. Furthermore, it is a key element of our talent pipeline recruiting into the role of Network Lead.

The programme engages over 50 interns per year from a wide range of universities and countries. In addition to a rigorous open recruitment process, Ditchley works with universities and partners including The Crankstart Foundation at the University of Oxford. The primarily virtual programme runs in a series of cohorts over the year with all either paid at or above the Oxford living wage or receiving academic credits dependent on their institution. We also welcome 5 Canadian students selected and supported by the Canadian Ditchley Foundation, who are resident at Ditchley for a week in August.

The programme provides an opportunity for undergraduate and graduate students from diverse backgrounds and geographies to experience the Ditchley model of leadership, engage in career exploration and development, learn new skills and participate in our network – gaining exposure to new people and ideas.

Since the internship programme's inception in 2019, we have developed an active network of over 220 alumni who we engage with regularly via events, debriefs, intern and alumni gatherings and networking evenings.

## **Technology projects**

Ditchley's impact is through the people we convene and connect, which requires a combination of both technology and human expertise. Final testing of the migration of our current relationship management system to Salesforce will deliver both efficiency gains and enhanced technical capabilities, enabling further expansion of the programme and a new website to reflect the scale and depth of the Ditchley programme past and future. It will also transform our capacity to generate useful insights on our networks through the interconnected knowledge of our graph database. Other bespoke capabilities are being developed, such as an AI-enhanced assistant for exploring our historically important archive and tools to help us curate the best mix of participants for a discussion.

## **Heritage Projects**

With the completion of the Elizabethan Rooms on the second floor of the house, the 14 bedrooms have been welcoming participants with outstanding feedback on their experience.

Expert conservationists undertook a deep clean of the Velvet Room, one of the state rooms in the house which remains closest to how it was originally presented, hung with unique and historically significant 18<sup>th</sup> Century wall hangings installed in 1738.

An unexpected find was the discovery of an arched subterranean store room beneath the saloon terrace. A full archaeological dig has yet to be conducted but early investigations suggest that it might be a Tudor wine cellar from the original Elizabethan hunting lodge on the Ditchley estate.

Work on the wider estate continues apace, renovating properties for open market rental and working towards our carbon reduction goals.

## ***The Ditchley Team and Governance***

The members of the three Ditchley Foundations continue to work closely together to deliver the over-arching Ditchley mission and a debt of gratitude is owed to all those involved with Ditchley in the UK, American and Canadian Ditchley and our newest international partner, Ditchley Deutschland. Thanks are also owed to our Japanese support group who are helping us build our networks in Japan.

Over the past year, we have noted with sadness the deaths of Mr John Bruton who was a Governor from 1999 until 2012, and Mr Francis Finlay and Mr Anthony Loehnis. Both served as members of the Council of Management and were also former Chairmen of the Finance and General Purposes Committee. Mr Finlay was also a member of the American Ditchley Board of Directors. They were staunch supporters of the Ditchley project giving of their time and expertise over many years, as well as being active donors.

American Ditchley also mourned the loss of Mr James F Hoge Jr who was Chairman of the Advisory Council and a member of the Board for many years until his death in September 2023, and Mr John G Heimann who was a former Director. Likewise, The Hon Hugh Segal, remained a member of the Canadian Ditchley Advisory Programme Committee until his passing in August 2023.

We would like to acknowledge with sadness the death of Dr Henry Kissinger whose association with Ditchley spanned sixty years from when he first came to Ditchley in 1962 for an early conference on nuclear weapons targeting in Europe chaired by former Secretary of

State Dean Acheson. We are grateful to The American Ditchley Foundation for endowing the Kissinger bedroom at Ditchley and in his letter acknowledging this honour, Dr Kissinger wrote:

*Ditchley seems an imposing setting to the first-time visitor. And yet....it conveys "an effect of splendid naturalness" that encourages profound reflection and intimate conversation...I am confident that Ditchley will continue as a vital venue for the discussions that sustain freedom, order and peace.*

### **Plans for the Future**

Ditchley will continue to convene a variety of discussions to address the most challenging issues of our time, providing a space for serious conversation across divides, aiming to build a community of 'thoughtful doers', drawn from all parts of society and many nations.

The full extent of Dr Catherine Wills' generous legacy is evident from the accounts which follow. Aside from securing Ditchley's future, it has also enabled plans for the redevelopment of the East Wing to become a reality. This will increase capacity for in-person guests, as well as providing modern office accommodation. Planning for this development has been a major focus over the past year and we are in the final stages of securing the necessary approvals and preparation for the relocation of staff offices and accommodation whilst the work is undertaken. Onsite work is scheduled to commence in September 2024.

Work is also underway as the financial year closes on the establishment of Ditchley London. This meeting space in the heart of the city will enable us to bring yet more people into our discussions and to increase our impact and influence. Ditchley London will not substitute for Ditchley Park but promises to be an effective route to it.

### **Financial Review**

#### **2023-2024**

The financial year is best viewed through two lenses. The first lens is what has become business as usual, with investment drawdown, donations income, commercial income and estate income on one side of the balance sheet funding programme and operational costs on the other. From this, we also were able to complete the capital project of refurbishment of the second floor. An additional seven ensuite bedrooms were finished in July 23, giving a total of 23 bedrooms within the main part of the house.

The second lens was an eye on the future, based on Dr Catherine Wills' transformational legacy to Ditchley, amounting to close to an estimated £75m in value. The certainty of this legacy enabled us to maintain momentum, including drawing down more from our existing invested portfolio in FY23/24 than we would have been prepared to do in other circumstances. As funds from the legacy are realised then we have been able to map out a sustainable expenditure plan, for the next few years, ensuring that our drawdown from our investments leave sufficient invested for the capital sum gradually to accumulate. In short this means that Ditchley is sustainable for the long term. On the back of this solid financial platform we will continue to seek strategic partnerships and funding to allow our programme to continue to grow in depth, impact and, to a carefully calibrated degree, range.

Probate was submitted and granted in September 2023. The legacy included property, with associated furniture and artwork, an arable farm in Oxfordshire, the Knockando and Craigmill Estates in Scotland, an investment portfolio and racehorses. The probate submission required

detailed valuations of all the assets which formed the basis for additional work undertaken to further understand the individual assets and form a strategy for their disposal or retention. Alongside this strategy an authorisation procedure was put in place with major decisions referred by the Finance and General Purposes committee to the Foundation's Chairman and shared with trustees for comment. Throughout the process great care was taken with all the employees whose livelihood has been intertwined with the land or property. During the year sales were concluded on the Oxfordshire farm estate, the London town house, and a house on the Ousden estate in Suffolk was also placed on the market.

The Knockando Estate is particularly complex. The estate comprises tenanted and leased land, commercially let property, forestry, double bank commercially let fishing on the Spey, serviced accommodation and hill land. A strategy report was commissioned to understand all the potential and liabilities, and legal advice obtained with respect to retained staff, tenancy arrangements and title transfer. The probate value of the Knockando Estate, excluded any renewable potential, with no value added to the hill land. We have subsequently signed an option for 7 turbines, on a consented development, Rothes III, and an exclusivity agreement for potentially another 16 as an extension to the Pauls Hill Wind Farm. The strategy is to retain this land, with considerable potential renewables revenue over the proposed 35-year lease term.

During the year we held three retreats to utilise the Knockando House and fishings: the first was with staff to understand the concept and work through Ditchley strategy; the second was a Climate Retreat and finally the Leadership Retreat included a number of Trustees, subject specialists and political leaders. Although excellent, these events convinced us that we could not make a case for retention of the house and fishings in pursuit of Ditchley's aims. As a result, the decision was taken to market the core estate, subject to the tenants right to buy, and possibly retaining some land for renewable development.

To date one major artwork has been sold at auction, whilst some other artworks and furniture will be retained for use at Ditchley or in London. A strategy is currently being developed for the sale of the remainder of the art and furniture.

Historically Ditchley Park and Estate has not been held as an asset upon the balance sheet, having been gifted at no cost to the Foundation at its inception. The treatment of the legacy assets is different, all being added at probate valuation to the assets register and treated as income when sold, the funds reinvested. This will create an anomaly within the accounts, but this treatment is normal within charity accounts of this nature, as for example with Oxford colleges: the majority of buildings and art assets are not listed, where there is no intention to sell.

### **Management and role of the invested portfolio**

The legacy funds invested and the renewables potential on the Scottish estate will create a diverse portfolio of revenue generating assets. Our strategy will be, over the long term, to continue to grow and diversify the invested portfolio as assets are realised and the cash reinvested.

The existing portfolio had a value of £17.9m in March 2024, compared to £18.4m in March 2023. Allowing for the drawdown in the year of £1.7m the portfolio increased by 6.9% including fees. Since inception, on 1<sup>st</sup> September 2010, the original portfolio has delivered an annualised return of 7.2% pa.in GBP (net of fees).

During the year we realised assets of over £28m from the sale of property and artwork; setting aside the funding required for 24/25 we moved £25m to Cazenove with a proposed yield of 5.21%, the balance held in Treasury Bonds. Cazenove also continue to manage a £9.5m

investment portfolio bequeathed to Ditchley by Catherine Wills. During 24/25 we will engage an investment consultant to provide advice and support on asset allocation and asset manager selection for the predicted £70m portfolio by the end of 2025 (with a further £18m of assets potentially to be realised in 24/25). The total invested and held at year end totalled over £55m.

For the coming year 24/25 we have agreed that there will not be a drawdown from the portfolio; instead sufficient cash will be retained to fund activities through the year. The operational expenditure planned represents a 3.38% drawdown. The longer-term capital waterfall projections, reflecting the proposed management of the legacy, should allow for the drawdown to be reduced to 2.89% by financial year 25/26.

An ESG investment policy was adopted by the Council of Management in 20/21 financial year, empowering our investment managers to report on the exposure of the diverse funds in which the portfolio is invested.

### **Strategic financial risks**

Catherine Wills' transformational legacy addresses our main previous strategic financial risk: that we were drawing down too much from our portfolio of investments for this to be sustainable over the longer term. The target for future drawdown will be below 3% per annum. We will also continue to monitor our costs carefully. Our aim will be to grow the programme through donations from partners, augmented by renewables income over time.

As we plan capital investment, we will look at the individual projects strategically as part of an overall plan for the estate and the Foundation's programme. The East Wing Project is the priority, creating 7 ensuite bedrooms, new staff offices and for the first time lift access to a fully accessible bedroom and bathroom suite. The planning is well underway with surveys commissioned and the design team established, recruiting a part-time Capital Projects Manager to oversee the project. The Listed Building Consent was submitted in late May 2024 with a decision expected late summer. The aim will be to maximise the value of the legacy and to build a strong base for further strategic fundraising to support Ditchley's impact. The project is fully funded by the legacy.

### **Management of finances**

FY 2023/2024 the income, excluding the legacy but including the portfolio drawdown of £1.7m was £3.079m compared to £3.083m in 22/23. Ditchley Park Conference Centre (DPCC) revenue was £181k.

Legacy related income was recorded as £74.694m assets plus £633k income from the farming activities recorded through DPCC, carried out between probate and sale.

Expenditure, again excluding the legacy costs of £148,720, was £4.373m in line with budget and an uplift of £756,791 from last year £3.616m. Most of the increase, £142k, represented costs relating to Ditchley Germany, fully funded through Deutsche Bank.

The £3.913m expenditure includes the completion of the restoration of the second floor of the main house, carried out by contractors, due to the staffing reduction of the inhouse team. The final total cost of the restoration is estimated at £994k, excluding asbestos removals costs of over £400k: an extraordinary result compared to the original quantity surveyor estimate of up to £4m.

Income included over £1m in externally generated project funding and just under £140k of Estate income. The latter is budgeted to increase in 24/25 with the conversion of an additional properties from our service accommodation to our commercial portfolio.

Expenditure in FY 2024/2025 is budgeted, in the management accounts, to be just over £3.8m. excluding project and capital costs of £2.12m, subject to Council approval. External funding accounts for nearly £176k of project and staff expenditure in the budget. Tight controls remain in place to ensure externally funded projects are carefully monitored.

Within the budget an initial 5% pay rise was agreed to reflect the rise in inflation. We maintain our commitment to the Oxford Living Wage for all staff, both permanent and casual, to protect the lowest paid members of our team and to ensure consistency of terms and conditions.

### ***Development Report***

Ditchley raised £1.047m in donations during this year from a combination of individuals, trusts and foundations and corporations. We are grateful to our dedicated and growing community of supporters, new and longstanding, all of whom contribute to our mission whilst respecting our resolute independence.

Income from our 1580 Fellowship, annual contributions towards our programme and impact from individuals who value the role Ditchley plays in shaping the future, raised just short of £100,000 this year. We hope that those who can support Ditchley in this way will help us grow this valuable unrestricted income stream.

Our overall development campaign is now firmly focused on Ditchley's programme and impact, along with a small number of historically important heritage conservation projects at Ditchley Park. We continue to build a set of strategic partnerships which allows us to further expand the programme and to consider new initiatives. These include the development of our Fellowship programme, further development of Ditchley Deutschland and a focus on national security.

A full list of donors – trusts and foundations, corporations and individuals – for 2023/24 is included below in alphabetical order

The American Ditchley Foundation  
The Aurelius Charitable Trust  
Deutsche Bank  
General Motors  
John H and Marjorie N Glasgow Foundation  
John D. and Catherine T. MacArthur Foundation  
Lumina Foundation  
Microsoft Corporation  
The William Delafield Charitable Trust  
University of California, Berkeley

Anonymous\*  
Lord and Lady Aldington  
Mr Wahid Azaoui  
George and Ally Bailey  
Mr Sam Blyth  
The Rt Hon. Baroness Virginia Bottomley DL and Sir Peter Bottomley MP  
John Burns CBE and Susan Burns OBE  
Sir Andrew Cahn KCMG  
Mr Sam Daws and Ms Martha Ettouil  
Dr Pinar Emirdag  
Sir Simon Fraser GCMG  
Sir Christopher Greenwood GBE CMG KC

The Rt Hon. Dominic Grieve KC  
Jan Hall OBE  
Russell and Andrea Hartley  
The Rt Hon. The Lord Hill of Oareford CBE  
Sir John and Lady Penny Holmes+  
Ms Suzanne Ferlic Johnson\*  
Sir John Kemp-Welch  
Shigeru KITAMURA  
Ms Rachel Lomax  
Chris Mairs CBE FREng  
The Rt Hon Sir John Major KG CH  
Mr Jamie Merisotis\*  
Col Mike and Caroline Montagu  
Mr Glen Moreno\*  
Mr David Morrison  
Marc and Odile Mourre  
Newell Family Foundation\*\*  
Mr Paul Newman  
Ms Margaret Nibbi  
Mr Ismet Oztanik  
Mrs Elizabeth Padmore  
Mr Jonathan Paris  
Mr Mark Patrick  
Mr Mark Pears CBE  
Luke and Nicky Ponsonby  
Mr Gerard Russell MBE  
Sir John Sawers  
Mr Christopher Schroeder\*  
Dr Neil Shastri-Hurst  
Sir Martin and Lady Smith  
Elisabeth Stheeman  
Mr Michael Tang  
Mr Bobby Vedral  
Dr Diana Walford CBE MD FRCP FRCPATH FFPH  
The Rt Hon. the Lord Willetts FRS  
Mr Peter Wilson-Smith

Key:

\* denotes supporters of The American Ditchley Foundation

\*\* denotes supporters of The Canadian Ditchley Foundation

+ denotes gift-in-kind

Thank you to the many individuals who support our work.

## Private Events and Other Income

Ditchley Park Conference Centre Limited started the year with a number of events held by longstanding clients, including the University of Birmingham and the University of Stavanger. The Autumn period saw new events introduced to Ditchley, including the Coalition for Global Prosperity, Civic Future and The Rhodes Trust, in addition to a number of enquiries from His Majesty's Government, with the beginnings of a series of regular away day bookings.

Throughout 22/23 a series of smaller events have been run with Historic Houses and Harwell Restoration, which brings income during quiet periods as well as developing networks within a useful sector. During the course of the year Ditchley Park Conference Centre Limited also secured a booking for a high value residential event with an American foundation which will take place in June 2024.

## Reserves Policy

The Foundation's core finances are based upon its investment portfolio (valued at £55m as at end March 2024), which still provides the principal source of income. The portfolio is not a reserve, nor managed as such, and in the absence of any dedicated reserve fund, the Council of Management consider it a matter of essential financial discipline that the value of the capital is preserved as far as possible in order that the Foundation can deliver on its founding mission to run its programme for positive impact, rather than for profit or the interest of any party.

### *Short term reserve*

Until 23/24 Ditchley Foundation had determined on advice not to hold a separate reserves fund outside the main portfolio given both the opportunity cost (due to lower expected returns) and the additional administrative burden of operating a separate reserves portfolio. However, with the granting of probate on Catherine Wills' legacy and the liquidation of assets we are currently holding a substantial amount of cash and near cash in short-dated bonds until major long term investment decisions are made, with funds held in separate portfolios. In addition to the portfolio held by Partners Capital of £17.9m, we hold Dr Wills' portfolios as they were originally invested, valued at £9.5m, £25m is held with Cazenove with an estimated 5.21% yield, The annual running costs, currently £3.2m are in Treasury bonds, their expiry matched to cashflow requirements. We have a minimum of £400k of liquid reserves available to the Foundation within a week. This sum was agreed as an appropriate amount of short-term reserve to cover contingencies such as major emergency repairs. As at March 2024, the invested assets under management could provide some £1m to be available within a month, with 80% of the portfolio available to be liquidated within a four-to-seven-month period.

### *Strategic long-term reserves*

The Foundation's strategic aim is to build its invested portfolio to £70m by 25/26. The aim will be to take no more than a 3% drawdown annually, allowing the invested portfolio to grow over time. We are exploring a range of investment options to generate the necessary income, including renewable energy income.

As at 31 March 2024, total funds stood at £99.,342m of which £2,116 were restricted. The level of unrestricted free reserves, after excluding fixed assets and designated funds, stood at £95.270m.

## ***Financial Resilience Statement***

Ditchley's trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The budget endorsed for FY 2023/2024 allows for an unrestricted cash balance at the end of the period, in addition to the Foundation's invested portfolio of £55m with sufficient liquidity to cover any short-term urgent needs.

## ***Fundraising Compliance Notice***

The Ditchley Foundation receives income from donations and has a trading subsidiary, Ditchley Park Conference Centre Limited. The Ditchley Foundation has signed up to the Code of Practice issued by the Fundraising Regulator. We do not carry out any direct marketing to the public and give clear instructions as to how individuals can be removed from our mailing lists. Our fundraising capability is in-house, and we do not use external commercial participators in our fundraising activities. There have been no complaints about fundraising in the year. A formal donor policy was approved by the Finance and General Purposes Committee and endorsed by the Council of Management in November 2020 and will be reviewed in 2024/25.

## ***Structure, Governance and Management***

The Ditchley Foundation is "a Company limited by guarantee not having a share capital", incorporated on the 24 February 1958, the Articles of Association having been subsequently amended on the 29 November 1966, 7 July 2007 and 7 July 2018.

Members of the Foundation are currently designated "Governors". They meet at least once a year, whether virtually or in person, at the Annual General Meeting of the Foundation, to approve the Annual Report and accounts of the Foundation and to receive the report of the auditors; to elect, as necessary, in accordance with the Articles of Association, the Council of Management; and to deal with other business of the Foundation. In addition to the AGM, Governors are also invited to further briefings during the course of the year and receive regular updates by email or letter.

Trustees (Members of the Council of Management) are generally selected from the ranks of the Governors and invited to join the Council by the Chairman, acting on the recommendations and advice of the existing Trustees, with a view to maintaining a balance of experience, expertise and background within the body of Trustees. They are subsequently elected by the Governors and serve a four-year term, renewable for one further four-year term.

All Trustees are fully familiar with the aims and ideals of the Foundation.

The administration of the Foundation is carried out by the Council of Management, through the Finance and General Purposes Committee. The day-to-day management of the Foundation is conducted by the Director, who is appointed by, and responsible to, the Council of Management.

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned, the most recent instance being the remuneration review conducted during 2017/2018 and implemented in 2018/2019.

Ditchley Park Conference Centre Limited is the trading arm of the Foundation and oversees events at Ditchley Park when not in use by the Foundation. These events include visits (the house is a Grade I listed historic building), conferences and meetings organised by outside bodies and use of Ditchley Park for education, photography and films. This activity was severely curtailed for much of the last financial year but has now resumed.

The Council of Management is responsible for the management of risks faced by the Foundation. Detailed consideration and management of risk are delegated to the Director and his staff. Risks are identified, assessed, and controls established throughout the year with a formal review undertaken tri-annually. A high-level Risk Register was introduced in 2018 and is now reviewed regularly, six monthly at Finance and General Purposes Committee meeting and, annually by the Council of Management. The Register assesses the following risks:

- Response to global health concerns and natural disasters
- Serious injury or death of member of staff or visitor
- Catastrophic damage to Ditchley Park (infrastructure) and heritage, including by fire
- Loss of impact and relevance of the Foundation
- Failure to adapt to changes in society and technology mean impact and reputation and efficiency undermined
- Reputation for financial probity, effectiveness and impact damaged
- Business model not sustainable, for example due to the impact of the Ukraine war on the economy and invested assets.
- Data loss or privacy breach endangering reputation and damaging interests
- Loss of business continuity and reputational damage due to insufficient resilience in staff and infrastructure
- Serious damage to reputation due to failure to keep up with shifting public attitudes and perceptions

The Disaster Recovery Plan is subject to ongoing review, particularly regarding the business continuity aspects. The key controls used by the Foundation include:

- The above-mentioned tri-annual meetings of the Council at which the Director and his senior staff brief the Trustees.
- Bi-monthly meetings of the Finance and General Purposes Committee including an annual meeting of the Committee at Ditchley at which they decide on major works and review health and safety procedures.
- Detailed job descriptions for the Director and Senior Staff, which are reviewed in detail on changes of incumbent.
- Due to the value of investments, the investment strategy and performance is discussed at every meeting of the Finance and General Purposes Committee. Additionally, members of this Committee with investment experience liaise with the investment managers as often as market conditions warrant it.
- Three times a year meeting of the Director's Risk Committee which reports to the Finance and General Purposes Committee, plus twice a year meeting of the Director's Health and Safety Committee, to review risks and safety procedures and decide on any necessary policy adjustments in the light of legislative changes.

Through these processes the Trustees are satisfied that the major risks have been identified and adequately mitigated where necessary.

## ***Trustees' Responsibilities***

As directors, the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are required by UK company law to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the company, and the group, and of the profit or loss of the company and the group for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ending 31 March 2024. They are responsible for keeping appropriate accounting records that disclose with reasonable accuracy at any time the financial position of the company in recognition of their responsibilities under the Companies Act 2006. The Trustees are responsible for taking reasonable steps to safeguard the assets of the company and the group, as well as to prevent and detect fraud and other irregularities.

As far as the Trustees are aware, there is no relevant audit information (information needed by the Foundation's auditors in connection with preparing their report) of which the Foundation's auditors are unaware. Trustees individually have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's Auditors are aware of that information. The Trustees are required to prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charity will continue in operation.

## ***Principal Activities and Business Review***

The consolidated statement of financial activities for the year is set out on page 24. A review of the Foundation's business during the year is contained in the Trustee's Annual Report starting on page 4 and incorporates the requirements of the Directors' report as required by company law.

## ***Dividends***

In accordance with the Memorandum of Association, no dividends may be paid to Members.

## ***Directors***

The Members of the Council of Management are listed on page 2.

By order of the Council of Management,



KATIE WILLIAMS  
Company Secretary

Dated: 17<sup>th</sup> July 2024

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

***INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION***

**Opinion**

We have audited the financial statements of The Ditchley Foundation (the "Charity") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, the Statements 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 group and Charity's affairs as at 31 March 2024 and of the group's 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.

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

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**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 engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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](http://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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland FCA  
Senior Statutory Auditor  
for and on behalf of Critchleys Audit LLP  
Statutory Auditor  
Beaver House, 23-38 Hythe Bridge Street,  
Oxford, OX1 2EP

Date: 22/8/2024 .....

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and grants	3	1,041,351	6,000	1,047,351	1,129,401
Legacy	3	74,694,611	-	74,694,611	-
Trading turnover of subsidiary (DPCC)		181,414	-	181,414	322,214
Legacy – Farming income (DPCC)		633,093	-	633,093	-
Investment income	4	74,024	-	74,024	51,270
Other sources		<u>83,143</u>	<u>-</u>	<u>83,143</u>	<u>84,882</u>
<b>Total income</b>		<u>76,707,636</u>	<u>6,000</u>	<u>76,713,636</u>	<u>1,587,767</u>
<b>Expenditure on:</b>					
Raising funds:					
Development administrative costs		57,842	-	57,842	22,872
Costs of subsidiary (DPCC)		75,966	-	75,966	47,703
Investment management fees		88,900	-	88,900	78,561
Charitable activities: Conference programme costs	5	<u>4,270,370</u>	<u>29,380</u>	<u>4,299,750</u>	<u>3,467,811</u>
<b>Total Expenditure</b>		<u>4,493,078</u>	<u>29,380</u>	<u>4,522,458</u>	<u>3,616,947</u>
<b>Net income/(expenditure) before net gains on investments</b>					
Net gains/(losses) on investments	18	72,214,558	(23,380)	72,191,178	(2,029,180)
		<u>2,059,665</u>	<u>-</u>	<u>2,059,665</u>	<u>213,000</u>
<b>Net income / (expenditure)</b>		<u>74,274,223</u>	<u>(23,380)</u>	<u>74,250,843</u>	<u>(1,816,180)</u>
<b>Net movement in funds</b>		<u>74,274,223</u>	<u>(23,380)</u>	<u>74,250,843</u>	<u>(1,816,180)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		25,068,628	25,496	25,094,124	26,910,304
Net movement in funds		<u>74,274,223</u>	<u>(23,380)</u>	<u>74,250,843</u>	<u>(1,816,180)</u>
<b>Total funds carried forward</b>		<u>99,342,851</u>	<u>2,116</u>	<u>99,344,967</u>	<u>25,094,124</u>

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**CONSOLIDATED BALANCE SHEET  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note		2024 £	2023 £
<b>Fixed assets:</b>				
Tangible assets	9		4,072,723	3,616,441
Investment property	10		4,281,798	3,156,798
Investments	11		<u>17,861,116</u>	<u>18,405,321</u>
			26,215,637	25,178,560
<b>Current Assets</b>				
Stocks	12	49,202	49,371	
Debtors	13	39,517,751	196,130	
Cash at bank and in hand		27,013,159	193,210	
Assets held for sale	14	<u>6,977,521</u>	-	
		73,557,633	438,711	
Creditors: amounts falling due within one year	15	<u>(428,303)</u>	<u>(523,147)</u>	
<b>Net current assets/(liabilities)</b>			<u>73,129,330</u>	<u>(84,436)</u>
<b>Total assets less current liabilities</b>			<u>99,344,967</u>	<u>25,094,124</u>
<b>Total net assets</b>			<u>99,344,967</u>	<u>25,094,124</u>
<b>Charity funds</b>				
Restricted funds	17/18		2,116	25,496
Unrestricted funds	17/18		<u>99,342,851</u>	<u>25,068,628</u>
<b>Total funds</b>			<u>99,344,967</u>	<u>25,094,124</u>

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 17 July 2024

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**COMPANY BALANCE SHEET  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Fixed assets:</b>			
Tangible assets	9	4,072,723	3,616,441
Investment property	10	4,281,798	3,156,798
Investments	11	<u>17,861,118</u>	<u>18,405,323</u>
		26,215,639	25,178,562
<b>Current Assets</b>			
Stocks	12	49,202	49,371
Debtors	13	39,352,270	191,238
Cash at bank and in hand		26,942,663	190,091
Assets held for sale	14	<u>6,977,521</u>	-
		72,321,656	430,700
Creditors: amounts falling due within one year	15	<u>(627,862)</u>	<u>(729,256)</u>
<b>Net current assets/(liabilities)</b>		<u>72,693,794</u>	<u>(298,556)</u>
<b>Total assets less current liabilities</b>		<u>98,909,433</u>	<u>24,880,006</u>
<b>Total net assets</b>		<u>98,909,433</u>	<u>24,880,006</u>
<b>Charity funds</b>			
Restricted funds	17/18	2,116	25,496
Unrestricted funds	17/18	<u>98,907,317</u>	<u>24,854,510</u>
<b>Total funds</b>		<u>98,909,433</u>	<u>24,880,006</u>

The Company's net movement in funds for the year was £74,029,427 (2023 - £(2,002,891))

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 17 July 2024

Company registration number: 599389, Charity registration number: 309657

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (note 20)	25,075,598	(1,572,364)
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	74,024	51,270
Purchase of tangible fixed assets (note 9)	(27,396)	(46,460)
Loss on disposal of tangible fixed assets (note 9)	(2,277)	533
Drawdown from investments	<u>1,700,000</u>	<u>1,500,000</u>
<b>Net cash provided by investing activities</b>	1,744,351	1,505,343
<b>Change in cash and cash equivalents in the year</b>	26,819,949	(67,021)
Cash and cash equivalents at the beginning of the year	<u>193,210</u>	<u>260,231</u>
Cash and cash equivalents at the end of the year (note 21)	<u><u>27,013,159</u></u>	<u><u>193,210</u></u>

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

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

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

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

**1.2 Company status**

The charitable company is limited by guarantee, incorporated in England and Wales, and no shares are authorised or issued by the Foundation. The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER. Each member undertakes to contribute £1 to the assets of the Foundation in the event of the same being wound up whilst a member, or within a year of ceasing to be a member, for the payment of debts and liabilities of the Foundation contracted before ceasing to be a member, and of the cost, charges and expenses of winding up, such as may be required not exceeding £1.

**1.3 Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**1. Accounting policies (continued)**

**1.4 Income (continued)**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Guest conference income excludes value added tax and represents the invoiced value of goods and services supplied.

**1.5 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds, including the activities of Ditchley Park Conference Centre Limited.

Expenditure on charitable activities comprises the costs of running the conference programme.

Irrecoverable VAT is charged to resources expended.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of the Ditchley Foundation and its subsidiary undertaking, Ditchley Park Conference Centre Limited.

**1.7 Government grants**

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

**1.8 Tangible fixed assets and depreciation**

The house and land at Ditchley Park, acquired by gift, are not valued. Expenditure on improvements is at cost less depreciation.

Individual fixed assets costing £1,000 or more are capitalised at cost.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets and depreciation (continued)**

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

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- between 20 and 50 years
Motor Vehicles	- 5 years
Fixtures and fittings	- Between 3 and 10 years
Office and IT equipment	- Between 3 and 10 years

**1.9 Investments**

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

Freehold properties held for investment purposes are valued periodically on professional advice and are included in the financial statements at their market value at the year end.

Quoted investments have been valued at the bid market price at the close of business at the year end. The market value of unit trusts and managed funds units is either taken as the bid or Net Asset Value price at the year end as advised by the investment managers.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or subsequent cost and are credited or charged to the Statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the Statement of financial activities based on the market value at the year end.

The investment in subsidiary undertaking is valued at cost less provision for impairment.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**1. Accounting policies (continued)**

**1.12 Debtors**

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

**1.13 Cash at bank and in hand**

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

**1.14 Assets held for sale**

Current assets held for sale consists of assets received within the legacy that are expected to be sold within 12 months of the Balance Sheet date. They are a form of financial instrument and are initially recognised at fair value and subsequently measured at fair value at the Balance Sheet date. Assets held for sale gains and losses, whether realised or unrealised, are combined and shown in the heading '(Losses)/Gains on investments' in the Statement of financial activities.

**1.15 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.16 Financial instruments**

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

**1.17 Pensions**

The pension scheme is a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

**1.18 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties:

Property valuations are performed annually by the Council, based upon external indications of value (including periodic valuations by qualified Independent Chartered Surveyors) and consideration of market conditions.

Legacy valuation:

A legacy totalling a value of £74,794,611 was received during the year. The value of this legacy is based on the estimated value of different assets: investment properties, tangible fixed assets, current assets held for sale, debtors and cash. The values of different assets were based on third party valuations and sales proceeds received.

**3. Income from donations, grants and legacy**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Donations and grants	1,041,351	6,000	1,047,351	1,129,401
Legacy	<u>74,694,611</u>	-	<u>74,694,611</u>	-
<b>Total 2024</b>	<u>75,735,962</u>	<u>6,000</u>	<u>75,741,962</u>	<u>1,129,401</u>
<b>Total 2023</b>	<u>1,110,901</u>	<u>18,500</u>	<u>1,129,401</u>	

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**4. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Rents	70,355	70,355	50,758
Bank interest	<u>3,669</u>	<u>3,669</u>	<u>512</u>
<b>Total 2024</b>	<u>74,024</u>	<u>74,024</u>	<u>51,270</u>
<b>Total 2023</b>	<u>51,270</u>	<u>51,270</u>	

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Conference programme costs	<u>4,270,370</u>	<u>29,380</u>	<u>4,299,750</u>	<u>3,467,811</u>
<b>Total 2023</b>	<u>3,449,311</u>	<u>18,500</u>	<u>3,467,811</u>	

**Summary by expenditure type**

	<b>Staff costs 2023 £</b>	<b>Depreciation 2023 £</b>	<b>Other costs 2023 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Conference programme costs	<u>1,631,028</u>	<u>261,083</u>	<u>2,407,639</u>	<u>4,299,750</u>	<u>3,467,811</u>
<b>Total 2023</b>	<u>1,563,095</u>	<u>259,244</u>	<u>1,645,472</u>	<u>3,467,811</u>	

**6. Analysis of expenditure by charitable activities**

	<b>Activities Undertaken Directly 2024 £</b>	<b>Governance Costs 2024 £</b>	<b>Total Funds 2024 £</b>	<b>Total funds 2023 £</b>
Conference programme costs	<u>4,276,835</u>	<u>22,915</u>	<u>4,299,750</u>	<u>3,467,811</u>
<b>Total 2023</b>	<u>3,445,521</u>	<u>22,290</u>	<u>3,467,811</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**7. Analysis of expenditure on charitable activities**

**Analysis of direct costs**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Staff costs	1,631,028	1,631,028	1,537,004
Depreciation	261,083	261,083	259,244
Administration	326,533	326,533	224,401
IT	106,917	106,917	72,906
Repairs and maintenance	482,083	482,083	343,258
Household and service costs	297,887	297,887	252,837
Conference and events	229,282	229,282	295,685
Irrecoverable VAT	172,344	172,344	71,100
Development programme costs	155,605	155,605	7,911
Costs attributable to DPCC	129,946	129,946	(47,703)
Bridge project, Lumina costs and Rotunda	54,487	54,487	144,622
Second floor refurbishment costs	280,920	280,920	161,126
Asbestos removal	-	-	110,940
Legacy costs	<u>148,720</u>	<u>148,720</u>	<u>-</u>
<b>Total 2024</b>	<b><u>4,276,835</u></b>	<b><u>4,276,835</u></b>	<b><u>3,433,331</u></b>
<b>Total 2023</b>	<b><u>3,433,331</u></b>	<b><u>3,433,331</u></b>	

**Analysis of governance costs**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
Auditor's remuneration	22,200	22,200	16,000
Non-audit fees – other financial services	<u>715</u>	<u>715</u>	<u>6,290</u>
<b>Total 2024</b>	<b><u>22,915</u></b>	<b><u>22,915</u></b>	<b><u>22,290</u></b>
<b>Total 2023</b>	<b><u>22,290</u></b>	<b><u>22,290</u></b>	

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**FOR THE YEAR ENDED 31 MARCH 2024**

**8. Staff costs**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
Wages and salaries	1,422,154	1,339,815	1,307,333	1,313,725
Social security costs	128,738	120,950	123,795	120,950
Contributions to defined contribution pension schemes	<u>117,420</u>	<u>102,327</u>	<u>108,426</u>	<u>102,327</u>
	<u>1,668,312</u>	<u>1,563,092</u>	<u>1,539,554</u>	<u>1,537,002</u>

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

	<b>Group 2024 No.</b>	Group 2023 No.
Administration	30	25
Establishment	12	13
Conference	<u>16</u>	<u>18</u>
	<u>58</u>	<u>56</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2024 No.</b>	Group 2023 No.
Administration	24	19
Establishment	11	11
Conference	<u>3</u>	<u>3</u>
	<u>38</u>	<u>33</u>

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

	<b>Group 2024 No.</b>	Group 2023 No.
In the band £60,001 - £70,000	1	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-

No members of the Council of Management received any emoluments during the year (2023: £Nil).

No members of the Council of Management received payment for professional or other services supplied to the Charity (2023: £Nil).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**8. Staff costs (continued)**

During the year, disbursements of £5,341 (2023: £1,613) for travel and associated expenses were incurred by 1 member (2023: 1 member) of the Council of Management while undertaking activities directly associated with the purposes of the Foundation.

The key management personnel of the Foundation comprise the Council of Management, the Director and the Chief Operating Officer. The total employee benefits of the key management personnel of the Trust were £246,354 (2023: £238,126).

During the year, redundancy costs totalled £69,943 (2023: £38,870) including payments in lieu of notice.

**9. Tangible fixed assets**

Group	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>					
At 1 April 2023	5,040,315	27,800	177,521	1,058,352	6,303,988
Additions	-	-	1,007,205	20,190	1,027,395
Disposals	-	(22,800)	-	-	(22,800)
Transfers to investment property	<u>(471,860)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(471,860)</u>
At 31 March 2024	4,568,455	5,000	1,184,726	1,078,542	6,836,723
<b>Depreciation</b>					
At 1 April 2023	1,885,091	25,883	36,196	740,377	2,687,547
Charge for the year	144,565	1,000	14,382	101,136	261,083
Depreciation eliminated on disposals	<u>(161,830)</u>	<u>(22,800)</u>	<u>-</u>	<u>-</u>	<u>(184,630)</u>
At 31 March 2024	<u>1,867,826</u>	<u>4,083</u>	<u>50,578</u>	<u>841,513</u>	<u>2,764,000</u>
<b>Net book value</b>					
At 31 March 2024	<u>2,700,629</u>	<u>917</u>	<u>1,134,148</u>	<u>237,029</u>	<u>4,072,723</u>
At 31 March 2023	<u>3,155,224</u>	<u>1,917</u>	<u>141,325</u>	<u>317,975</u>	<u>3,616,441</u>

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**FOR THE YEAR ENDED 31 MARCH 2024**

**9. Tangible fixed assets (continued)**

Company	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>					
At 1 April 2023	5,040,315	27,800	177,521	1,058,352	6,303,988
Additions	-	-	1,007,205	20,190	1,027,395
Disposals	-	(22,800)	-	-	(22,800)
Transfers from investment property	<u>(471,860)</u>	-	-	-	<u>(471,860)</u>
	4,568,455	5,000	1,184,726	1,078,542	6,836,723
At 31 March 2024					
<b>Depreciation</b>					
At 1 April 2023	1,885,091	25,883	36,196	740,377	2,687,547
Charge for the year	144,565	1,000	14,382	101,136	261,083
Depreciation eliminated on disposals	<u>(161,830)</u>	<u>(22,800)</u>	-	-	<u>(184,630)</u>
At 31 March 2024	<u>1,867,826</u>	<u>4,083</u>	<u>50,578</u>	<u>841,513</u>	<u>2,764,000</u>
<b>Net book value</b>					
At 31 March 2024	<u>2,700,629</u>	<u>917</u>	<u>1,134,148</u>	<u>237,029</u>	<u>4,072,723</u>
At 31 March 2023	<u>3,155,224</u>	<u>1,917</u>	<u>141,325</u>	<u>317,975</u>	<u>3,616,441</u>

Freehold property comprises expenditure on improvements. The House and associated land are valued at £Nil since they were acquired by gift. No value has been attributed to these assets as, in accordance with the wishes of the donor, it is intended that the House and associated land will be held in perpetuity to support the objectives and activities of the Foundation. Ditchley House was built in 1722 and is a listed Grade 1 building. The House and outbuildings are currently insured for £69,846,963.

Other properties occupied by staff and considered as permanent staff quarters are included at deemed cost based upon a valuation performed at 31 March 2008 by Laws and Fiennes, Chartered Surveyors.

Included in additions is artwork valued at £1,000,000 received as part of the legacy which will remain with the charity. This has been included as its market value.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**10. Investment property**

**Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2023	3,156,798
Revaluations	814,970
Transfers from tangible fixed assets	<u>310,030</u>
At 31 March 2024	<u><b>4,281,798</b></u>

**Company**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2023	3,156,798
Revaluations	814,970
Transfers from tangible fixed assets	<u>310,030</u>
At 31 March 2024	<u><b>4,281,798</b></u>

Investment properties comprise properties and farmland on the estate rented on a commercial basis. The last professional valuation of the properties was undertaken in 2021 by Savills, Chartered Surveyors, on an open market value for existing use basis. Council have considered this valuation and its appropriateness. Council decided to increase the value of investment property in line with the Oxfordshire market since the last professional valuation. The farmland was last valued in 2020 and the Council considers this valuation to be materially correct at 31 March 2024.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**11. Fixed asset investments**

<b>Group</b>	<b>Investment securities</b>	<b>Uninvested cash</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost of valuation</b>			
At 1 April 2023	17,739,783	665,539	18,405,322
Additions	13,396,995	-	13,396,995
Disposals	(15,096,993)	-	(15,096,993)
Revaluations	1,244,695	-	1,244,695
Other movements	<u>538,921</u>	<u>(627,824)</u>	<u>(88,903)</u>
At 31 March 2024	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,116</u>
<b>Net book value</b>			
At 31 March 2024	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,116</u>
At 31 March 2023	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,322</u>

<b>Company</b>	<b>Investments in subsidiary companies</b>	<b>Investment securities</b>	<b>Uninvested cash</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost of valuation</b>				
At 1 April 2023	2	17,739,783	665,539	18,405,322
Additions	-	13,396,995	-	13,396,995
Disposals	-	(15,096,993)	-	(15,096,993)
Revaluations	-	1,244,695	-	1,244,695
Other movements	<u>-</u>	<u>538,921</u>	<u>(627,824)</u>	<u>(88,903)</u>
At 31 March 2024	<u>2</u>	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,118</u>
<b>Net book value</b>				
At 31 March 2024	<u>2</u>	<u>17,823,401</u>	<u>37,715</u>	<u>17,861,118</u>
At 31 March 2023	<u>2</u>	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,324</u>

**12. Stocks**

	<b>Group 2024</b>	<b>Group 2023</b>	<b>Company 2024</b>	<b>Company 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	<u>49,202</u>	<u>49,371</u>	<u>49,202</u>	<u>49,371</u>
	<u>49,202</u>	<u>49,371</u>	<u>49,202</u>	<u>49,371</u>

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**FOR THE YEAR ENDED 31 MARCH 2024**

**13. Debtors**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
<b>Due within one year</b>				
Trade debtors	110,036	9,426	89,952	4,534
Legacy receivable	39,326,137	-	39,180,740	-
Other debtors	2,344	-	2,344	-
Prepayments and accrued income	79,234	143,740	79,234	143,740
VAT recoverable	-	<u>42,964</u>	-	<u>42,964</u>
	<u>39,517,751</u>	<u>196,130</u>	<u>39,352,270</u>	<u>191,238</u>

**14. Assets held for sale**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
Properties	975,000	-	975,000	-
Artwork and furniture	<u>6,002,521</u>	-	<u>6,002,521</u>	-
	<u>6,977,521</u>	-	<u>6,977,521</u>	-

**15. Creditors: Amounts falling due within one year**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
Trade creditors	189,782	211,910	184,853	208,497
Amounts owed to group undertakings	-	-	235,118	439,142
Other taxation and social security	41,682	31,596	37,696	30,419
Other creditors	11,369	209,477	11,369	10,679
Accruals and deferred income	<u>185,470</u>	<u>70,164</u>	<u>158,826</u>	<u>40,519</u>
	<u>428,303</u>	<u>523,147</u>	<u>627,862</u>	<u>729,256</u>

**16. Deferred income**

	<b>Group 2024 £</b>	Group 2023 £	<b>Company 2024 £</b>	Company 2023 £
Deferred income	<u>25,636</u>	<u>29,137</u>	<u>1,992</u>	<u>1,992</u>

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**16. Deferred income (continued)**

Deferred income is included in the financial statements as follows:

	<b>Group 2024</b>	Group 2023	<b>Company 2024</b>	Company 2023
	£	£	£	£
Deferred income is included within:				
Current liabilities	<u>25,636</u>	<u>29,137</u>	<u>1,992</u>	<u>1,992</u>
Movements in the year:				
Deferred income at 1 April 2023	29,137	37,442	1,992	1,992
Released from previous periods	(29,043)	(19,202)	(1,992)	(1,992)
Resources deferred in the year	<u>25,542</u>	<u>10,897</u>	<u>1,992</u>	<u>1,992</u>
Deferred income at 31 March 2024	<u>25,636</u>	<u>29,137</u>	<u>1,992</u>	<u>1,992</u>

Deferred income relates to rents received in advance and conference deposits.

**17. Statement of funds**

**Statement of funds – current year**

	<b>Balance at 1 April 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2024</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	25,068,628	76,707,636	(4,493,078)	2,059,665	99,342,851
<b>Restricted funds</b>					
Travel fund	25,496	-	(23,380)	-	2,116
Earmarked donations	<u>-</u>	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>	<u>-</u>
	<u>25,496</u>	<u>6,000</u>	<u>(29,380)</u>	<u>-</u>	<u>2,116</u>
<b>Total funds</b>	<u>25,094,124</u>	<u>76,713,636</u>	<u>(4,522,458)</u>	<u>2,059,665</u>	<u>99,344,967</u>

**Statement of funds – prior year**

	<b>Balance at 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	26,884,808	1,569,267	(3,598,447)	213,000	25,068,628
<b>Restricted funds</b>					
Travel fund	25,496	-	-	-	25,496
Earmarked donations	<u>-</u>	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>	<u>-</u>
	<u>25,496</u>	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>	<u>25,496</u>
<b>Total funds</b>	<u>26,910,304</u>	<u>1,587,767</u>	<u>(3,616,947)</u>	<u>213,000</u>	<u>25,094,124</u>

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**FOR THE YEAR ENDED 31 MARCH 2024**

**18. Summary of funds**

**Summary of funds – current year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
General funds	25,068,628	76,707,636	(4,493,078)	2,059,665	99,342,851
Restricted funds	<u>25,496</u>	<u>6,000</u>	<u>(29,380)</u>	-	<u>2,116</u>
<b>Total funds</b>	<u>25,094,124</u>	<u>76,713,636</u>	<u>(4,522,458)</u>	<u>2,059,665</u>	<u>99,344,967</u>

**Summary of funds – prior year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General funds	26,884,808	1,569,267	(3,449,311)	213,000	25,068,628
Restricted funds	<u>25,496</u>	<u>18,500</u>	<u>(18,500)</u>	-	<u>25,496</u>
<b>Total funds</b>	<u>26,910,304</u>	<u>1,587,767</u>	<u>(3,616,947)</u>	<u>213,000</u>	<u>25,094,124</u>

Restricted funds are non-staff project specific expenditure, earmarked by the donor.

Unrestricted funds are allocated towards the general Ditchley Foundation programme, staff costs, associated technology and infrastructure.

**19. Analysis of net assets between funds**

**Analysis of net assets between funds – current year**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	4,072,723	-	4,072,723
Fixed asset investments	17,861,116	-	17,861,116
Investment property	4,281,798	-	4,281,798
Current assets	73,555,517	2,116	73,557,633
Creditors due within one year	<u>(428,303)</u>	<u>-</u>	<u>(428,303)</u>
<b>Total</b>	<u>99,342,851</u>	<u>2,116</u>	<u>99,344,967</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds – prior year**

	<b>Unrestricted Funds 2023 £</b>	<b>Restricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Tangible fixed assets	3,616,441	-	3,616,441
Fixed asset investments	18,405,321	-	18,405,321
Investment property	3,156,798	-	3,156,798
Current assets	413,215	25,496	438,711
Creditors due within one year	<u>(523,147)</u>	<u>-</u>	<u>(523,147)</u>
<b>Total</b>	<u>25,068,628</u>	<u>25,496</u>	<u>25,094,124</u>

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

	<b>Group 2024 £</b>	<b>Group 2023 £</b>
Net income for the year (as per Statement of Financial Activities)	74,250,843	(1,816,180)
<b>Adjustments for:</b>		
Depreciation charges	261,083	259,154
Investment property gain	(814,970)	(631,938)
Gains on investments	(1,244,695)	418,938
Dividends, interests and rents from investments	(74,024)	(51,270)
(Increase)/decrease in stocks	169	(13,481)
(Increase)/decrease in debtors	(39,321,621)	(107,372)
Increase/(decrease) in creditors	(94,844)	288,192
(Increase)/decrease in current assets held for sale	(6,977,521)	-
Other investment movements	88,903	77,300
Exchange rate gains	2,275	4,293
Legacy fixed assets and investments received	<u>(1,000,000)</u>	<u>-</u>
<b>Total funds</b>	<u>25,075,598</u>	<u>(1,572,364)</u>

**21. Analysis of cash and cash equivalents**

	<b>Group 2024 £</b>	<b>Group 2023 £</b>
Cash in hand	<u>27,013,159</u>	<u>193,210</u>
<b>Total cash and cash equivalents</b>	<u>27,013,159</u>	<u>193,210</u>

**The Ditchley Foundation**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**22. Analysis of changes in net debt**

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash in hand	<u>193,210</u>	<u>26,819,949</u>	<u>27,013,159</u>
<b>Total cash and cash equivalents</b>	<u>193,210</u>	<u>26,819,949</u>	<u>27,013,159</u>

**23. Capital commitments**

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	=	=	=	=

**24. Operating lease commitments**

At the reporting end date the Charity had outstanding commitments for future minimum payments under non-cancellable operating leases, which fall due as follows:

	Group 2024 £	Group 2023 £
Within one year	11,604	6,449
Between two and five years	<u>13,968</u>	<u>11,610</u>
	<u>25,572</u>	<u>18,059</u>

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements was £10,794 (2023: £17,657).

**25. Pensions commitments**

The Foundation maintains a pension scheme covering all of its permanent and casual employees. It is a defined contribution scheme (employer 10%) administered by the Trustees. Its funds are kept separate from those of the Foundation. Contributions outstanding at 31 March 2024 were £12,000 (2023: £10,300). The pension cost charge represents contributions payable by the Foundation in accordance with the rules of the scheme.

**26. Principal subsidiary**

The following was a subsidiary undertaking of the Company:

Name	Company number	Holding	Included in consolidation
Ditchley Park Conference Centre Limited	01944182	100%	Yes

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**27. Principal subsidiary (continued)**

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) for the year £</b>	<b>Net assets £</b>
Ditchley Park Conference Centre Limited	814,507	378,974	435,533	435,535

The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER.

**28. Related party transactions**

In the year, 4 Trustees (2023: 8 Trustees) made donations totalling £14,160 (2023: £53,063) to the Foundation under the 1580 Fellowship Scheme.

In the previous year, Dr C Wills, who was a Trustee, was also a Trustee of The HDH Wills 1965 Charitable Trust. During the previous year The HDH Wills Charitable Trust charged the Foundation £63,491. At the year end the Foundation owed £7,422.

During the previous period, the Foundation also recharged The HDH Wills 1965 Charitable Trust £2,598. At the previous year end the Foundation was owed £Nil.

The wife of the Foundation's Director, K Arroyo, was paid £19,000 in the year (2023: £6,000) for interior design consultancy work as part of the second floor, east wing and lower ground floor projects.

Marjorie Neasham Glasgow, who is a Trustee, was also a Trustee of The Glasgow Foundation. During the year, The Glasgow Foundation, donated £20,252 (2023: £39,608) to the Foundation.

Jamie Merisotis, who is a Trustee, was also a Trustee of Lumina Foundation. During the year, The Lumina Foundation, donated £475,174 to the Foundation.

**THE DITCHLEY FOUNDATION**

England & Wales - Charity number 309657

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# Accounts

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*Think*  
*new things*  
*Make*  
*new connections*

THE COUNCIL'S  
ANNUAL REPORT  
AND ACCOUNTS  
2022-2023

DITCHLEY

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## **Office Holders, Trustees and Committee Members**

### **COUNCIL OF MANAGEMENT**

*[Trustees of the Foundation]*

#### *Chairman*

The Right Honourable the Lord Hill of Oareford CBE

#### *Members of the Council*

Ms Rushanara Ali MP

The Lord Bridges of Headley MBE

Ms Pamela Dow

Mrs Marjorie Neasham Glasgow BEM LL

\* His Excellency the Honorable Ralph Goodale PC

The Right Honourable Dominic Grieve QC

Sir Julian King GCMG, KCVO

Mr James Landale

The Rt Hon the Lord Mandelson

Mr Jamie P Merisotis

Mr David Morrison

Mrs Elizabeth Padmore

Ms Emma Reynolds

The Most Honourable The Marquess of Salisbury KCVO PC DL

The Hon. Robert Wills

#### *Company Secretary*

Ms Katie Williams

\* The High Commissioner for Canada serves as an ex-officio member of the Council of Management for the duration of their tenure as representative to the Court of St James.

### **THE FOUNDATION'S EXECUTIVE STAFF**

*Director:* Mr James Arroyo OBE

*Chief Operating Officer:* Ms Wendy Shepherd

*Head of Programme Delivery and Company Secretary:* Ms Katie Williams

Registered office: Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER

A company registered in England (No. 599389) limited by guarantee and not having a Share Capital, registered as a Charity (No. 309657) and exempt from Income Tax and Capital Gains Tax.

Auditors: Critchleys Audit LLP, Oxford  
Bankers: Barclays Bank plc, Oxford  
Investment Managers: Partners Capital LLP  
Solicitors: Julian Taylor Solicitors, Bicester

**FINANCE AND GENERAL PURPOSES COMMITTEE**

*Chairman*

Mr David Morrison

*Members*

Mr James Arroyo OBE

Ms Rachel Lomax

Mrs Elizabeth Padmore

The Hon. Robert Wills

*Secretary*

Ms Wendy Shepherd

**INVESTMENT SUB-COMMITTEE**

*Chairman*

Mr Nicholas Ferguson CBE

*Members*

Mr David Morrison

Mrs Elizabeth Padmore

*Secretary*

Ms Wendy Shepherd

## **PROGRAMME COMMITTEE**

### *Chairman*

The Rt Hon. Douglas Alexander

### *Members*

Mr Bim Afolami MP  
Mr James Arroyo OBE  
Ms Melinda Bohannon  
Mr Rüdiger Bohn  
Mr Robert Fry  
Mr Charles Grant CMG  
Mr Darren Jones MP  
Ms Elizabeth Linder  
Mr Hiroshi Matsuura  
Ms Alison McGovern MP  
Professor Rana Mitter OBE FBA  
Dr Edwina Moreton OBE  
Mr Rajay Naik  
Professor Sir Adam Roberts KCMG FBA  
Ms Sonia Sodha  
Mr Rory Stewart OBE  
Ms Jo Swinson CBE  
Mrs Xenia Wickett

### *Secretary*

Ms Liz Greenhalgh

## ***The Trustees' Annual Report***

### ***Aims, Objectives, Activities and their Public Benefit***

The overarching aim of the Foundation as set out in its Articles of Association is “to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education, likely to be for the common benefit of British subjects on the one hand and citizens of the United States of America on the other”. More specific objectives are the advancement of education and improvement of public policy-making in the UK, North America and beyond.

This broad statement devised for the inauguration of the Foundation in 1958 still holds true but has been clarified for the challenges facing the world 65 years on. Our aim is to help sustain peace, freedom and order. We work towards the renewal of democratic societies, states and alliances.

Ditchley brings people together to think new things and make new connections. We orchestrate frank conversations across divides and create space for strategic thinking.

Our primary route to impact is through people, engaging the individuals and organisations with direct influence over outcomes. Ditchley discussions address complex challenges that, as a rule, do not have simple solutions.

We aim to find and include outstanding talent from all quarters. Ditchley is committed to ensuring and encouraging access for everyone, regardless of disability, age, gender, cultural or social background, sexual orientation, faith, location or wealth. Ditchley is independent and not bound by the interests of any government, political party or company.

We publish the outcomes of conferences and other events for public benefit. We also share insights and conclusions with government ministers, civil servants, journalists, business and technology leaders and others in a targeted way, either by direct briefings, post-conference briefings to the Ditchley community, or through subsequent small group discussions exploring particular ideas or themes which require further examination. Ditchley has an increasingly wide range of partnerships with other organisations and seeks to work on issues in coordination rather than isolation, aiming to achieve maximum impact and efficiency.

The public benefits generated by Ditchley are a deeper understanding amongst decision makers and influencers of issues of international concern across different fields, delivering in turn a wider public good. By design, Ditchley addresses the systemic long-term challenges we face, and so benefits are often difficult to quantify through short-term metrics. Nonetheless these benefits are clearly attested to by participants' feedback.

*Ditchley is a global public good. In a world where there are shrinking opportunities for open, frank, and respectful discussion on key global issues, Ditchley fills an increasingly critical need. If you want a high-powered marketplace of ideas, Ditchley is it!*

Mr John Hancock - Head, Policy Development, World Trade Organisation - A  
Profound Economic Crisis: finding a way through to a better future, January 2023

Exceptionally busy and influential people continue to make time to participate in Ditchley events, whether face to face at Ditchley Park or virtually. The Ditchley experience is educative even for those at the height of their careers and widely appreciated as a valuable contribution to public life. Ditchley conversations inform the reporting and develop the thinking on key issues of many respected journalists and news outlets.

No individual receives financial benefit from Ditchley. Where events are residential, board and accommodation are provided in exchange for participants' time and expertise.

Ditchley offers the house and its gardens without charge to charities in Oxfordshire and the surrounding area for several fundraising events per annum. In the last year Ditchley has hosted four such events.

The Foundation maintains Ditchley Park as a historic house, part of the national heritage. It is open by appointment to individuals, groups and societies to study its history, art and architecture. The public is given access to the building in the form of pre-booked guided tours for a small charge. The practice of setting aside a number of days in the calendar year as Public Access Days continues.

Ditchley remains committed to reducing its carbon footprint and engaged Small World Consultancy to undertake a comprehensive analysis of greenhouse gas emissions to provide a baseline from which to develop a responsible and deliverable approach to being carbon neutral by 2025. Ditchley's fleet of vehicles has been reduced to an EV people carrier thanks to the generous support of the John H & Marjorie N Glasgow Foundation. The kitchen garden is now cleared, providing a means of growing more fruit and vegetables on site. Other Initiatives which continue to be explored include the possibility of installing discrete hidden roof solar panels, rainwater harvesting and ground source energy solutions.

The Director and other officers of the Foundation undertake a range of other activities to promote the reputation and objectives of the Foundation and to attract new participants and supporters for the Foundation. They regularly participate in discussions with policy-makers and thought leaders in the UK, Europe, North America and far beyond, to explore opportunities for collaboration, attract expert participants to the Ditchley programme, and to share insights from Ditchley discussions.

Some of the objectives stated in the Foundation's original Articles of Association of 1958 (such as "to establish fellowships, scholarships and prizes" and "to establish paid residential or other fellowships") are not currently part of Ditchley's programme but are actively being considered within Ditchley's development plans.

All new Trustees are provided with a copy of the Charity Commission's guidance "The Essential Trustee (CC3)" together with Ditchley's Articles of Association. The training needs of trustees are kept under review.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in fulfilling their duties and in setting the Foundation's objectives and planning its activities.

### ***Report of 2022-2023***

The twelve months covered by the period of this annual report were momentous internationally, nationally and for Ditchley.

The impact of Russia's invasion of Ukraine on 24 February 2022, acknowledged in last year's report, was more fully realised as it became apparent that this was not going to be a short military operation, but instead a long battle requiring resilience on the part of Ukrainians and increasing military support on the part of sympathetic democracies.

The rising military cost was in the face of a global surge in inflation, affecting even the wealthiest of nations.

Alongside this, unprecedented global heat waves and catastrophic droughts and flooding in different parts of the world also raised the prospect of further political destabilisation with an increasing focus on the impact of climate change and corresponding increase in climate activism.

In the UK, a tumultuous year has found the country led by three different Prime Ministers, the death of Queen Elizabeth II and the succession to a new monarch, King Charles III. Stepping away from the world stage, Ditchley mourned the loss first of Lady Wills, and then Dr Catherine Wills.

### ***The 2022-2023 Programme of Events***

In the light of the events of the last year, Ditchley's programme evolved and adapted at speed to address the emerging challenges. There were nine Ditchley conferences over the period covered by this report, each followed by a post-conference briefing via 'the Bridge', the world-leading audio-visual capability installed in the Library. This now established format for sharing findings to emerge from discussions with the wider Ditchley community has been extended to other strands of the programme, such as on Climate.

*I just wanted to congratulate you and the whole team to the technical quality of the conference - this "TV study [sic] effect" is really amazing."*

Feedback following A Profound Economic Crisis: finding a way through to a better future, January 2023

Beyond the core conference programme, Ditchley has hosted in excess of one hundred other sessions ranging from large scale events to small working group discussions. The programme of working group discussions, hosted by the team of Network Leads, with each focussed on informing and defining a specific theme, are now a core element of the Ditchley methodology. These sessions also often act as a first introduction to Ditchley style of discussion for new contacts identified through research or recommendations.

Another significant development enhancing the programme over the last twelve months is the increasing number of collaborations with organisations aligned with Ditchley's purpose and objectives. There have been collaborations with, for example, Oxfam, Schmidt Ocean Futures, the US National Security Council, the London Institute for Mathematical Sciences and the China Forum. The decision as to whether to partner with another organisation, is always dependent on whether the proposed discussion is aligned to Ditchley's programme, aims and values.

Ditchley Germany is also taking shape with the core board now in place and a conference to launch the initiative scheduled for June 2023 and to be hosted at a venue located just outside of Frankfurt.

#### **I Geopolitics**

The Russian invasion of Ukraine and its impact has been a thread running through much of the programme over the last year. Alongside five conferences addressing different aspects of the topic, there was also a series of small group discussions in April and May 2022 and, of course, the Annual Lecture.

Perhaps the most significant of the conferences was *Russia: countering the worst and engaging the best* in June 2022. The new Supreme Allied Commander of Europe, General Chris Cavoli, participated in this conference in order to think through the challenges he would encounter in advance of assuming command of NATO the following week.

The four other conferences addressing this theme and related issues were *Geofinance: the impact of the Ukraine war, China, cyber security and other strategic issues on the global financial system* in April 2022; *China and the world: the impact of Russia's war with Ukraine* in September 2022; *A hungry world on the move: the impact of the food crisis on migration and how we must respond* in October 2022; and *Zeitenwende: a new Germany for new times?* in March 2022.

*The Ditchley Foundation has created an outstanding environment to discuss the most pressing policy issues on open and diverse grounds. The brilliant guests brought truly unique perspectives to the room, enriching our understanding of European challenges and inspiring new ideas to build on.*

Mr Julian Zelaznowski - Master of Public Policy candidate, University of Oxford - *Zeitenwende: a new Germany for new times?*, March 2023

In addition, Ditchley hosted a successful breakfast discussion in the margins of the Munich Security Conference in February 2023, attended again by NATO commander General Cavoli and others of note.

Ditchley's most publicly prominent geopolitical discussion of the year, however, in February 2023, was a conference on *how to make Brexit work better with our European neighbours*. This brought together prominent leavers and remainers, including members of the Cabinet and the Labour front bench, to address how to make the best of the Trade and Cooperation Agreement and to look forward.

### **Annual Lecture**

The 58<sup>th</sup> Ditchley Annual Lecture was delivered on Saturday 16<sup>th</sup> May by The Right Honourable Sir Tony Blair on the subject of *After Ukraine, What Lessons Now for Western Leadership?* He argued that western democracies, with living standards stagnating, millions struggling to meet their basic needs and political turmoil fuelled by social media, are facing an inflection point that is perhaps graver than those of 1945 and 1980. Within democracies, the solutions to these problems lie in the creation of a governing project which makes sense of the world, and which harnesses fundamentally the technological revolution. The ability to plan and deliver are in short supply in modern politics, but more important than ever. Abroad, Ukraine is a pivot point, demonstrating the need for increased defence spending and adoption of a stance of 'strength plus engagement' with China. We must recognise that we are now in a world where the East is on equal terms with the West. We need to respond to developing nations' needs, if we are to retain influence and soft power and tackle climate change.

### **II Education and democracy**

There were two major conferences and a series of small-scale discussions, together with five linked sessions forming the annual Lumina Summit during September and October 2022.

The two conferences were: *The New Fourth Estate: building a resilient 21st-century information eco-system* in December 2022, a topic to be revisited in December 2023; and *A Profound Economic Crisis: finding a way through to a better future* in January 2023.

The theme was also explored through cross-party discussions on regionalism and devolution in England.

### **III Technology and democracy**

There were two major conferences in the technology and democracy strand, the first, *Digital security for democratic, social and economic prosperity* in Ottawa in November 2022, and the second in February 2023 which addressed *AI and creative destruction: how will current rapid advances in AI through large 'foundation' models impact on society, the economy and governments?* The latter gathered many of the leading companies in the field and positioned

Ditchley at the centre of the urgent debate on this fast moving form of AI with potentially profound economic and social consequences.

This was complemented by the Data in Democracies programme which has the objective of accelerating the development of norms for data sharing and technology regulation across democratic states. A series of smaller scale discussions culminated in a one-day conference, *Data in Democracies: unifying visions, building shared infrastructure and preparing for a tsunami of legislation, in order to support democratic resilience, competitiveness and fundamental values across democracies*, in September 2022.

A new initiative for 2023 was the inaugural *Ditchley Winter Dialogue* which brought together Peter Thiel and Hermann Hauser to debate, in person, *how technology can best strengthen and renew democratic societies, states and alliances in an era of global competition*. Hosted at the Royal Institution in London, this second major event of the year is designed to complement the summer Annual Lecture, putting technology and its dilemmas at the heart of democratic renewal.

#### **IV Climate and energy**

The climate and biodiversity programme continues to gain in strength and momentum, building from small working group discussions into a larger hybrid Summit in March 2023 on *Critical Minerals & the Green Transition*. One of the emerging issues challenging climate action in a geopolitically competitive world.

In October 2022, there was a follow up discussion on earlier work on oceans and data: *Credit where credit is due: authorship of open ocean data*,

Details of all conferences, and other virtual discussions and events can be found on the Ditchley website: <https://www.ditchley.com/events/past-events>

### ***Other Projects***

Alongside the delivery of the thematic programme, Ditchley has pressed ahead with a range of other projects to support the programme and its impact.

#### **Internship programme**

The intern programme is now well-established with a rigorous selection process to identify around 50 candidates for intern roles over the course of the academic year. We are in the final stages of recruiting some 40 interns for the forthcoming summer programme. This will include five Canadian undergraduates selected and supported by the Canadian Ditchley Foundation, who will be resident at Ditchley for a week in July 2023.

All our interns are either paid for their work (at, or above, the Oxford living wage) and/or receive credits towards their degree. Interns work largely remotely, ensuring that geography does not prevent participation in all aspects of the Ditchley interning experience. The programme includes induction and celebration days at Ditchley and engagement with the Ditchley Intern Alumni Network, which is now organising its own events in partnership with Ditchley.

The intern programme is of value in itself, providing an opportunity for those taking part to explore ideas, consider alternative career paths and connect with a growing alumni network of similarly thoughtful individuals on the cusp of transitioning from academia to the world of work. It also provides a pipeline of emerging talent with which Ditchley actively engages over the longer term.

### **Ditchley's digital presence**

An important project nearing completion is the migration of the current CRM (ie database) to Salesforce. This has been a complex challenge, seeking to combine Ditchley's bespoke and personalised approach to the organisation of events, whilst benefitting from the efficiencies and greater cyber security of the globally leading CRM. This will enable the delivery of an expanded programme and the capacity to respond agilely to opportunities as they arise. Alongside this, the new website is also in development, which will reflect the breadth of the current Ditchley programme and make it more accessible.

### **Heritage Projects**

The completion of the Elizabethan Rooms, the restoration of Ditchley's second floor, is in touching distance. The 14 bedrooms all benefit from dedicated or ensuite bathrooms and are decorated to the highest standards. This means that Ditchley will be able to host all participants in its events in an equal way.

Alongside this huge undertaking, the estates team have been renovating other properties on the estate to enable them to be made available as rentals on the open market.

Work was completed on the Rotunda at the end of 2022, with the occasion marked by an informal celebration with the Historic Houses Foundation as the principal donor to the project.

Finally, a high-quality copy of the *Ditchley portrait* of Queen Elizabeth 1 by Marcus Gheeraerts the Younger now resides at the bottom of the Elizabethan staircase, thanks to the generosity and commitment of Amanda and Rupert Ponsonby and advice from the National Portrait Gallery where the original has hung since it left Ditchley in the 1930s.

## ***The Ditchley Team and Governance***

The members of the three Ditchley Foundations have worked ever more closely to steer a course through the turbulent events of the past year and Ditchley is indebted to all those involved with UK, American and Canadian Ditchley.

There were five new Members elected to Council in the last twelve month period. Ms Rushanara Ali MP and Mr David Morrison were elected at the June 2022 Annual General Meeting. At the subsequent Extraordinary General Meeting in December 2022, they were joined by Mr James Landale, Mr Jamie Merisotis and The Hon Robert Wills.

We would like to acknowledge with sadness the deaths over the last year of the Earl of Home and Professor Sir Laurence Martin, both Governors of Ditchley for many years; Sir Richard Lloyd who was a former Chairman of the Finance and General Purposes Committee, and Robert Conway who was a Director of the American Ditchley Foundation at the time of his death, and an Honorary Governor. He had previously served as a Governor, and member of both the Council of Management and Finance and General Purposes Committee.

After the sadness of losing Lady (Eva) Wills in May of last year, there was further shock with the death of Dr Catherine Wills two months later. Ditchley had been a part of Catherine's life since childhood, and during her adulthood she had been a presence at virtually every conference and Annual Lecture. Her absence continues to be keenly felt, but her wish to see Ditchley thrive and deliver on her father's vision was demonstrated by her extraordinarily generous legacy.

The scale of her gift amounts to a re-founding of Ditchley, the institution into which she and her family had already invested so much. Whilst respecting the modesty with which this was done, and continuing her father's tradition of quiet philanthropy, Ditchley will seek to honour

their memory in deeds and action as a testament to the great vision of Sir David Wills and the continued belief and trust of his daughter, Catherine.

### ***Plans for the Future***

Thanks to Catherine's substantial legacy Ditchley's future is secure. The Director, supported by the members of the team and Chairman and Members of the Council of Management and Finance and General Purposes Committee, are working to develop a strategy to maximise its value and consequent impact for Ditchley. Beyond this, discussions with Members of the Council of Management and F&GP were focussed on the twin tracks of ensuring Ditchley's financial sustainability and delivering on its purpose.

Ditchley will continue to convene a variety of discussions to address the most pressing issues, providing a space for frank conversation across divides. Above all, Ditchley will continue its efforts to build a community of 'thoughtful doers', drawn from all parts of society and many nations.

### ***Financial Review***

#### ***2022-2023***

The year began with a gradual return to normality after the uncertainty of the pandemic but also a recasting of the Operations Team and investment in skills to ensure that it is able to support the level and ambition of the Estate and the programme. The Estate Team was rationalised, retaining highly skilled staff, augmented by additional contract support as needed. The restoration of the second floor East and West corridors was externally tendered, and works commenced early in 2023. This released the in-house team to work on wider estate properties, three of which have been refurbished and added to our commercial letting portfolio. In addition a staff property was refurbished, and a Staff Hub created in the East Wing to provide accommodation for remote staff to visit Ditchley in person to host and contribute to events. This has strengthened structure and cohesion, allowing a geographically distributed team to work effectively in a hybrid way. Equipment and estate vehicles were audited and rationalised and, with an ambition to move to electric power whenever possible, we replaced vehicles and added time and cost saving equipment.

We were able to secure a substantial filming contract, fortuitously coinciding with the summer programme break, which contributed to the healthy £318k Ditchley Park Conference Centre Limited revenue for the year. Moving furniture for filming was disruptive but with the benefit that items were added adding to our Collections Management Database (CMD) and in the process a number of historic items were restored. The CMD, introduced during the financial year, is invaluable, creating a digital asset register and housekeeping record. The database will also help greatly in the management of the many items of art and furniture included in Catherine Will's legacy.

The cost of living continued to rise throughout the year and in recognition of the impact on staff, the F&GP agreed to a one off payment to all staff of £1k, with a note to review inflationary increases when setting staff budgets for 23/24. We continue to monitor energy use throughout the Ditchley Estate and explore alternatives.

Alongside the existing Ditchley Estate, work was undertaken to begin to understand the extent of the legacy, the property and land potential, and the integration of the movable assets. Visits were made to all the properties and surveys commissioned. We identified liabilities and risks

and commissioned further investigation and processes where required. Additional accounts support is being secured and Scottish legal advice sought.

### **Management and role of the invested portfolio**

The legacy, and particularly the renewables potential on the Scottish estate which forms the bulk of the legacy, is transformational to the Foundation, creating a diverse portfolio of revenue generating assets. The role of the invested portfolio is not however diminished as a result. The agreed strategy is, over the longer term, to grow and diversify the invested portfolio as assets are realised and the cash reinvested.

The portfolio had a value of £18.4 million in March 2023, compared to £20.4m in March 2022. Allowing for the drawdown in the year of £1.5m the portfolio decreased by 2.6% including fees. The Investment Sub-Committee (ISC) view is that investment managers Partners Capital performed well and steered the portfolio through the current Ukraine conflict and its global impact on energy costs and inflation. Since inception, on 1<sup>st</sup> September 2010, the portfolio has delivered an annualised return of +7.2% pa.in GBP (net of fees). The drawdown from the portfolio at year end of £1.5m was below budget, set at £1.7m.

For the coming year the budgeted figure for drawdown is set again at £1.7m, currently 9% of the reduced portfolio value. It is acknowledged that the level of drawdown is unsustainable and only appropriate in light of Catherine's legacy. The budget will be reviewed when probate is granted. The longer-term capital waterfall projections, reflecting the proposed management of the legacy, allow for the drawdown to be reduced to 4% by financial year 25/26.

An ESG investment policy was adopted by the Council of Management in 20/21 financial year, empowering our investment managers to report on the exposure of the diverse funds in which the portfolio is invested.

### **Strategic financial risks**

At the start of the year our main strategic financial risk was a sustained collapse in the markets and in the value of our invested portfolio. This risk was substantially reduced towards the end of the year when the full extent and potential value of the legacy became apparent. When the assets are transferred, after probate is granted, their diversity and revenue generating potential will add further income streams to decrease the reliance on the performance of the portfolio and reduce the drawdown. We will however continue to maintain careful management of the portfolio alongside continued work on development and careful management of costs. As we plan capital investment, we will look at the individual projects strategically as part of an overall plan for the estate and the Foundation's programme. The aim will be to maximise the value of the legacy and to build a strong base for further strategic fundraising to support Ditchley's impact.

### **Management of finances**

FY 2022/2023 expenditure in the Annual Accounts was £3.287m, while income was over £3.083m including portfolio drawdown of £1.5m. DPCC revenue was £318k. A larger number of commercial revenue days (due to the lengthy filming contract) will also provide a boost to our VAT reclaim for the year.

The £3.287m expenditure includes the completion of restoration costs for the mid-section of the main house, carried out predominantly by the in-house team. The final total cost of the restoration (to be completed in 23/24) is estimated at £1.2m, still far below the QS estimate of £4m. Additional costs relate to the initial building costs of the 2<sup>nd</sup> Floor Wings, externally contracted, which include over £110k relating to additional asbestos removal before work

could commence. The restoration will deliver 14 bedrooms with either ensuite or dedicated bathroom facilities. The transformation is extraordinary and places the quality of the bedrooms on a par with the 1<sup>st</sup> floor state bedrooms.

Income included over £1m in externally generated project funding (see below) and just under £140k of Estate income. The latter is budgeted to increase in 23/24 with the conversion of an additional two properties from our service accommodation to our commercial portfolio.

Expenditure in FY 2023/2024 is budgeted, in the management accounts, to be just over £3.8m. External funding secured accounts for nearly £644k of project and staff expenditure in the budget. All scheduled work has been budgeted and additional work and projects will not be committed until probate is granted. Tight controls remain in place to ensure externally funded projects are carefully monitored. A particular focus in 23/24 will be consolidating and updating all the existing estate architectural plans to produce a strategic plan for capital investment over the next four years.

Within the budget an initial 5% pay rise was agreed to reflect the rise in inflation, with a further review to take place during the year. We maintain our commitment to the Oxford Living Wage for all staff, both permanent and casual, to protect the lowest paid members of our team and to ensure consistency of terms and conditions.

### ***Development Report***

Ditchley raised just over £1.1m in donations during this year from a strong mix of individuals, trusts and foundations, and corporations bringing our total donations and pledges to around £7 million since 2018. We thank our dedicated and growing community of supporters who have made reaching this ambitious target possible over the last five years.

Special thanks are extended to American Ditchley on the heritage project, who have now fulfilled their commitment to endow four bedrooms, including the Henry Kissinger room; the Cyrus Vance room, the Barbara Jordan room and the Harry Hopkins room. We continue to seek donors' support for the endowment of the remaining bedrooms. Development plans for the East Wing will begin in earnest this year which will increase capacity for in-person guests and secure Ditchley's position as a gold-standard global place to convene, thanks to its unique combination of history and cutting-edge technology.

Our 1580 Fellowship income continues to rise steadily - this year we have raised £88,000. Since inception, the Fellowship has generated £250,000 and we aim to grow this much-needed unrestricted income stream.

We are working through the implications of Catherine's legacy for our development campaign. The added solidity of our finances will allow us to focus fundraising firmly on the programme and Ditchley's impact. The aim will be to build a set of strategic partnerships, allowing Ditchley further to expand the programme and to consider new initiatives.

A full list of donors – trusts and foundations, and individuals – for 2022/2023 is included below in alphabetical order

The American Ditchley Foundation  
Deutsche Bank  
The Canadian Ditchley Foundation  
John H and Marjorie N Glasgow Foundation  
Historic Houses Foundation  
The Leche Trust

Lumina Foundation  
Microsoft Corporation  
Open Text Corporation  
John Palfrey and Catherine Carter Family Fund\*  
JH Whitney Investment Management\*

Anonymous Donor  
Ms Angelica Anton MSc  
Lord and Lady Aldington  
Dr Nathan Benaich  
Mr Sam Blyth  
The Rt Hon. Baroness Virginia Bottomley DL and Sir Peter Bottomley MP  
John and Susan Burns OBE  
Sir Andrew Cahn KCMG  
Ms Jessica Cecil  
Dr Pinar Emirdag  
Sir Simon Fraser GCMG  
Sir Christopher Greenwood GBE CMG KC  
The Rt Hon. Dominic Grieve KC  
Russell and Andrea Hartley  
The Rt Hon. The Lord Hill of Oareford CBE  
Mr Will Hutton  
Dame DeAnne Julius DCMG, CBE  
Sir John Kemp-Welch  
Mrs Caitlin Kennedy  
Ms Rachel Lomax  
Mr Chris Mairs CBE FREng  
The Rt Hon Sir John Major KG CH  
Mr Jamie Merisotis\*  
Mr Dan Morrison\*  
Mr David Morrison  
Col Mike and Caroline Montagu  
Marc and Odile Mourre  
Dr Eric Newell, O.C., A.O.E\*\*  
Mr Paul Newman  
Ms Margaret Nibbi  
Mr Ismet Oztanik  
Mr Jonathan Paris  
Mr Mark Patrick  
Luke and Nicky Ponsonby  
Rupert and Amanda Ponsonby MBE+  
Mr Gerard Russell MBE  
Eric and Wendy Schmidt Fund for Strategic Innovation  
Sir John Sawers  
Dr Ishaka Shitu Almustapha  
Mr Philip Stephens  
Elisabeth Stheeman  
Mr Bobby Vedral  
Dr Diana Walford CBE MD FRCP FRCPath FFPH'  
The Rt Hon. the Lord Willetts FRS FAcSS  
Mr Peter Wilson-Smith  
Dr Dawn Wright\*

\*Supporters of The American Ditchley Foundation.  
\*\*Supporters of The Canadian Ditchley Foundation  
+Gift-in-kind

Thank you to the many individuals who support our work.

### ***Private Events and Other Income***

Ditchley Park Conference Centre Limited started the year in April with events held by key network contacts including the Civil Service and Oxford Character Project. We hosted a major filming project, Netflix's *The Diplomat*, for six weeks of the summer when programme activity is reduced within the house and the focus is on the external maintenance programme.

### ***Reserves Policy***

The Foundation's core finances are based upon its investment portfolio (valued at £18.4m as at end March 2023), which still provides the principal source of income until probate is granted. The portfolio is not a reserve, nor managed as such, and in the absence of any dedicated reserve fund, the Council of Management consider it a matter of essential financial discipline that the value of the capital is preserved as far as possible in order that the Foundation can deliver on its founding mission to run its programme for positive impact, rather than for profit or the interest of any party.

#### *Short term reserve*

The portfolio is invested across multiple asset classes and managed by Partners Capital to have a minimum of £400k of liquid reserves available to the Foundation within a week. This sum was identified by the Investment Sub-Committee, under the auspices of the Finance and General Purposes Committee, as an appropriate amount of short-term reserve to cover contingencies such as major emergency repairs. As at March 2023, the invested assets under management could provide some £2m to be available within a week, with 60% of the portfolio available to be liquidated within a four-to-seven-month period.

The Ditchley Foundation has determined on advice not to hold a separate reserves fund outside the main portfolio given both the opportunity cost (due to lower expected returns) and the additional administrative burden of operating a separate reserves portfolio.

#### *Strategic long-term reserves*

The Foundation's strategic aim is to build its invested portfolio through the strategic management of the legacy, with the ambition to grow the portfolio to £48m by 29/30. The aim will be to take no more than a 4% drawdown annually, allowing the invested portfolio to grow over time. We are exploring a range of investment options to generate the necessary income, including renewable energy income.

As at 31 March 2023, total funds stood at £25,094,124 of which £25,496 were restricted. The level of unrestricted free reserves, after excluding fixed assets and designated funds, stood at £21,452,187.

### ***Financial Resilience Statement***

Ditchley's trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period

of at least twelve months from the date of approval of these financial statements. The budget endorsed for FY 2023/2024 allows for an unrestricted cash balance at the end of the period, in addition to the Foundation's invested portfolio of £18.4m with sufficient liquidity to cover any short-term urgent needs.

### ***Fundraising Compliance Notice***

The Ditchley Foundation receives income from donations and has a trading subsidiary, Ditchley Park Conference Centre Limited. The Ditchley Foundation has signed up to the Code of Practice issued by the Fundraising Regulator. We do not carry out any direct marketing to the public and give clear instructions as to how individuals can be removed from our mailing lists. Our fundraising capability is in-house, and we do not use external commercial participators in our fundraising activities. There have been no complaints about fundraising in the year. A formal donor policy was approved by the Finance and General Purposes Committee and endorsed by the Council of Management in November 2020.

### ***Structure, Governance and Management***

The Ditchley Foundation is "a Company limited by guarantee not having a share capital", incorporated on the 24 February 1958, the Articles of Association having been subsequently amended on the 29 November 1966, 7 July 2007 and 7 July 2018.

Members of the Foundation are currently designated "Governors". They meet at least once a year, whether virtually or in person, at the Annual General Meeting of the Foundation, to approve the Annual Report and accounts of the Foundation and to receive the report of the auditors; to elect, as necessary, in accordance with the Articles of Association, the Council of Management; and to deal with other business of the Foundation. In addition to the AGM, Governors are also invited to further briefings during the course of the year and receive regular updates by email or letter.

Trustees (Members of the Council of Management) are generally selected from the ranks of the Governors and invited to join the Council by the Chairman, acting on the recommendations and advice of the existing Trustees, with a view to maintaining a balance of experience, expertise and background within the body of Trustees. They are subsequently elected by the Governors and serve a four-year term, renewable for one further four-year term.

All Trustees are fully familiar with the aims and ideals of the Foundation.

The administration of the Foundation is carried out by the Council of Management, through the Finance and General Purposes Committee. The day-to-day management of the Foundation is conducted by the Director, who is appointed by, and responsible to, the Council of Management.

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned, the most recent instance being the remuneration review conducted during 2017/2018 and implemented in 2018/2019.

Ditchley Park Conference Centre Limited (DPCC) is the trading arm of the Foundation and oversees events in the Mansion when not in use by the Foundation. These events include visits (the house is a Grade I listed historic building), conferences and meetings organised by outside bodies and use of the Mansion for education, photography and films. This activity was severely curtailed for much of the last financial year, but has now resumed.

The Council of Management is responsible for the management of risks faced by the Foundation. Detailed considerations of risk are delegated to the Director and his staff. Risks are identified, assessed, and controls established throughout the year with a formal review undertaken tri-annually. A high-level Risk Register was introduced in 2018 and is now reviewed regularly, including at each Finance and General Purposes Committee meeting and, annually by the Council of Management. The Register assesses the following risks:

- COVID-19 pandemic
- Serious injury or death of member of staff or visitor
- Catastrophic damage to the Mansion (infrastructure) and heritage, including by fire
- Loss of impact and relevance of the Foundation
- Failure to adapt to changes in society and technology mean impact and reputation and efficiency undermined
- Reputation for financial probity, effectiveness and impact damaged
- Business model not sustainable, for example due to the impact of the Ukraine war on the economy and invested assets.
- Data loss or privacy breach endangering reputation and damaging interests
- Loss of Business Continuity and reputational damage due to insufficient resilience in staff and infrastructure
- Serious damage to reputation due to failure to keep up with shifting public attitudes and perceptions

The Disaster Recovery Plan is subject to ongoing review, particularly regarding the business continuity aspects as impacted by the current pandemic. The key controls used by the Foundation include:

- The above-mentioned tri-annual meetings of the Council at which the Director and his senior staff brief the Trustees;
- Biannual meetings of the Finance and General Purposes Committee, which usually precede the Council Meetings, and a further annual meeting of the Committee at which they decide on major works and review health and safety procedures;
- Detailed job descriptions for the Director and Senior Staff, which are reviewed in detail on changes of incumbent;
- Three meetings a year between the Investment Sub-Committee of the Finance and General Purposes Committee and the investment managers of the investment portfolio. Additionally, members of this Committee with investment experience liaise with the investment managers as often as market conditions warrant it;
- Three times a year meeting of the Director's Risk Committee which reports to the Finance and General Purposes Committee, plus twice a year meeting of the Director's Health and Safety Committee, to review risks and safety procedures and decide on any necessary policy adjustments in the light of legislative changes.

Through these processes the Trustees are satisfied that the major risks have been identified and adequately mitigated where necessary.

### ***Trustees' Responsibilities***

As directors, the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are required by UK company law to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the company, and the group, and of the profit or loss of the company and the group for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ending 31 March 2023. They are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company in recognition of their responsibilities under the Companies Act 2006. The Trustees are responsible for taking reasonable steps to safeguard the assets of the company, and the group, and to prevent and detect fraud and other irregularities.

As far as the Trustees are aware, there is no relevant audit information (information needed by the Foundation's auditors in connection with preparing their report) of which the Foundation's auditors are unaware. Trustees individually have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's Auditors are aware of that information. The Trustees are required to prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charity will continue in operation.

### ***Principal Activities and Business Review***

The consolidated statement of financial activities for the year is set out on pages 23-27. A review of the Foundation's business during the year is contained in the Trustee's Annual Report starting on page 5 and incorporates the requirements of the Directors' report as required by company law.

### ***Dividends***

In accordance with the Memorandum of Association, no dividends may be paid to Members.

### ***Directors***

The Members of the Council of Management are listed on page 2.

By order of the Council of Management,



KATIE WILLIAMS  
Company Secretary

Dated: 28th July 2023

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

***INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DITCHLEY'S FOUNDATION***

**Opinion**

We have audited the financial statements of The Ditchley Foundation (the "Charity") for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, the Statements 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 group and Charity's affairs as at 31 March 2023 and of the group's 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.

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

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**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 engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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](http://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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland FCA  
Senior Statutory Auditor  
for and on behalf of Critchleys Audit LLP  
Statutory Auditor  
Beaver House, 23-38 Hythe Bridge Street,  
Oxford, OX1 2EP  
Date: 9 August 2023

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations, grants and legacies	3	1,110,901	18,500	1,129,401	1,043,798
Trading turnover of subsidiary		322,214	-	322,214	143,813
Investment income	4	51,270	-	51,270	49,046
Other sources		<u>84,882</u>	<u>-</u>	<u>84,882</u>	<u>68,502</u>
<b>Total income</b>		<u>1,569,267</u>	<u>18,500</u>	<u>1,587,767</u>	<u>1,305,159</u>
<b>Expenditure on:</b>					
Raising funds:					
Voluntary income		22,872	-	22,872	75,019
Fundraising trading (DPCC costs)		47,703	-	47,703	45,219
Investment management fees		78,561	-	78,561	156,182
Charitable activities: Conference programme costs	5	<u>3,449,311</u>	<u>18,500</u>	<u>3,467,811</u>	<u>2,847,094</u>
<b>Total Expenditure</b>		<u>3,598,447</u>	<u>18,500</u>	<u>3,616,947</u>	<u>3,123,514</u>
<b>Net expenditure before net gains on investments</b>					
		(2,029,180)	-	(2,029,180)	(1,818,355)
Net gains/(losses) on investments	10/11	<u>213,000</u>	<u>-</u>	<u>213,000</u>	<u>2,233,502</u>
<b>Net income / (expenditure)</b>		<u>(1,816,180)</u>	<u>-</u>	<u>(1,816,180)</u>	<u>415,147</u>
<b>Net movement in funds</b>		<u>(1,816,180)</u>	<u>-</u>	<u>(1,816,180)</u>	<u>415,147</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		26,884,808	25,496	26,910,304	26,495,157
Net movement in funds		<u>(1,816,180)</u>	<u>-</u>	<u>(1,816,180)</u>	<u>415,147</u>
<b>Total funds carried forward</b>		<u>25,068,628</u>	<u>25,496</u>	<u>25,094,124</u>	<u>26,910,304</u>

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

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

All activities relate to continuing operations.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Investment and rental income	51,270	49,046
Net gains/(losses) on investment assets	<u>213,000</u>	<u>2,233,502</u>
<b>Total</b>	<u>264,270</u>	<u>2,282,548</u>

For information, total cash drawdown from the investment portfolio was £1,500,000 (2022: £1,260,000). The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note		2023 £	2022 £
<b>Fixed assets:</b>				
Tangible assets	9		3,616,441	3,370,821
Investment property	10		3,156,798	2,988,000
Investments	11		<u>18,405,321</u>	<u>20,401,559</u>
			25,178,560	26,760,380
<b>Current Assets</b>				
Stocks	12	49,371	35,890	
Debtors	13	196,130	88,758	
Cash at bank and in hand		<u>193,210</u>	<u>260,231</u>	
		443,433	384,879	
Creditors: amounts falling due within one year	14	<u>(523,147)</u>	<u>(234,955)</u>	
<b>Net current assets</b>			<u>(84,436)</u>	<u>149,294</u>
<b>Total assets less current liabilities</b>			<u>25,094,124</u>	<u>26,910,304</u>
<b>Total net assets</b>			<u>25,094,124</u>	<u>26,910,304</u>
<b>Charity funds</b>				
Restricted funds	16/17		25,496	25,496
Unrestricted funds	16/17		<u>25,068,628</u>	<u>26,884,808</u>
<b>Total funds</b>			<u>25,094,124</u>	<u>26,910,304</u>

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 28th July 2023

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

**COMPANY BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note		2023 £	2022 £
<b>Fixed assets:</b>				
Tangible assets	9		3,616,441	3,370,821
Investment property	10		3,156,798	2,988,000
Investments	11		<u>18,405,323</u>	<u>20,401,561</u>
			25,178,562	26,760,382
<b>Current Assets</b>				
Stocks	12	49,371	35,890	
Debtors	13	191,238	61,553	
Cash at bank and in hand		<u>190,091</u>	<u>252,044</u>	
		430,700	349,487	
Creditors: amounts falling due within one year	14	<u>(729,256)</u>	<u>(226,972)</u>	
<b>Net current assets</b>			<u>(298,556)</u>	<u>122,515</u>
<b>Total assets less current liabilities</b>			<u>24,880,006</u>	<u>26,882,897</u>
<b>Total net assets</b>			<u>24,880,006</u>	<u>26,882,897</u>
<b>Charity funds</b>				
Restricted funds	16/17		25,496	25,496
Unrestricted funds	16/17		<u>24,854,510</u>	<u>26,857,401</u>
<b>Total funds</b>			<u>24,880,006</u>	<u>26,882,897</u>

The Company's net movement in funds for the year was £(2,002,891) (2022 - £387,861)

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

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



**The Right Honourable Lord Hill of Oareford CBE**

Dated: 28th July 2023

Company registration number: 599389, Charity registration number: 309657

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (note 20)	(1,572,364)	(1,407,885)
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	51,270	49,046
Purchase of tangible fixed assets (note 9)	(46,460)	(149,214)
Loss on disposal of tangible fixed assets (note 9)	533	-
Drawdown from investments	<u>1,500,000</u>	<u>1,260,000</u>
<b>Net cash provided by investing activities</b>	<b>1,505,343</b>	<b><u>1,159,832</u></b>
<b>Change in cash and cash equivalents in the year</b>	<b>(67,021)</b>	<b>(248,053)</b>
Cash and cash equivalents at the beginning of the year	<u>260,231</u>	<u>508,284</u>
Cash and cash equivalents at the end of the year (note 21)	<u><u>193,210</u></u>	<u><u>260,231</u></u>

The notes on pages 28-45 form part of these financial statements.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

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

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

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

**1.2 Company status**

The charitable company is limited by guarantee, incorporated in England and Wales, and no shares are authorised or issued by the Foundation. The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER. Each member undertakes to contribute £1 to the assets of the Foundation in the event of the same being wound up whilst a member, or within a year of ceasing to be a member, for the payment of debts and liabilities of the Foundation contracted before ceasing to be a member, and of the cost, charges and expenses of winding up, such as may be required not exceeding £1.

**1.3 Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Income (continued)**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Guest conference income excludes value added tax and represents the invoiced value of goods and services supplied.

**1.5 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds, including the activities of Ditchley Park Conference Centre Limited.

Expenditure on charitable activities comprises the costs of running the conference programme.

All resources expended are inclusive of irrecoverable VAT.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of the Ditchley Foundation and its subsidiary undertaking, Ditchley Park Conference Centre Limited.

**1.7 Government grants**

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

**1.8 Tangible fixed assets and depreciation**

The house and land at Ditchley Park, acquired by gift, are not valued. Expenditure on improvements is at cost less depreciation.

Individual fixed assets costing £1,000 or more are capitalised at cost.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets and depreciation (continued)**

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

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- between 20 and 50 years
Motor Vehicles	- 5 years
Fixtures and fittings	- Between 3 and 10 years
Office and IT equipment	- Between 3 and 10 years

**1.9 Investments**

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

Freehold properties held for investment purposes are valued periodically on professional advice and are included in the financial statements at their market value at the year end.

Quoted investments have been valued at the bid market price at the close of business at the year end. The market value of unit trusts and managed funds units is either taken as the bid or Net Asset Value price at the year end as advised by the investment managers.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or subsequent cost and are credited or charged to the Statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the Statement of financial activities based on the market value at the year end.

The investment in subsidiary undertaking is valued at cost less provision for impairment.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.12 Debtors**

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

**1.13 Cash at bank and in hand**

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

**1.14 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.15 Financial instruments**

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

**1.16 Pensions**

The pension scheme is a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

**1.17 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

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

**2. Critical accounting estimates and areas of judgement (continued)**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties:

Property valuations are performed annually by the Council, based upon external indications of value (including periodic valuations by qualified Independent Chartered Surveyors) and consideration of market conditions.

**3. Income from donations, grants and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Donations, grants and legacies	<u>1,110,901</u>	<u>18,500</u>	<u>1,129,401</u>	<u>1,043,798</u>
<b>Total 2022</b>	<u>959,923</u>	<u>83,875</u>	<u>1,043,798</u>	

**The Ditchley Foundation**  
(A Company Limited by Guarantee)

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

**4. Investment income**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rents	50,758	50,758	48,999
Bank interest	<u>512</u>	<u>512</u>	<u>47</u>
<b>Total 2023</b>	<u>51,270</u>	<u>51,270</u>	<u>49,046</u>
<b>Total 2022</b>	<u>49,046</u>	<u>49,046</u>	

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Conference programme costs	<u>3,449,311</u>	<u>18,500</u>	<u>3,467,811</u>	<u>2,847,094</u>
<b>Total 2022</b>	<u>2,602,032</u>	<u>245,062</u>	<u>2,847,094</u>	

**Summary by expenditure type**

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total funds 2023 £	Total funds 2022 £
Conference programme costs	<u>1,563,095</u>	<u>259,244</u>	<u>1,645,472</u>	<u>3,467,811</u>	<u>2,847,094</u>
<b>Total 2022</b>	<u>1,294,547</u>	<u>239,736</u>	<u>1,312,811</u>	<u>2,847,094</u>	

**6. Analysis of expenditure by charitable activities**

	Activities Undertaken Directly 2023 £	Support Costs 2023 £	Total Funds 2023 £	Total funds 2022 £
Conference programme costs	<u>3,445,521</u>	<u>22,290</u>	<u>3,467,811</u>	<u>2,847,094</u>
<b>Total 2022</b>	<u>2,822,931</u>	<u>24,163</u>	<u>2,847,094</u>	

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**7. Analysis of expenditure by charitable activities**

**Analysis of direct costs**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	1,537,004	1,537,004	1,294,547
Depreciation	259,244	259,244	239,736
Administration	297,307	297,307	263,749
Repairs and maintenance	343,258	343,258	150,615
Household and service costs	252,837	252,837	212,633
Conference and events	295,685	295,685	68,096
Irrecoverable VAT	71,100	71,100	84,101
Development programme costs	7,911	7,911	65,499
Costs attributable to DPCC	(47,703)	(47,703)	(45,219)
Bridge project, Lumina costs and Rotunda	144,622	144,622	104,498
Campaign costs	-	-	29,366
Second floor refurbishment costs	161,126	161,126	355,310
Asbestos removal	<u>110,940</u>	<u>110,940</u>	<u>-</u>
<b>Total 2023</b>	<b><u>3,433,331</u></b>	<b><u>3,433,331</u></b>	<b><u>2,822,931</u></b>
<b>Total 2022</b>	<b><u>2,822,931</u></b>	<b><u>2,822,931</u></b>	

**Analysis of support costs**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Auditor's remuneration	16,000	16,000	9,500
Non-audit fees – other financial services	<u>6,290</u>	<u>6,290</u>	<u>14,663</u>
<b>Total 2023</b>	<b><u>22,290</u></b>	<b><u>22,290</u></b>	<b><u>24,163</u></b>
<b>Total 2022</b>	<b><u>24,163</u></b>	<b><u>24,163</u></b>	

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**8. Staff costs**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
Wages and salaries	1,339,815	1,164,511	1,313,725	1,139,247
Social security costs	120,950	97,911	120,950	97,911
Contribution to defined contribution pension schemes	<u>102,327</u>	<u>87,758</u>	<u>102,327</u>	<u>87,758</u>
	<u>1,563,092</u>	<u>1,350,180</u>	<u>1,537,002</u>	<u>1,324,916</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.
Administration	25	22
Establishment	13	14
Conference	<u>18</u>	<u>13</u>
	<u>56</u>	<u>49</u>

The average headcount expressed as full-time equivalents was:

	<b>Group 2023 No.</b>	Group 2022 No.
Administration	19	18
Establishment	11	12
Conference	<u>3</u>	<u>2</u>
	<u>33</u>	<u>32</u>

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

	<b>Group 2023 No.</b>	Group 2022 No.
In the band £60,001 - £70,000	1	-
In the band £140,001 - £150,000	1	1

No members of the Council of Management received any emoluments during the year (2022: £Nil).

No members of the Council of Management received payment for professional or other services supplied to the Charity (2022: £Nil).

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**8. Staff costs (continued)**

During the year, a disbursement of £1,613 (2022: £Nil) for travel and associated expenses was incurred by 1 member of the Council of Management while undertaking activities directly associated with the purposes of the Foundation.

The key management personnel of the Foundation comprise the Council of Management, the Director, the Bursar and the Chief Operating Officer. The total employee benefits of the key management personnel of the Trust were £238,126 (2022: £232,555).

During the year, redundancy costs totalled £38,870 (2022: £19,477) including payments in lieu of notice.

**9. Tangible fixed assets**

Group	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>					
At 1 April 2022	4,577,175	44,873	167,238	1,033,443	5,822,729
Additions	-	-	10,283	36,177	46,460
Disposals	-	(17,073)	-	(11,270)	(28,343)
Transfers from investment property	<u>463,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,140</u>
At 31 March 2023	<u>5,040,315</u>	<u>27,800</u>	<u>177,521</u>	<u>1,058,350</u>	<u>6,303,985</u>
<b>Depreciation</b>					
At 1 April 2022	1,740,526	41,956	30,590	638,836	2,451,908
Charge for the year	144,565	1,000	5,606	107,983	259,154
Depreciation eliminated on disposals	<u>-</u>	<u>(17,073)</u>	<u>-</u>	<u>(6,442)</u>	<u>(23,515)</u>
At 31 March 2023	<u>1,885,091</u>	<u>25,883</u>	<u>36,196</u>	<u>740,377</u>	<u>2,687,547</u>
<b>Net book value</b>					
At 31 March 2023	<u>3,155,224</u>	<u>1,917</u>	<u>141,325</u>	<u>317,972</u>	<u>3,616,438</u>
At 31 March 2022	<u>2,836,649</u>	<u>2,917</u>	<u>136,648</u>	<u>394,607</u>	<u>3,370,821</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**9. Tangible fixed assets (continued)**

Company	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost of valuation</b>					
At 1 April 2022	4,577,175	44,873	167,238	1,033,443	5,822,729
Additions	-	-	10,283	36,179	46,462
Disposals	-	(17,073)	-	(11,270)	(28,343)
Transfers from investment property	<u>463,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,140</u>
At 31 March 2023	<u>5,040,315</u>	<u>27,800</u>	<u>177,521</u>	<u>1,058,352</u>	<u>6,303,988</u>
<b>Depreciation</b>					
At 1 April 2022	1,740,526	41,956	30,590	638,836	2,451,908
Charge for the year	144,565	1,000	5,606	107,983	259,154
Depreciation eliminated on disposals	<u>-</u>	<u>(17,073)</u>	<u>-</u>	<u>(6,442)</u>	<u>(23,515)</u>
At 31 March 2023	<u>1,885,091</u>	<u>25,883</u>	<u>36,196</u>	<u>740,377</u>	<u>2,687,547</u>
<b>Net book value</b>					
At 31 March 2023	<u>3,155,224</u>	<u>1,917</u>	<u>141,325</u>	<u>317,975</u>	<u>3,616,441</u>
At 31 March 2022	<u>2,836,649</u>	<u>2,917</u>	<u>136,648</u>	<u>394,607</u>	<u>3,370,821</u>

Freehold property comprises expenditure on improvements. The House and associated land are valued at £Nil since they were acquired by gift. No value has been attributed to these assets as, in accordance with the wishes of the donor, it is intended that the House and associated land will be held in perpetuity to support the objectives and activities of the Foundation. Ditchley House was built in 1722 and is a listed Grade 1 building. Significant costs would be involved in valuing the property which, in the opinion of the Trustees, would be onerous compared with the additional benefit derived by users of the accounts in assessing the stewardship of assets. The House and outbuildings are currently insured for £69,846,963.

Other properties occupied by staff and considered as permanent staff quarters are included at deemed cost based upon a valuation performed at 31 March 2008 by Laws and Fiennes, Chartered Surveyors.

**The Ditchley Foundation  
(A Company Limited by Guarantee)**

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

**10. Investment property**

**Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	2,988,000
Revaluations	631,938
Transfers to tangible fixed assets	<u>(463,140)</u>
At 31 March 2023	<u>3,156,798</u>

**Company**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	2,988,000
Revaluations	631,938
Transfers to tangible fixed assets	<u>(463,140)</u>
At 31 March 2023	<u>3,156,798</u>

Investment properties comprise properties and farmland on the estate rented on a commercial basis. The last professional valuation of the properties was undertaken in 2021 by Savills, Chartered Surveyors, on an open market value for existing use basis. Council have considered this valuation and its appropriateness. Council decided to increase the value of investment property in line with the Oxfordshire market since the last professional valuation. The farmland was last valued in 2020 and the Council considers this valuation to be materially correct at 31 March 2023.

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**11. Fixed asset investments**

<b>Group</b>	<b>Investment securities</b>	<b>Uninvested cash</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost of valuation</b>			
At 1 April 2022	19,842,168	559,391	20,401,559
Additions	4,906,604	-	4,906,604
Disposals	(6,406,603)	-	(6,406,603)
Revaluations	(418,938)	-	(418,938)
Other movements	<u>(183,448)</u>	<u>106,148</u>	<u>(77,300)</u>
At 31 March 2023	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,322</u>
<b>Net book value</b>			
At 31 March 2023	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,322</u>
At 31 March 2022	<u>19,842,168</u>	<u>559,391</u>	<u>20,401,559</u>

<b>Company</b>	<b>Investments in subsidiary companies</b>	<b>Investment securities</b>	<b>Uninvested cash</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost of valuation</b>				
At 1 April 2022	2	19,842,168	559,391	20,401,561
Additions	-	4,906,604	-	4,906,604
Disposals	-	(6,406,603)	-	(6,406,603)
Revaluations	-	(418,938)	-	(418,938)
Other movements	<u>-</u>	<u>(183,448)</u>	<u>106,148</u>	<u>(77,300)</u>
At 31 March 2023	<u>2</u>	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,322</u>
<b>Net book value</b>				
At 31 March 2023	<u>2</u>	<u>17,739,783</u>	<u>665,539</u>	<u>18,405,322</u>
At 31 March 2022	<u>2</u>	<u>19,842,168</u>	<u>559,391</u>	<u>20,401,561</u>

**12. Stocks**

	<b>Group 2023</b>	<b>Group 2022</b>	<b>Company 2023</b>	<b>Company 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Finished goods and goods for resale	<u>49,371</u>	<u>35,890</u>	<u>49,371</u>	<u>35,890</u>
	<u>49,371</u>	<u>35,890</u>	<u>49,371</u>	<u>35,890</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**13. Debtors**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
<b>Due within one year</b>				
Trade debtors	9,426	30,750	4,534	3,545
Other debtors	-	9,656	-	9,656
Prepayments and accrued income	143,740	46,407	143,740	46,407
VAT recoverable	<u>42,964</u>	<u>1,945</u>	<u>42,964</u>	<u>1,945</u>
	<u>196,130</u>	<u>88,758</u>	<u>191,238</u>	<u>61,553</u>

**14. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
Trade creditors	211,910	99,238	208,497	96,700
Amounts owed to group undertakings	-	-	439,142	19,123
Other taxation and social security	31,596	33,600	30,419	29,772
Other creditors	209,477	8,851	10,679	8,851
Accruals and deferred income	<u>70,164</u>	<u>93,266</u>	<u>40,519</u>	<u>72,526</u>
	<u>523,147</u>	<u>234,955</u>	<u>729,256</u>	<u>226,972</u>

**15. Deferred income**

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
Deferred income	<u>29,137</u>	<u>37,442</u>	<u>1,992</u>	<u>1,992</u>

Deferred income is included in the financial statements as follows:

	<b>Group 2023 £</b>	Group 2022 £	<b>Company 2023 £</b>	Company 2022 £
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Deferred income is included within:

Current liabilities	<u>29,137</u>	<u>37,442</u>	<u>1,992</u>	<u>1,992</u>
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Movements in the year:

Deferred income at 1 April 2022	37,442	40,212	1,992	1,992
Released from previous periods	(19,202)	(21,762)	(1,992)	(1,992)
Resources deferred in the year	<u>10,897</u>	<u>18,992</u>	<u>1,992</u>	<u>1,992</u>

Deferred income at 31 March 2023	<u>29,137</u>	<u>37,442</u>	<u>1,992</u>	<u>1,992</u>
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Deferred income relates to rents received in advance and conference deposits.

**The Ditchley Foundation**  
(A Company Limited by Guarantee)

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

**16. Statement of funds**

**Statement of funds – current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General funds	26,884,808	1,569,269	(3,598,447)	213,000	25,068,628
<b>Restricted funds</b>					
Travel fund	25,496	-	-	-	25,496
Earmarked donations	<u>-</u>	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>	<u>-</u>
	<u>25,496</u>	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>	<u>25,496</u>
<b>Total funds</b>	<u>26,910,304</u>	<u>1,587,767</u>	<u>(3,616,947)</u>	<u>213,000</u>	<u>25,094,124</u>

**Statement of funds – prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General funds	26,308,474	1,221,284	(2,878,452)	2,233,502	26,884,808
<b>Restricted funds</b>					
Travel fund	25,496	-	-	-	25,496
Earmarked donations	59,852	2,500	(62,352)	-	-
Dulverton fund	15,000	-	(15,000)	-	-
Bridge	81,881	-	(81,881)	-	-
Rotunda	3,954	23,117	(27,071)	-	-
Rooms	500	-	(500)	-	-
American Ditchley	<u>-</u>	<u>58,258</u>	<u>(58,258)</u>	<u>-</u>	<u>-</u>
	<u>186,683</u>	<u>83,875</u>	<u>(245,062)</u>	<u>-</u>	<u>25,496</u>
<b>Total funds</b>	<u>26,495,157</u>	<u>1,305,159</u>	<u>(3,123,514)</u>	<u>2,233,502</u>	<u>26,910,304</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**17. Summary of funds**

**Summary of funds – current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General funds	26,884,808	1,569,267	(3,598,447)	213,000	25,068,628
Restricted funds	<u>25,496</u>	<u>18,500</u>	<u>(18,500)</u>	<u>-</u>	<u>25,496</u>
<b>Total funds</b>	<u>26,910,304</u>	<u>1,587,234</u>	<u>(3,616,414)</u>	<u>213,000</u>	<u>25,094,124</u>

**Summary of funds – prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General funds	26,308,474	1,221,284	(2,878,452)	2,233,502	26,884,808
Restricted funds	<u>186,683</u>	<u>83,875</u>	<u>(245,062)</u>	<u>-</u>	<u>25,496</u>
<b>Total funds</b>	<u>26,495,157</u>	<u>1,305,159</u>	<u>(3,123,514)</u>	<u>2,233,502</u>	<u>26,910,304</u>

Restricted funds are non-staff project specific expenditure, earmarked by the donor.

Unrestricted funds are allocated towards the general Ditchley Foundation programme, staff costs, associated technology and infrastructure.

**18. Analysis of net assets between funds**

**Analysis of net assets between funds – current year**

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	3,616,441	-	3,616,441
Fixed asset investments	18,405,321	-	18,405,321
Investment property	3,156,798	-	3,156,798
Current assets	413,215	25,496	438,711
Creditors due within one year	<u>(523,147)</u>	<u>-</u>	<u>(523,147)</u>
<b>Total</b>	<u>25,068,628</u>	<u>25,496</u>	<u>25,094,124</u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds – prior year**

	<b>Unrestricted Funds 2022 £</b>	<b>Restricted Funds 2022 £</b>	<b>Total Funds 2022 £</b>
Tangible fixed assets	3,370,821	-	3,370,821
Fixed asset investments	20,401,559	-	20,401,559
Investment property	2,988,000	-	2,988,000
Current assets	359,383	25,496	384,879
Creditors due within one year	<u>(234,955)</u>	<u>-</u>	<u>(234,955)</u>
<b>Total</b>	<u><b>26,884,808</b></u>	<u><b>25,496</b></u>	<u><b>26,910,304</b></u>

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Net income for the year (as per Statement of Financial Activities)	(1,816,180)	415,147
<b>Adjustments for:</b>		
Depreciation charges	259,154	239,736
Investment property gain	(631,938)	-
Gains on investments	418,938	(2,233,502)
Dividends, interests and rents from investments	(51,270)	(49,046)
(Increase)/decrease in stocks	(13,481)	23,481
(Increase)/decrease in debtors	(107,372)	32,935
Increase/(decrease) in creditors	288,192	(22,910)
Other investment movements	77,300	186,274
Exchange rate gains	<u>4,293</u>	<u>-</u>
<b>Total funds</b>	<u><b>(1,572,364)</b></u>	<u><b>(1,407,885)</b></u>

**21. Analysis of cash and cash equivalents**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Cash in hand	<u>193,210</u>	<u>260,231</u>
<b>Total cash and cash equivalents</b>	<u><b>193,210</b></u>	<u><b>260,231</b></u>

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**22. Analysis of changes in net debt**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash in hand	<u>260,231</u>	<u>(67,021)</u>	<u>193,210</u>
<b>Total cash and cash equivalents</b>	<u>260,231</u>	<u>(67,021)</u>	<u>193,210</u>

**23. Capital commitments**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	<u>—</u>	<u>6,095</u>	<u>—</u>	<u>6,095</u>

**24. Operating lease commitments**

At the reporting end date the Charity had outstanding commitments for future minimum payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	Group 2022 £
Within one year	6,449	2,566
Between two and five years	<u>11,610</u>	<u>—</u>
	<u>18,059</u>	<u>2,566</u>

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements was £17,657 (2022: £10,324).

**25. Pensions commitments**

The Foundation maintains a pension scheme covering all of its permanent and casual employees. It is a defined contribution scheme (employer 10%) administered by the Trustees. Its funds are kept separate from those of the Foundation. Contributions outstanding at 31 March 2023 were £10,300 (2022: £8,651). The pension cost charge represents contributions payable by the Foundation in accordance with the rules of the scheme.

**26. Principal subsidiary**

The following was a subsidiary undertaking of the Company:

Name	Company number	Holding	Included in consolidation
Ditchley Park Conference Centre Limited	01944182	100%	Yes

**The Ditchley Foundation**  
**(A Company Limited by Guarantee)**

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

**27. Principal subsidiary (continued)**

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ditchley Park Conference Centre Limited	322,214	108,096	214,118	214,120

The registered office is Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER.

**28. Related party transactions**

In the year, 8 Trustees (2022: 7 Trustees) made donations totalling £53,063 (2022: £20,000) to the Foundation under the 1580 Fellowship Scheme.

Dr C Wills, who is a Trustee, was also a Trustee of The HDH Wills 1965 Charitable Trust. During the year The HDH Wills Charitable Trust charged the Foundation £63,491 (2022: £69,555). At the year end the Foundation owed £7,422 (2022: £Nil).

During the period, the Foundation recharged The HDH Wills 1965 Charitable Trust £2,598 (2022: £14,145). At the year end the Foundation was owed £Nil (2022: £500).

The wife of the Foundation's Director, K Arroyo, was paid £6,000 in the year (2022: £6,000) for interior design consultancy work as part of the second floor and library projects.

Marjorie Neasham Glasgow, who is a Trustee, was also a Trustee of The Glasgow Foundation. During the year, The Glasgow Foundation, donated £39,608 (2022: £Nil) to the Foundation.

**29. Post-reporting date events**

During the year, the Foundation was made aware of a generous legacy. The legacy has not yet met the threshold to be recognised in these financial statements, but Trustees estimate it to be some tens of millions.

**THE DITCHLEY FOUNDATION**

England & Wales - Charity number 309657

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# Accounts

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*Think*  
*new things*

*Make*  
*new connections*

THE COUNCIL'S  
ANNUAL REPORT  
AND ACCOUNTS  
2021-2022

DITCHLEY



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## ***Office Holders, Trustees and Committee Members***

### **HONORARY LIFE PRESIDENT**

Lady Wills JP

### **COUNCIL OF MANAGEMENT**

*[Trustees of the Foundation]*

#### *Chairman*

The Right Honourable the Lord Hill of Oareford CBE

#### *Members of the Council*

The Lord Aldington

The Lord Bridges of Headley MBA

Ms Pamela Dow

Mrs Marjorie Neasham Glasgow BEM, Her Majesty's Lord-Lieutenant of Oxfordshire

\* His Excellency the Honorable Ralph Goodale PC

The Right Honourable Mr Dominic Grieve QC

Sir Julian King GCMG, KCVO

Ms Rachel Lomax

The Right Honourable the Lord Mandelson

Mr Paul Newman

Mrs Elizabeth Padmore

Ms Emma Reynolds

The Most Honourable The Marquess of Salisbury KCVO PC DL

Dr Catherine Wills

#### *Company Secretary*

Ms Katie Williams

\* The High Commissioner for Canada serves as an ex-officio member of the Council of Management for the duration of their tenure as representative to the Court of St James.

### **THE FOUNDATION'S EXECUTIVE STAFF**

*Director:* Mr James Arroyo OBE

*Chief Operating Officer:* Ms Wendy Shepherd

*Major Events and Projects Lead and Company Secretary:* Ms Katie Williams

Registered office: Ditchley Park, Enstone, Chipping Norton, Oxfordshire OX7 4ER

A company registered in England (No. 599389) limited by guarantee and not having a Share Capital, registered as a Charity (No. 309657) and exempt from Income Tax and Capital Gains Tax.

Auditors: James Cowper Kreston

Bankers: Barclays Bank plc, Oxford

Investment Managers: Partners Capital LLP

Solicitors: Julian Taylor Solicitors, Bicester

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

### *Chairman*

The Lord Aldington

### *Members*

Mr James Arroyo OBE

Ms Rachel Lomax

Mr David Morrison

Mr Paul Newman

Mrs Elizabeth Padmore

Dr Catherine Wills

### *Secretary*

Ms Wendy Shepherd

## **INVESTMENT SUB-COMMITTEE**

### *Chairman*

Mr Nicholas Ferguson CBE

### *Members*

The Lord Aldington

Mrs Elizabeth Padmore

### *Secretary*

Ms Wendy Shepherd

## **PROGRAMME COMMITTEE**

### *Chairman*

The Right Honourable Douglas Alexander

### *Members*

Mr Bim Afolami MP  
Mr James Arroyo OBE  
Ms Melinda Bohannon  
Mr Charles Grant CMG  
Ms Julia Gross  
Mr Darren Jones MP  
Ms Elizabeth Linder  
Mr Hiroshi Matsuura  
Dr Edwina Moreton OBE  
Mr Rajay Naik  
Professor Sir Adam Roberts KCMG FBA  
Mr Rory Stewart OBE  
Ms Jo Swinson CBE  
Mrs Xenia Wickett  
Dr Catherine Wills

### *Secretary*

Mrs Sandra Ricks

## ***The Trustees' Annual Report***

### ***Aims, Objectives, Activities and their Public Benefit***

The overarching aim of the Foundation as set out in its Articles of Association is “to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education, likely to be for the common benefit of British subjects on the one hand and citizens of the United States of America on the other”. More specific objectives are the advancement of education and improvement of public policy-making in the UK, North America and beyond.

This broad statement devised for the inauguration of the Foundation in 1958 still holds true but has been clarified for the challenges facing the world 60 years on. Our aim is to help sustain peace, freedom and the rule of law. We work towards the renewal of democratic societies, states and alliances.

Ditchley brings people together to think new things and make new connections. We orchestrate frank conversations across divides and create space for strategic thinking.

Our primary route to impact is through people, engaging the individuals and organisations with direct influence over outcomes. Ditchley discussions address complex challenges that, as a rule, do not have simple solutions.

We aim to find and include outstanding talent from all quarters. Ditchley is committed to ensuring and encouraging access for everyone, regardless of ability, age, gender, cultural or social background, sexual orientation, faith, location or wealth. Ditchley is independent and not bound by the interests of any government, political party or company.

We publish the outcomes of conferences and other events for public benefit. We also share insights and conclusions with government ministers, civil servants, journalists, business and technology leaders and others in a targeted way, either by direct briefings, post-conference briefings to the Ditchley community, or through subsequent small group discussions exploring particular ideas or themes which require more examination. Ditchley has a wide range of partnerships with other organisations and seeks to work on issues in coordination rather than isolation, aiming to achieve maximum impact and efficiency.

The public benefits generated by Ditchley are a deeper understanding amongst decision makers and influencers of issues of international concern across different fields, delivering in turn a wider public good. By design, Ditchley addresses the systemic long-term challenges we face, and so benefits are often difficult to quantify through short-term metrics. Nonetheless these benefits are clearly attested to by participants' feedback.

Exceptionally busy and influential people continue to make time to participate in Ditchley events, whether face to face at Ditchley Park or virtually. The Ditchley experience is educative even for those at the height of their careers and widely appreciated as a valuable contribution to public life. Ditchley conversations inform the reporting of many respected news organisations from the BBC to the Washington Post and also new forms of media.

*Ditchley provides an unparalleled opportunity for a frank, fresh, and bracing exchange of ideas and perspectives across many types of boundaries. We've got to break out of our social circles and comfort zones if we are going to mobilize more effective policy responses to our great challenges. Ditchley always expands the horizons of my thinking.*

Dr Larry I Diamond, The United States: headed for renewal or bound for division?,  
September 2021

*Conferences at Ditchley are of a consistently high calibre and offer a healthy diversity of perspectives. The quality and quantity of in-depth reflection provides ample material to guide one's professional analysis and inspire one's thought process.*  
Dr Zachary Paikin, Europe after Merkel, March 2022

No individual receives financial benefit from Ditchley. Where events are residential, board and accommodation are provided in exchange for participants' time and expertise.

Ditchley has resumed the practice of offering the house and its gardens without charge to charities in Oxfordshire and the surrounding region for several fundraising events per annum. In the last year Ditchley has hosted three such events.

The Foundation maintains Ditchley Park as a historic house, part of the national heritage. It is open by appointment to individuals, groups and societies to study its history, art and architecture. The public is given access to the building in the form of pre-booked guided tours for a small charge. An innovation over the last year has been to set aside a number of days throughout the year as Public Access Days, bookable through a well-known online ticketing website.

Ditchley is committed to reducing its carbon footprint and engaged Small World Consultancy to undertake a comprehensive analysis of greenhouse gas emissions to provide a baseline from which to develop a responsible and deliverable approach to being carbon neutral by 2025. Initiatives under review to achieve this goal include the acquisition of an EV people carrier; an exploration of the possibility of installing solar panels on the roof of the main house which would remain hidden thanks to its design; rainwater harvesting; and clearing the kitchen garden with a view to growing more fruit and vegetables on site.

The Director and other officers of the Foundation undertake a range of other activities to promote the reputation and objectives of the Foundation and to attract new participants and supporters for the Foundation. They regularly participate in discussions with policy-makers and thought leaders in the UK, North America and far beyond, to explore opportunities for collaboration, attract expert participants to the Ditchley programme, and to share insights from Ditchley discussions.

Some of the objectives stated in the Foundation's original Articles of Association of 1958 (such as "to establish fellowships, scholarships and prizes" and "to establish paid residential or other fellowships") are not currently part of Ditchley's programme but are under review in Ditchley's development plans.

All new Trustees are provided with a copy of the Charity Commission's guidance "The Essential Trustee (CC3)" together with Ditchley's Articles of Association. Ongoing training is provided by the Foundation's auditors, currently James Cowper Kreston, on a biannual basis (most recently completed in February 2021), together with an annual reminder of Trustee responsibilities by means of the Charity Commission guidance document referenced above.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in fulfilling their duties and in setting the Foundation's objectives and planning its activities.

## **Report of 2021-2022**

The last 12 months have been tumultuous, beginning with the final few months of the constraints imposed by COVID restrictions and concluding with the shock of Russia's invasion of Ukraine on 24 February 2022. The upcoming programme was rapidly revised to provide space for thoughtful dialogue on the new issues and challenges ahead.

Alongside conduct of the thematic programme, Ditchley has pressed ahead with a range of other projects to support the programme and its impact.

### **The Bridge**

The Bridge, the state-of-the-art audio-visual capability installed in the Library, has become central to Ditchley's operations and is deployed multiple times a week for both Ditchley and Private Events. Ditchley's expertise with regards to the delivery of virtual and hybrid events is seen as class leading and we are regularly invited to demonstrate the Bridge facility to a range of other organisations, both national and international.

More importantly, as a direct result of the Bridge capability, Ditchley is able to involve serving senior figures (for example Secretary John Kerry, Commissioner Margrethe Vestager and German Chancellery State Secretary Dr Jörg Kukies) in conferences and other discussions.

*Needless to say, amazing collection of people, superbly curated and moderated, and I have to say the Ditchley library is a masterclass in how to make hybrid meetings work effectively – I've honestly never seen it managed so well.*

Feedback following Techno-Democracy conference, February 2022.

We have recruited a dedicated member of the team to lead on the technology underpinning the Bridge. Their background and training is in filmmaking and we are also able to draw on these skills to produce video content for a variety of purposes.

### **Internship programme**

We are continuing to build our internship programme. We have engaged with twenty-eight interns throughout the academic year and will again be hosting a summer programme, which will take another forty students. All our interns are either paid for their work (at, or above, the national living wage) and/or receive credits towards their degree. We attract interns from universities from all parts of the country and ensure that geography is not a barrier to full participation in all aspects of the Ditchley interning experience which includes, for example, induction days at Ditchley and engagement with the newly launched Ditchley Intern Alumni Network. We will this summer be welcoming four to five Canadian undergraduates to the Ditchley Internship Programme, selected by the Canadian Ditchley Foundation, with broad geographical representation across Canada. Interns are also invited to participate in our mentoring programme, which connects emerging talent with members of the established Ditchley community.

### **Ditchley's digital presence**

A key project underway is the migration of the current CRM to Salesforce which will facilitate the modernisation and scalability of capacity to deliver an expanded programme. It will also enable the integration of other elements of Ditchley's digital footprint, such as the Ditchley community platform. A new website is being developed in parallel. This will more accurately reflect the range of work currently undertaken by Ditchley and improve access to archive materials with simpler navigation. Both projects are scheduled for delivery in Autumn 2022.

Ditchley has continued to expand the digital content available on Smartify (<https://smartify.org/venues/ditchley-park>); a digital platform that hosts rich descriptions of art

and objects through innovative technology, enabling engaging storytelling about places, their history and their purpose.

### **Heritage Projects**

The creation of the Elizabethan Rooms, the restoration of Ditchley's second floor, is nearing completion with the central section of rooms now all but finished and back in use by guests. The rooms and new dedicated and ensuite bathrooms have been individually decorated to a very high standard, combining outstanding comfort with character, history and respect for Ditchley's identity as a historic home rather than hotel. The remaining second floor rooms will be completed by the end of 2022, bringing to a close what are probably the largest scale works on the house since the 1930s.

Work is almost complete on restoration of the Rotunda, an iconic feature of the Ditchley landscape, which required the complete removal and rebuilding of the stone floor due to erosion through water ingress over the decades. The Rotunda and sham bridge end of the lake has also been dredged. Multiple smaller restoration and maintenance projects have been completed around the house and estate over the course of the year, for example the painting of the north front windows.

### ***The 2021-2022 Programme of Events***

The framework for the programme consists of four themes, which ensure clarity of purpose. There have been nine Ditchley conferences over the period covered by this report, each followed by a post-conference briefing via 'the Bridge' which has become an established mechanism for sharing initial reflections and findings with the wider Ditchley community.

Beyond the core conference programme, Ditchley has hosted over one hundred other sessions ranging from large scale events such as the *Annual Lecture* and *Climate and Energy Summit* to small group discussions. Smaller scale discussions are held on a weekly basis and facilitated by our theme leads, alongside a growing calls programme to members of the Ditchley community.

### **I Geopolitics**

Geopolitics has always been and will remain core territory for Ditchley and that is reflected in the focus of five of the conferences over the last year.

Notable amongst these was *China Today and Tomorrow* in May 2021, where the power of virtual connection to bring together people from across the globe was fully deployed, with an on-line gathering of just under one hundred participants from China, the US, Canada, Australia, Japan, Malaysia, Germany, Hong Kong, Singapore, Ghana, France and the UK. The intense day and half, round the clock conversation, engaged different perspectives from politics, academia and business in frank exchanges with Chinese voices about China today and its immediate future.

*... the main story that people are telling is how amazing it is to have assembled this grouping on zoom - what a truly astonishing gathering. One of my Chinese contacts DMed me to say that it was "just the right group"...*

The twenty-four-hour approach to conference planning was taken one step further in October for *The Indo-Pacific: how can we best promote strategic stability, economic growth and the rule of law in the region?* with the programme running according to the regional time zones, a deliberate choice to emphasise our seriousness on engaging the Indo-Pacific, greatly appreciated by the many participants from that region.

The three other conferences falling under this thematic heading were *Global finance, states and societies: how can finance be one of the heroes of a green recovery from the great pandemic?* in April 2021; *The United States: headed for division or bound for renewal?* in September 2021; and *Europe after Merkel* in March 2022.

### **Annual Lecture**

Via the Bridge from Sydney, The Honorable Malcolm Turnbull AC delivered Ditchley's 57<sup>th</sup> *Annual Lecture* on Saturday 10<sup>th</sup> July. The speech was a robust defence of the values of democracy whilst acknowledging the allure and threats of more populist or authoritarian systems. With the relaxation of COVID restrictions, it was possible to deliver the Lecture as a hybrid event, with a small group of participants in person at Ditchley and over four hundred more joining virtually.

### **II Democracy, education and renewal of the social contract**

Three major conferences and a series of small-scale discussions and periodic 'summits' (gatherings of key participants) have been held on this theme throughout the year.

The three conferences were: *Take Back Control Part Two*, June 2021; *Making the future work for all workers*, November 2021; and *Freedom in democracies: navigating the collision of identity and freedom of expression in the digital age*, January 2022,

The theme was also explored through sessions held in collaboration with members of the Labour Party and, separately, senior civil servants on strategy and civil service reform.

### **III Technology and Democracy**

February 2022's conference on *Techno-Democracy: how can democracies adopt AI and other emerging technologies at speed in order to strengthen both global competitiveness and core values?*, represented an important milestone for this programme of work.

This was complemented by the launch of Ditchley's Data in Democracies programme with the objective of accelerating the development of norms for data sharing and technology regulation across democratic states. Two one day conferences on the theme were held in October 2021 and March 2022, along with a number of smaller scale discussions over the intervening months.

Ditchley also held its third one day conference on the fast-developing field of computational biology which brings together AI and the life sciences in the pursuit of accelerated scientific discovery of new medicines and materials.

Building on five years of work, in May 2021 Ditchley launched an informal Science and Technology Group to bring together around a hundred members of the Ditchley community with relevant expertise to help guide Ditchley's work on technology and democracy.

### **IV Climate, ocean and biodiversity**

Our now substantial climate and biodiversity programme was launched following Ditchley's February 2021 *Climate Judo* conference. It deploys the Ditchley methodology of small informal working groups convening around focussed discussion topics, leading up to larger gatherings. A forty-person Climate and Energy Summit in March brought together a group of core participants. The main areas of focus include the energy transition, education in the context of climate change, and adaptation and resilience by society to the effects of climate change which it is now too late to prevent.

Details of all conferences, and other virtual discussions and events can be found on the Ditchley website: <https://www.ditchley.com/events/past-events>

## ***Plans for the Future***

Ditchley will continue to respond to the Ukraine crisis with agility, convening a variety of discussions to address both the primary and secondary effects and challenges. The aim of the programme is to provide a space for frank conversation across divides, in order to enable strategic thinking as democratic states, markets and alliances respond to the war.

Ditchley will continue to build a community of ‘thoughtful doers’, drawn from all parts of society, ensuring participation is multi-national, multi-disciplined and multi-generational. Initiatives are underway to expand Ditchley’s reach in the regions of the UK (with the North East the pilot focus), Europe, Australia and Japan.

Ditchley will also continue to explore new ways to utilise technology to deliver its mission.

## ***The Ditchley Team and Governance***

The governance bodies of the Ditchley Foundations have, over the past year, worked ever more closely to ensure the institution remains vital and relevant, helping to bring together the right people for the right conversations, pushing forward with the fundraising efforts, and providing wise counsel.

The advice of Governors and Honorary Governors on Ditchley’s future plans was sought during a consultation exercise over the autumn. We are very grateful to all those who contributed to this exercise and participated in the report back session in February 2022 and are working on many of the recommendations to emerge.

Ditchley remains indebted to all trustees, Governors, and all those involved with the UK, American and Canadian branches of Ditchley.

Consistent with term limits imposed on Council membership, Ms Rachel Lomax and Mr Paul Newman, both members of the Council of Management and the Finance and General Purposes Committee, will be stepping down at this year’s Annual General Meeting.

Charles, Lord Aldington, will also be stepping down from Council, and as Chairman of the Finance and General Purposes Committee, after agreeing to serve for an additional year to enable a smooth transition to his successor who will be elected at this year’s Annual General Meeting.

We should like to record our thanks to all for their time, energy and advice over many years and hope to be able to count on their continued support in the years ahead.

Wendy Shepherd, assumed the new role of chief operating officer at the end of last year, succeeding Col Mike Montagu who retired from the post of bursar in December. We are delighted that Mike remains involved with Ditchley in his new role of host and historian.

We would like to acknowledge with sadness the deaths over the last year of the following: Sir Antony Acland, Mr John Banks, Sir Nicholas Goodison, Sir Christopher Mallaby, Mr Edward Mortimer, Count Riprand von Arco, Baron Dr Hermann von Richthofen and Sir Crispin Tickell. All had been involved with the governance of the Foundations in varying capacities over many years.

We were also saddened by the death of Eva, Lady Wills, in May this year. Until very recent years, and following the death of her husband and Ditchley’s founder Sir David Wills, she had been a regular presence at the opening and closing plenaries of virtually every conference

and maintained a keen interest in the development of this institution in which she and her family have invested so much. Our thoughts are with her daughter, Dr Catherine Wills, and her extended family.

As Ditchley continues to evolve, it will strive to honour the legacy of Sir David and Lady Wills, remaining true to the founding principles on which it was established in 1958, which remain very relevant for a world in which peace, freedom and the rule of law remain as elusive as ever.

## ***Financial Review***

### ***2021-2022***

The start of the financial year began with high expectations of normality with a general opening of society. Thankfully the acceleration of the vaccination programme in July allowed the resumption of on-site commercial activity with, appropriately, an international conference in Health and Tropical Medicine. Commercial income generated £143k, exceeding the budget of £108k, showing a strong recovery. Future commercial income has been secured for FY 2022/2023 and enquiries have returned to pre-pandemic levels.

Ditchley successfully managed the transition from virtual to hybrid normality, utilising our world class 'Bridge' technology to overcome geographical barriers and time constraints. Our mastery of convening technology has become a valuable part of our offer when hosting guest events for other organisations.

Staff based near to Ditchley have predominantly returned to onsite working. Programme staff in more distant locations (including London and Central Europe) are regularly welcomed to Ditchley for events and team meetings in order to bring the whole team together, socially, and physically. Efficient utilisation of the Ditchley estate enables staff to stay on site, keeping costs to a minimum.

Operational staff, by necessity, have worked on site throughout the pandemic, notably completing the first phase of the second-floor restoration and many other projects. This redeployment of the team worked well during full lockdown and resulted in large savings on the initial estimated refurbishment cost. As normal business resumes, then we are planning carefully how to combine contracted out works with the enhanced skills of the Ditchley team.

At the end of the financial year consumable and energy costs had risen substantially with further increases expected. We have mitigated the gas costs with prudent planning and are looking at ways to maximise the Biomass output and to develop renewable sources of electricity. A leased, externally funded electric vehicle, will reduce fuel costs in FY 2022/2023, as part of our carbon reduction plan, developed as part of our carbon survey by a well-recognised consultancy.

### **Management and role of the invested portfolio**

The strategic imperative remains for the Foundation to grow both the value of its invested portfolio, still its principal source of income (and therefore not a reserve) and its yearly income from different sources. The invested portfolio is the ultimate guarantee of the Foundation's independence as a connector and convenor of people.

The portfolio had a value of £20.4 million in March 2022, growing 4% net during the calendar year, taking it past its nominal value of £19.593m at the same point the previous year. This is thanks to the excellent return on investments during the first three quarters of the year, the

final quarter affected by the Ukraine crisis. The Investment Sub-Committee (ISC) view is that investment managers Partners Capital steered the portfolio through the pandemic as well as could be expected. Economic growth forecasts for 2022 have been downgraded on geopolitics and tighter monetary policy and the rise in inflation will inevitably affect the investment performance. It is hoped the Foundation's conservative investment strategy will prove successful at limiting losses compared to the financial crises of 2003 and 2008. Since inception, on 1<sup>st</sup> September 2010, the portfolio has delivered an annualised return of +8.1%.

The rate of return enabled a drawdown from the portfolio at year end of £1.26m, below budget set at £1.3m. The level of drawdown was appropriate balanced against the return on investment for the year. For the coming year the budgeted figure for drawdown is set at £1.326m, currently 6.5% of the portfolio value. This level of drawdown reflects the level of planned capital investment in FY 2022/2023 and is in line with the aim to bring down the annual withdrawal amount to a sustainable 4% of portfolio value by the end of FY 2024/2025.

An ESG investment policy was adopted by the Council of Management last financial year, empowering our investment managers to report on the exposure of the diverse funds in which the portfolio is invested.

### **Strategic financial risks**

Our main strategic financial risk remains a sustained collapse in the markets and in the value of our invested portfolio. Our main mitigations continue to be: careful management of the portfolio; continued work on development; and if necessary further reduction of costs. The ability to reduce costs is underpinned by making sure that we approach major projects in ways that allow for agility and the commitment of funds incrementally. This has been the approach adopted for the second-floor restoration for example.

### **Management of finances**

FY 2021/2022 expenditure in the Annual Accounts was £3.124m, while income was over £1.3m. Last year the DPCC revenue, although offset by the operational savings, was severely curtailed by COVID. This year commercial events, although still constrained by the pandemic, generated over £143k.

The £3.124m spend includes the commissioning and installation of the bespoke conference table to complete the Library and the completion of the restoration and refurbishment of the middle section of the second floor. The upgrade of tired, badly designed accommodation to seven beautiful bespoke bedrooms with either ensuite and dedicated bathroom facilities completes phase one of the ambition to provide thirty rooms of equivalent quality. Phase two, the completion of the West and East corridor, will be completed by the end of 2022. The project spend was funded through both donations and core funding.

Expenditure in FY 2022/2023 is budgeted, in the management accounts, to be just over £3.35m. Donation funding accounts for nearly £300k of project expenditure and £319k of staff costs in the budget. All scheduled work has been budgeted and additional work and projects will not be undertaken without funding in place. Tight controls remain in place to ensure externally funded projects are carefully monitored. A particular focus has been on building up in-house expertise to reduce reliance on external professional advice, delivering savings.

An initial 4.5% pay rise has been budgeted to reflect the rise in inflation and a further review will take place during the year, given the expectations that inflation will climb further. We have adopted the Oxford Living Wage for all staff, both permanent and casual, to protect the lowest paid members of our team and to ensure consistency of terms and conditions.

## ***Development Report***

Ditchley raised just over £1.04m in donations during this year from a variety of sources including individuals, trusts and foundations, and corporations. The donations from Trustees amounted to £25,800. As of writing, the running total for the campaign to date is £5.3m in donations and firm pledges over the last four years. Our next priority is to refresh the pipeline for FY 2022/2023 to take the campaign into its second phase and to continue to grow existing and regular support from 1580 Fellows.

Our plans for the next phase of the campaign allow for significant flexibility, for example on the pace of the restoration of the remaining areas of the second floor, planning for the development of East Wing, and our balance between face to face and virtual events.

Special thanks are extended to American Ditchley on the heritage project, who have committed to endow four bedrooms, including the Henry Kissinger room; the Cyrus Vance room, the Barbara Jordan room and the Harry Hopkins room. We continue to seek donors' support for the endowment of the remaining bedrooms. Development plans for the East Wing will begin in earnest this year which will increase capacity for in-person guests and secure Ditchley's position as a gold-standard global place to meet, thanks to its unique combination of history and cutting-edge technology.

During this past year we have strengthened existing relationships and welcomed new ones. The current extraordinary circumstances demand both action from Ditchley and create an opportunity to bid for extraordinary support.

A full list of donors for 2021/2022 is included below in alphabetical order:

The American Ditchley Foundation  
The Bryan Guinness Charitable Trust  
Hanns Seidel Foundation  
Historic Houses Foundation  
John H & Marjorie N Glasgow Foundation  
Lumina Foundation  
Microsoft Corporation  
The Peter Stormonth Darling Charitable Trust  
Pilgrim Trust

Three Anonymous Individuals  
Lord and Lady Aldington  
Ms Angelica Anton  
George and Ally Bailey  
Mr Peter Bass and Ms Nuala O'Connor\*  
The Honorable and Mrs. John B. Bellinger III\*  
Mr Christopher Bishop\*  
Mr Sam Blyth  
The Rt Hon. Baroness Virginia Bottomley DL and Sir Peter Bottomley MP  
Sir Andrew Cahn KCMG  
Dr Vinton and Mrs Sigrid Cerf\*  
Mr Sam Daws  
Ms Suzanne Ferlic Johnson\*  
Sir Simon Fraser GCMG  
Mr Oliver Gerrish  
The Rt Hon. Dominic Grieve QC  
Ms Jan Hall OBE  
Russell and Andrea Hartley

The Rt Hon. The Lord Hill of Oareford CBE  
Mr Will Hutton  
John and Caitlin Kennedy  
Ambassador Andrey I. Kolosovskiy\*  
Sharon and Cary A. Koplin\*  
Ms Rachel Lomax  
Mr Chris Mairs CBE FREng  
The Rt Hon. Sir John Major KG CH  
Mr Jamie Merisotis\*  
Ms Jami Miscik\*  
Diane and David Modesett  
Col Mike and Caroline Montagu  
Marc and Odile Mourre  
George and Joan Newcombe\*  
Mr Paul Newman  
Ms Margaret Nibbi  
Mrs Elizabeth Padmore  
Mr Jonathan Paris  
Luke and Nicky Ponsonby  
Mr Gerard Russell MBE  
Sir John Sawers  
Sir Martin and Lady Smith  
Dr Alfred Z. Spector\*  
Elisabeth Stheeman  
Mr Michael Tang  
Mr Bobby Vedral  
In memory of Baron Dr Hermann von Richthofen GCVO  
Dr Diana Walford CBE MD FRCP FRCPATH FFPH  
Mr Simon Webb CBE, FICE  
The Rt Hon. The Lord Willetts FRS FacSS  
Dr Dawn Wright\*

\*Supporters of The American Ditchley Foundation.

Thank you to the many individuals who support our work.

### **Private Events and Other Income**

Ditchley Park Conference Centre Limited was able to resume business in May with filming work. We hosted further film location work in September and a mixture of private sector and not for profit conference and day bookings through the rest of the year, generating an income of £143k. For FY 2022/2023 we have secured substantial filming during our August closure period which is reflected in our increased budgeted projected income of £436k. Filming, although all encompassing, has a higher return due to the decreased staffing and consumables.

### ***Reserves Policy***

The Foundation's core finances are based upon its investment portfolio (valued at £20.4m as at end March 2022), which still provides the principal source of income. The portfolio is not a reserve, nor managed as such, and in the absence of any dedicated reserve fund, the Council of Management consider it a matter of essential financial discipline that the value of the capital

is preserved as far as possible in order that the Foundation can deliver on its founding mission to run its programme for positive impact, rather than for profit or the interest of any party.

#### *Short term reserve*

The portfolio is invested across multiple asset classes and managed by Partners Capital to have a minimum of £400,000 of liquid reserves available to the Foundation within a week. This sum was identified by the Investment Sub-Committee, under the auspices of the Finance and General Purposes Committee, as an appropriate amount of short-term reserve to cover contingencies such as major emergency repairs. As at March 2022, the invested assets under management could provide some £2m to be available within a week, with 60% of the portfolio available to be liquidated within a four-to-seven-month period.

The Ditchley Foundation has determined on advice not to hold a separate reserves fund outside the main portfolio given both the opportunity cost (due to lower expected returns) and the additional administrative burden of operating a separate reserves portfolio.

#### *Strategic long-term reserves*

The Foundation's strategic aim is to build its invested portfolio through development to the point where it can track the approach of Oxford colleges and take no more than 4% of income from the held funds each year.

The Foundation has set out a plan of stepped reductions of the sum withdrawn annually from the invested portfolio in order to reduce reliance on the portfolio and to bring this down to 4% of portfolio value by FY 2024/2025, with this aim achieved by a combination of programme and project fundraising, efficiencies and increasing other income streams such as DPCC. This strategy will be pursued in parallel to campaigning for direct donations to increase the size of the invested portfolio.

As at 31 March 2022, total funds stood at £26,910,304 of which £25,496 were restricted. The level of unrestricted free reserves, after excluding fixed assets and designated funds, stood at £23,513,987.

### ***Financial Resilience Statement***

Ditchley's trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The budget endorsed for FY 2022/2023 allows for an unrestricted cash balance, £151k at the end of the period, in addition to the Foundation's invested portfolio of £20.4m with sufficient liquidity to cover any short-term urgent needs.

### ***Fundraising Compliance Notice***

The Ditchley Foundation receives income from donations and has a trading subsidiary, Ditchley Park Conference Centre Limited. The Ditchley Foundation has signed up to the Code of Practice issued by the Fundraising Regulator. We do not carry out any direct marketing to the public and give clear instructions as to how individuals can be removed from our mailing lists. Our fundraising capability is in-house, and we do not use external commercial participators in our fundraising activities. There have been no complaints about fundraising in the year. A formal donor policy was approved by the Finance and General Purposes Committee and endorsed by the Council of Management in November 2020.

## **Structure, Governance and Management**

The Ditchley Foundation is “a Company limited by guarantee not having a share capital”, incorporated on the 24 February 1958, the Articles of Association having been subsequently amended on the 29 November 1966, 7 July 2007 and 7 July 2018.

Members of the Foundation are currently designated “Governors”. They meet at least once a year, whether virtually or in person, at the Annual General Meeting of the Foundation, to approve the Annual Report and accounts of the Foundation and to receive the report of the auditors; to elect, as necessary, in accordance with the Articles of Association, the Council of Management; and to deal with other business of the Foundation. In addition to the AGM, Governors are also invited to further briefings during the course of the year and receive regular updates by email or letter.

Trustees (Members of the Council of Management) are generally selected from the ranks of the Governors and invited to join the Council by the Chairman, acting on the recommendations and advice of the existing Trustees, with a view to maintaining a balance of experience, expertise and background within the body of Trustees. They are subsequently elected by the Governors and serve a four-year term, renewable for one further four-year term.

All Trustees are fully familiar with the aims and ideals of the Foundation.

The administration of the Foundation is carried out by the Council of Management, through the Finance and General Purposes Committee. The day-to-day management of the Foundation is conducted by the Director, who is appointed by, and responsible to, the Council of Management.

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned, the most recent instance being the remuneration review conducted during 2017/2018 and implemented in 2018/2019.

Ditchley Park Conference Centre Limited (DPCC) is the trading arm of the Foundation and oversees events in the Mansion when not in use by the Foundation. These events include visits (the house is a Grade I listed historic building), conferences and meetings organised by outside bodies and use of the Mansion for education, photography and films. This activity was severely curtailed for much of the last financial year, but has now resumed.

The Council of Management is responsible for the management of risks faced by the Foundation. Detailed considerations of risk are delegated to the Director and his staff. Risks are identified, assessed, and controls established throughout the year with a formal review undertaken tri-annually. A high-level Risk Register was introduced in 2018 and is now reviewed regularly, including at each Finance and General Purposes Committee meeting and, annually by the Council of Management. The Register assesses the following risks:

- COVID-19 pandemic
- Impact of the Ukraine war
- Serious injury or death of member of staff or visitor
- Catastrophic damage to the Mansion (infrastructure) and heritage, including by fire
- Loss of impact and relevance of the Foundation
- Failure to adapt to changes in society and technology mean impact and reputation and efficiency undermined
- Reputation for financial probity, effectiveness and impact damaged
- Business model not sustainable

- Data loss or privacy breach endangering reputation and damaging interests
- Loss of Business Continuity and reputational damage due to insufficient resilience in staff and infrastructure
- Serious damage to reputation due to failure to keep up with shifting public attitudes and perceptions

The Disaster Recovery Plan is subject to ongoing review, particularly regarding the business continuity aspects as impacted by the current pandemic.

The key controls used by the Foundation include:

- The above-mentioned tri-annual meetings of the Council at which the Director and his senior staff brief the Trustees;
- Biannual meetings of the Finance and General Purposes Committee, which usually precede the Council Meetings, and a further annual meeting of the Committee at which they decide on major works and review health and safety procedures;
- Detailed job descriptions for the Director and Senior Staff, which are reviewed in detail on changes of incumbent;
- Three meetings a year between the Investment Sub-Committee of the Finance and General Purposes Committee and the investment managers of the investment portfolio. Additionally, members of this Committee with investment experience liaise with the investment managers as often as market conditions warrant it;
- Three times a year meeting of the Director's Risk Committee which reports to the Finance and General Purposes Committee, plus twice a year meeting of the Director's Health and Safety Committee, to review risks and safety procedures and decide on any necessary policy adjustments in the light of legislative changes.

Through these processes the Trustees are satisfied that the major risks have been identified and adequately mitigated where necessary.

### ***Trustees' Responsibilities***

As directors, the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are required by UK company law to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the company, and the group, and of the profit or loss of the company and the group for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ending 31 March 2022. They are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company in recognition of their responsibilities under the Companies Act 2006. The Trustees are responsible for taking reasonable steps to safeguard the assets of the company, and the group, and to prevent and detect fraud and other irregularities.

As far as the Trustees are aware, there is no relevant audit information (information needed by the Foundation's auditors in connection with preparing their report) of which the Foundation's auditors are unaware. Trustees individually have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's Auditors are aware of that information. The

Trustees are required to prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charity will continue in operation.

### ***Principal Activities and Business Review***

The consolidated statement of financial activities for the year is set out on pages 22-23. A review of the Foundation's business during the year is contained in the Trustee's Annual Report starting on page 4 and incorporates the requirements of the Directors' report as required by company law.

### ***Dividends***

In accordance with the Memorandum of Association, no dividends may be paid to Members.

### ***Directors***

The Members of the Council of Management are listed on page 1.

By order of the Council of Management,



KATIE WILLIAMS  
Company Secretary

Dated: 25th May 2022

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**

**Opinion**

We have audited the financial statements of The Ditchley Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**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.

**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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Farwell MA FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

2 Chawley Park  
Cumnor Hill  
Oxford  
Oxfordshire  
OX2 9GG

Date: 27/05/2022

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations, grants and legacies	3	959,923	83,875	1,043,798	1,029,299
Trading turnover of subsidiary		143,813	-	143,813	3,781
Investment income	4	49,046	-	49,046	67,094
Other sources		68,502	-	68,502	127,922
<b>Total income</b>		<b>1,221,284</b>	<b>83,875</b>	<b>1,305,159</b>	<b>1,228,096</b>
<b>Expenditure on:</b>					
Raising funds:					
Voluntary income		75,019	-	75,019	45,000
Fundraising trading (DPCC costs)		45,219	-	45,219	3,660
Investment management fees		156,182	-	156,182	199,182
Charitable activities: Conference programme costs	5	2,602,032	245,062	2,847,094	2,622,893
<b>Total expenditure</b>		<b>2,878,452</b>	<b>245,062</b>	<b>3,123,514</b>	<b>2,870,735</b>
<b>Net expenditure before net gains on investments</b>		<b>(1,657,168)</b>	<b>(161,187)</b>	<b>(1,818,355)</b>	<b>(1,642,639)</b>
Net gains on investments	10	2,233,502	-	2,233,502	3,714,337
<b>Net income / (expenditure)</b>		<b>576,334</b>	<b>(161,187)</b>	<b>415,147</b>	<b>2,071,698</b>
<b>Net movement in funds</b>		<b>576,334</b>	<b>(161,187)</b>	<b>415,147</b>	<b>2,071,698</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		26,308,474	186,683	26,495,157	24,423,459
Net movement in funds		576,334	(161,187)	415,147	2,071,698
<b>Total funds carried forward</b>		<b>26,884,808</b>	<b>25,496</b>	<b>26,910,304</b>	<b>26,495,157</b>

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

All activities relate to continuing operations.

	<b>2022</b>	2021
	<b>£</b>	£
Investment and rental income	<b>49,046</b>	67,094
Net gains on investment assets	<b>2,233,502</b>	3,714,337
<b>Total</b>	<b><u>2,282,548</u></b>	<u>3,781,431</u>

For information, total cash drawdown from the investment portfolio was £1,260,000 (2021: £1,440,000).  
The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.  
The notes on pages 27 - 46 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00599389**

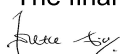
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	8	3,370,821	3,461,343
Investments	10	20,401,559	19,614,331
Investment property	9	2,988,000	2,988,000
		26,760,380	26,063,674
<b>Current assets</b>			
Stocks	11	35,890	59,371
Debtors	12	88,758	121,693
Cash at bank and in hand		260,231	508,284
		384,879	689,348
Creditors: amounts falling due within one year	13	(234,955)	(257,865)
		149,924	431,483
<b>Total assets less current liabilities</b>		26,910,304	26,495,157
<b>Total net assets</b>		26,910,304	26,495,157
<b>Charity funds</b>			
Restricted funds	14	25,496	186,683
Unrestricted funds	14	26,884,808	26,308,474
		26,910,304	26,495,157

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

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

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



.....  
**The Right Honourable Lord Hill of Oareford CBE**

Dated: 25th May 2022

The notes on pages 27 to 46 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00599389**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	8	3,370,821	3,461,343
Investments	10	20,401,561	19,614,333
Investment property	9	2,988,000	2,988,000
		26,760,382	26,063,676
<b>Current assets</b>			
Stocks	11	35,890	59,371
Debtors	12	61,553	121,693
Cash at bank and in hand		252,044	507,566
		349,487	688,630
Creditors: amounts falling due within one year	13	(226,972)	(257,270)
		122,515	431,360
<b>Net current assets</b>		122,515	431,360
<b>Total assets less current liabilities</b>		26,882,897	26,495,036
<b>Total net assets</b>		26,882,897	26,495,036
<b>Charity funds</b>			
Restricted funds	14	25,496	186,683
Unrestricted funds	14	26,857,401	26,308,353
		26,882,897	26,495,036
<b>Total funds</b>		26,882,897	26,495,036

The Company's net movement in funds for the year was £387,861 (2021 - £2,148,190).

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

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

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



.....  
**The Right Honourable Lord Hill of Oareford CBE**

Dated: 25th May 2022

The notes on pages 27 to 46 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (note 17)	<b>(1,407,885)</b>	(1,341,587)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	<b>49,046</b>	46,057
Purchase of tangible fixed assets (note 8)	<b>(149,214)</b>	(436,118)
Drawdown from investments	<b>1,260,000</b>	1,440,000
	<hr/>	<hr/>
<b>Net cash provided by investing activities</b>	<b>1,159,832</b>	<b>1,049,939</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>(248,053)</b>	<b>(291,648)</b>
Cash and cash equivalents at the beginning of the year	<b>508,284</b>	799,932
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year (note 19)</b>	<b>260,231</b>	508,284
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 46 form part of these financial statements

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

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

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

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

**1.2 Company status**

The liability is limited by guarantee and no shares are authorised or issued by the Foundation. Each member undertakes to contribute £1 to the assets of the Foundation in the event of the same being wound up whilst a member, or within a year of ceasing to be a member, for the payment of debts and liabilities of the Foundation contracted before ceasing to be a member, and of the cost, charges and expenses of winding up, such as may be required not exceeding £1.

**1.3 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Guest conference income excludes value added tax and represents the invoiced value of goods and services supplied.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds, including the activities of Ditchley Park Conference Centre Limited.

Expenditure on charitable activities activities comprises the costs of running the conference programme.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Basis of consolidation**

The financial statements consolidate the accounts of The Ditchley Foundation and its subsidiary undertaking, Ditchley Park Conference Centre Limited.

**1.6 Government grants**

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

**1.7 Tangible fixed assets and depreciation**

The house and land at Ditchley Park, acquired by gift, are not valued. Expenditure on improvements is at cost less depreciation.

Individual fixed assets costing £1,000 or more are capitalised at cost.

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

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- between 20 and 50 years
Motor vehicles	- 5 years
Fixtures and fittings	- between 3 and 10 years
Office and IT equipment	- between 3 and 10 years

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. Accounting policies (continued)**

**1.8 Investments**

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

Freehold properties held for investment purposes are valued periodically on professional advice and are included in the financial statements at their market value at the year end.

Quoted investments have been valued at the bid market price at the close of business at the year end. The market value of unit trusts and managed funds units is either taken as the bid or Net Asset Value price at the year end as advised by the investment managers.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or subsequent cost and are credited or charged to the Statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the Statement of financial activities based on the market value at the year end.

The investment in the subsidiary undertaking is valued at cost less provision for impairment.

**1.9 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

**1.10 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.11 Debtors**

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

**1.12 Cash at bank and in hand**

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

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. Accounting policies (continued)**

**1.13 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.14 Financial instruments**

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

**1.15 Pensions**

The pension scheme is a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

**1.16 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties:

Property valuations are performed annually by the Council, based upon external indications of value (including periodic valuations by qualified Independent Chartered Surveyors) and consideration of market conditions.

**3. Income from donations, grants and legacies**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Donations, grants and legacies	959,923	83,875	<b>1,043,798</b>	1,029,299
Total 2021	647,383	381,916	1,029,299	

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**4. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Distributions from investments	-	-	21,037
Rents	48,999	<b>48,999</b>	45,269
Bank interest	47	<b>47</b>	788
<b>Total 2022</b>	<u>49,046</u>	<u><b>49,046</b></u>	<u>67,094</u>
Total 2021	<u>67,094</u>	<u>67,094</u>	

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Conference programme costs	2,602,032	245,062	<b>2,847,094</b>	2,622,893
Total 2021	<u>2,187,866</u>	<u>435,027</u>	<u>2,622,893</u>	

**Summary by expenditure type**

	<b>Staff costs 2022 £</b>	<b>Depreciation 2022 £</b>	<b>Other costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Conference programme costs	1,294,547	239,736	1,312,811	<b>2,847,094</b>	2,622,893
Total 2021	<u>1,181,778</u>	<u>169,828</u>	<u>1,271,287</u>	<u>2,622,893</u>	

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**6. Analysis of expenditure by charitable activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Conference programme costs	2,822,931	24,163	<b>2,847,094</b>	2,622,893
Total 2021	2,594,447	28,446	2,622,893	

**Analysis of direct costs**

	<b>Conference programme cost 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	1,294,547	<b>1,294,547</b>	1,181,778
Depreciation	239,736	<b>239,736</b>	169,828
Administration	263,749	<b>263,749</b>	147,909
Repairs and maintenance	150,615	<b>150,615</b>	185,772
Household and service costs	212,633	<b>212,633</b>	237,757
Conference and events	68,096	<b>68,096</b>	45,647
Irrecoverable VAT	84,101	<b>84,101</b>	91,121
Development programme costs	65,499	<b>65,499</b>	71,294
Costs attributable to DPCC	(45,219)	<b>(45,219)</b>	(3,660)
Bridge project, Lumina costs and Rotunda	104,498	<b>104,498</b>	55,642
Campaign costs	29,366	<b>29,366</b>	27,009
Second floor refurbishment costs	355,310	<b>355,310</b>	66,932
Asbestos removal	-	-	317,418
<b>Total 2022</b>	2,822,931	<b>2,822,931</b>	2,594,447
Total 2021	2,594,447	2,594,447	

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**6. Analysis of expenditure by charitable activities (continued)**

**Analysis of support costs**

	<b>Unrestricted 2022</b>	<b>Total funds 2022</b>	<b>Total funds 2021</b>
	£	£	£
Trustees' meeting costs and travel expenses on Foundation business	-	-	221
Auditor's remuneration	9,500	<b>9,500</b>	8,990
Non-audit fees - other financial services	14,663	<b>14,663</b>	19,235
<b>Total 2022</b>	<u>24,163</u>	<u><b>24,163</b></u>	<u>28,446</u>
Total 2021	<u>28,446</u>	<u>28,446</u>	

**7. Staff costs**

	<b>Group 2022</b>	<b>Group 2021</b>	<b>Company 2022</b>	<b>Company 2021</b>
	£	£	£	£
Wages and salaries	<b>1,164,511</b>	1,049,616	<b>1,139,247</b>	1,049,536
Social security costs	<b>97,911</b>	95,483	<b>97,911</b>	95,483
Contribution to defined contribution pension schemes	<b>87,758</b>	81,679	<b>87,758</b>	81,679
	<u><b>1,350,180</b></u>	<u>1,226,778</u>	<u><b>1,324,916</b></u>	<u>1,226,698</u>

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
Administration	<b>22</b>	18
Establishment	<b>14</b>	15
Conference	<b>13</b>	19
	<u><b>49</b></u>	<u>52</u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7. Staff costs (continued)**

The average headcount expressed as full-time equivalents was:

	<b>Group 2022 No.</b>	Group 2021 No.
Administration	18	15
Establishment	12	13
Conference	2	1
	<u>32</u>	<u>29</u>

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

	<b>Group 2022 No.</b>	Group 2021 No.
In the band £60,001 - £70,000	1	-
In the band £110,001 - £120,000	-	1
In the band £140,001 - £150,000	1	-

No members of the Council of Management received any emoluments during the year (2021: £Nil).

No members of the Council of Management received payment for professional or other services supplied to the charity (2021: £Nil).

During the year, there were no disbursements for travel and associated expenses incurred by members of the Council of Management while undertaking activities directly associated with the purposes of the Foundation (2021: £221 paid to one member).

The key management personnel of the Foundation comprise the Council of Management, the Director, the Bursar and the Chief Operating Officer. The total employee benefits of the key management personnel of the Trust were £232,555 (2021: £198,242).

During the year, redundancy costs totalled £19,477 (2021: £37,504) including payments in lieu of notice.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. Tangible fixed assets**

**Group**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2021	4,577,175	44,873	54,787	996,680	5,673,515
Additions	-	-	106,661	42,553	149,214
Transfers between classes	-	-	5,790	(5,790)	-
At 31 March 2022	<u>4,577,175</u>	<u>44,873</u>	<u>167,238</u>	<u>1,033,443</u>	<u>5,822,729</u>
<b>Depreciation</b>					
At 1 April 2021	1,619,118	40,956	24,014	528,084	2,212,172
Charge for the year	121,408	1,000	6,576	110,752	239,736
At 31 March 2022	<u>1,740,526</u>	<u>41,956</u>	<u>30,590</u>	<u>638,836</u>	<u>2,451,908</u>
<b>Net book value</b>					
At 31 March 2022	<u><u>2,836,649</u></u>	<u><u>2,917</u></u>	<u><u>136,648</u></u>	<u><u>394,607</u></u>	<u><u>3,370,821</u></u>
At 31 March 2021	<u><u>2,958,057</u></u>	<u><u>3,917</u></u>	<u><u>30,773</u></u>	<u><u>468,596</u></u>	<u><u>3,461,343</u></u>

**Company**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2021	4,577,175	44,873	54,787	996,680	5,673,515
Additions	-	-	106,661	42,553	149,214
Transfers between classes	-	-	5,790	(5,790)	-
At 31 March 2022	<u>4,577,175</u>	<u>44,873</u>	<u>167,238</u>	<u>1,033,443</u>	<u>5,822,729</u>
<b>Depreciation</b>					
At 1 April 2021	1,619,118	40,956	24,014	528,084	2,212,172
Charge for the year	121,408	1,000	6,576	110,752	239,736
At 31 March 2022	<u>1,740,526</u>	<u>41,956</u>	<u>30,590</u>	<u>638,836</u>	<u>2,451,908</u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8. Tangible fixed assets (continued)**

**Company (continued)**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Net book value</b>					
At 31 March 2022	<u>2,836,649</u>	<u>2,917</u>	<u>136,648</u>	<u>394,607</u>	<u>3,370,821</u>
At 31 March 2021	<u>2,958,057</u>	<u>3,917</u>	<u>30,773</u>	<u>468,596</u>	<u>3,461,343</u>

Freehold property comprises expenditure on improvements. The House and associated land are valued at £nil since they were acquired by gift. No value has been attributed to these assets as, in accordance with the wishes of the donor, it is intended that the House and associated land will be held in perpetuity to support the objectives and activities of the Foundation. Ditchley House was built in 1722 and is a listed Grade 1 building. Significant costs would be involved in valuing the property which, in the opinion of the Trustees, would be onerous compared with the additional benefit derived by users of the accounts in assessing the stewardship of assets. The House and outbuildings are currently insured for £69,846,963.

Other properties occupied by staff and considered as permanent staff quarters are included at deemed cost based upon a valuation performed at 31 March 2008 by Laws and Fiennes, Chartered Surveyors.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9. Investment property**

**Group**

**Freehold  
investment  
property  
£**

**Valuation**

At 1 April 2020

**2,988,000**

At 31 March 2022

**2,988,000**

**Company**

**Freehold  
investment  
property  
£**

**Valuation**

At 1 April 2020

**2,988,000**

At 31 March 2022

**2,988,000**

Investment properties comprise properties and farmland on the estate rented on a commercial basis. The last professional valuation of the properties was undertaken in 2021 by Savills, Chartered Surveyors, on an open market value for existing use basis. Council have considered this valuation and its appropriateness. The farmland was last valued in 2020 and the Council considers this valuation to be materially correct at 31 March 2022.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**10. Fixed asset investments**

<b>Group</b>		<b>Investment securities £</b>	<b>Uninvested cash £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2021		18,930,437	683,894	19,614,331
Additions		2,288,865	-	2,288,865
Disposals		(3,413,896)	-	(3,413,896)
Revaluations		2,233,502	-	2,233,502
Other movements		(196,740)	(124,503)	(321,243)
At 31 March 2022		<u>19,842,168</u>	<u>559,391</u>	<u>20,401,559</u>
<b>Net book value</b>				
At 31 March 2022		<u>19,842,168</u>	<u>559,391</u>	<u>20,401,559</u>
At 31 March 2021		<u>18,930,437</u>	<u>683,894</u>	<u>19,614,331</u>
<b>Company</b>				
	<b>Investments in subsidiary companies £</b>	<b>Investment securities £</b>	<b>Uninvested cash £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2021	2	18,930,437	683,894	19,614,333
Additions	-	2,288,865	-	2,288,865
Disposals	-	(3,413,896)	-	(3,413,896)
Revaluations	-	2,233,502	-	2,233,502
Other movements	-	(196,740)	(124,503)	(321,243)
At 31 March 2022	<u>2</u>	<u>19,842,168</u>	<u>559,391</u>	<u>20,401,561</u>
<b>Net book value</b>				
At 31 March 2022	<u>2</u>	<u>19,842,168</u>	<u>559,391</u>	<u>20,401,561</u>
At 31 March 2021	<u>2</u>	<u>18,930,437</u>	<u>683,894</u>	<u>19,614,333</u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**11. Stocks**

	<b>Group 2022 £</b>	Group 2021 £	<b>Company 2022 £</b>	Company 2021 £
Finished goods and goods for resale	<b>35,890</b>	59,371	<b>35,890</b>	59,371

**12. Debtors**

	<b>Group 2022 £</b>	Group 2021 £	<b>Company 2022 £</b>	Company 2021 £
<b>Due within one year</b>				
Trade debtors	<b>30,750</b>	12,200	<b>3,545</b>	12,200
Other debtors	<b>9,656</b>	30,775	<b>9,656</b>	30,775
Prepayments and accrued income	<b>46,407</b>	46,617	<b>46,407</b>	46,617
VAT recoverable	<b>1,945</b>	32,101	<b>1,945</b>	32,101
	<b>88,758</b>	121,693	<b>61,553</b>	121,693

**13. Creditors: Amounts falling due within one year**

	<b>Group 2022 £</b>	Group 2021 £	<b>Company 2022 £</b>	Company 2021 £
Trade creditors	<b>99,238</b>	77,043	<b>96,700</b>	77,043
Amounts owed to group undertakings	-	-	<b>19,123</b>	31,378
Other taxation and social security	<b>33,600</b>	26,520	<b>29,772</b>	26,470
Other creditors	<b>8,851</b>	8,113	<b>8,851</b>	8,113
Accruals and deferred income	<b>93,266</b>	146,189	<b>72,526</b>	114,266
	<b>234,955</b>	257,865	<b>226,972</b>	257,270

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General funds	26,308,474	1,221,284	(2,878,452)	2,233,502	26,884,808
<b>Restricted funds</b>					
Travel fund	25,496	-	-	-	25,496
Earmarked donations	59,852	2,500	(62,352)	-	-
Dulverton fund	15,000	-	(15,000)	-	-
Bridge	81,881	-	(81,881)	-	-
Rotunda	3,954	23,117	(27,071)	-	-
Rooms	500	-	(500)	-	-
American Ditchley	-	58,258	(58,258)	-	-
	186,683	83,875	(245,062)	-	25,496
<b>Total of funds</b>	<b>26,495,157</b>	<b>1,305,159</b>	<b>(3,123,514)</b>	<b>2,233,502</b>	<b>26,910,304</b>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
General funds	23,671,065	846,180	(2,435,708)	512,600	3,714,337	26,308,474
<b>Restricted funds</b>						
Fabric fund	43,993	-	-	(43,993)	-	-
Travel fund	25,496	-	-	-	-	25,496
Earmarked donations	588,835	-	(426,481)	(102,502)	-	59,852
Dulverton fund	94,070	-	-	(79,070)	-	15,000
Front gates and railings	-	2,500	(2,500)	-	-	-
Bridge	-	368,916	-	(287,035)	-	81,881
Rotunda	-	10,000	(6,046)	-	-	3,954
Rooms	-	500	-	-	-	500
	<u>752,394</u>	<u>381,916</u>	<u>(435,027)</u>	<u>(512,600)</u>	<u>-</u>	<u>186,683</u>
<b>Total of funds</b>	<u><u>24,423,459</u></u>	<u><u>1,228,096</u></u>	<u><u>(2,870,735)</u></u>	<u><u>-</u></u>	<u><u>3,714,337</u></u>	<u><u>26,495,157</u></u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	26,308,474	1,221,284	(2,878,452)	2,233,502	26,884,808
Restricted funds	186,683	83,875	(245,062)	-	25,496
	<u>26,495,157</u>	<u>1,305,159</u>	<u>(3,123,514)</u>	<u>2,233,502</u>	<u>26,910,304</u>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	23,671,065	846,180	(2,435,708)	512,600	3,714,337	26,308,474
Restricted funds	752,394	381,916	(435,027)	(512,600)	-	186,683
	<u>24,423,459</u>	<u>1,228,096</u>	<u>(2,870,735)</u>	<u>-</u>	<u>3,714,337</u>	<u>26,495,157</u>

Restricted funds are non-staff project specific expenditure, earmarked by the donor.

Unrestricted funds are allocated towards the general Ditchley Foundation programme, staff costs, associated technology and infrastructure.

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,370,821	-	3,370,821
Fixed asset investments	20,401,559	-	20,401,559
Investment property	2,988,000	-	2,988,000
Current assets	359,383	25,496	384,879
Creditors due within one year	(234,955)	-	(234,955)
<b>Total</b>	<u>26,884,808</u>	<u>25,496</u>	<u>26,910,304</u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**16. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,461,343	-	3,461,343
Fixed asset investments	19,614,331	-	19,614,331
Investment property	2,988,000	-	2,988,000
Current assets	502,665	186,683	689,348
Creditors due within one year	(257,865)	-	(257,865)
<b>Total</b>	<u><u>26,308,474</u></u>	<u><u>186,683</u></u>	<u><u>26,495,157</u></u>

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	<u>415,147</u>	<u>2,071,698</u>
<b>Adjustments for:</b>		
Depreciation charges	239,736	169,828
Investment property gain	-	(62,000)
Gains on investments	(2,233,502)	(3,652,337)
Dividends, interests and rents from investments	(49,046)	(67,094)
(Increase)/decrease in stocks	23,481	(21,187)
(Increase)/decrease in debtors	32,935	(41,896)
Increase/(decrease) in creditors	(22,910)	105,887
Other investment movements	186,274	155,514
<b>Net cash used in operating activities</b>	<u><u>(1,407,885)</u></u>	<u><u>(1,341,587)</u></u>

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**18. Analysis of cash and cash equivalents**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Cash in hand	260,231	508,284
<b>Total cash and cash equivalents</b>	<b>260,231</b>	<b>508,284</b>

**19. Analysis of changes in net debt**

	<b>At 1 April 2021 £</b>	<b>Cash flows £</b>	<b>At 31 March 2022 £</b>
Cash at bank and in hand	508,284	(248,053)	260,231
	<b>508,284</b>	<b>(248,053)</b>	<b>260,231</b>

**20. Capital commitments**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	6,095	75,741	6,095	75,741

**21. Pensions commitments**

The Foundation maintains a pension scheme covering all of its permanent and casual employees. It is a defined contribution scheme (employer 10%) administered by the trustees. Its funds are kept separate from those of the Foundation. Contributions outstanding at 31 March 2022 were £8,651 (2021: £9,700). The pension cost charge represents contributions payable by the Foundation in accordance with the rules of the scheme.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**22. Principal subsidiary**

The following was a subsidiary undertaking of the Company:

Name	Company number	Holding	Included in consolidation
Ditchley Park Conference Centre Limited	01944182	100%	Yes

The financial results of the subsidiary for the year were:

	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ditchley Park Conference Centre Limited	143,813	116,406	27,407	27,409

**23. Related party transactions**

In the year, a number of trustees made donations to the Foundation under the 1580 Fellowship Scheme.

Dr C Wills, who is a Trustee, who was also a Trustee of The HDH Wills 1965 Charitable Trust. During the year The HDH Wills Charitable Trust charged the Foundation £69,555 (2021: £69,555).

During the period, the Foundation recharged The HDH Wills 1965 Charitable Trust £14,145 (2021: £2,283). At the year end the Foundation was owed £500 (2021: £104).

The wife of the Foundation's director, K Arroyo, was reimbursed during the year by the charity for purchases she made on the charity's behalf for furnishings as part of the second floor and library projects. This totalled £6,000 in 2022 (2021: £4,503). K Arroyo was paid £nil in the year (2021: £8,000) for interior design consultancy work as part of the second floor and library projects.

## Notes

**THE DITCHLEY FOUNDATION**

England & Wales - Charity number 309657

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# Accounts

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*Think*

*new things*

*Make*

*new connections*

THE COUNCIL'S  
ANNUAL REPORT  
AND ACCOUNTS  
2020-2021

DITCHLEY

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***Office Holders, Trustees and Committee Members***

**HONORARY LIFE PRESIDENT**

Lady Wills JP

**COUNCIL OF MANAGEMENT**

*[Trustees of the Foundation]*

*Chairman*

The Right Honourable the Lord Hill of Oareford CBE

*Vice-Chairman*

Mr Philip Stephens

*Members of the Council*

The Lord Aldington

The Lord Bridges of Headley MBA

Mrs Marjorie Neasham Glasgow BEM DL

Mr Charles Grant CMG

The Right Honourable Mr Dominic Grieve QC

Ms Rachel Lomax

The Rt Hon the Lord Mandelson

Mr Paul Newman

Mrs Elizabeth Padmore

Ms Emma Reynolds

The Most Honourable The Marquess of Salisbury KCVO PC DL

Sir Nigel Sheinwald GCMG

Dr Catherine Wills

*Company Secretary*

Ms Katie Williams

**THE FOUNDATION'S EXECUTIVE STAFF**

*Director:* Mr James Arroyo OBE

*Bursar:* Colonel Mike Montagu

*Major Events and Projects Lead and Company Secretary:* Ms Katie Williams

Auditors: James Cowper Kreston

Bankers: Barclays Bank plc, Oxford

Investment Managers: Partners Capital LLP

Solicitors: Julian Taylor Solicitors, Bicester

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

### *Chairman*

The Lord Aldington

### *Members*

Mr James Arroyo OBE

Ms Rachel Lomax

Mr Paul Newman

Mrs Elizabeth Padmore

Dr Catherine Wills

### *Secretary*

Colonel Mike Montagu

## **INVESTMENT SUB-COMMITTEE**

### *Chairman*

Mr Nicholas Ferguson CBE

### *Members*

The Lord Aldington

Mrs Elizabeth Padmore

### *Secretary*

Colonel Mike Montagu

## **PROGRAMME COMMITTEE**

### *Chairman*

Mr Charles Grant CMG

### *Members*

Mr Bim Afolami MP

Mr James Arroyo OBE

Ms Julia Gross

Mr Yael Lempert

Ms Elizabeth Linder

Mr Peter Mather

Dr Edwina Moreton OBE

Mr Rajay Naik

Professor Sir Adam Roberts KCMG FBA

Mr Rory Stewart OBE

Ms Jo Swinson CBE

Mrs Xenia Wickett

Dr Catherine Wills

### *Secretary*

Mrs Sandra Ricks

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

***The Trustees' Annual Report***

***Aims, Objectives, Activities and their Public Benefit***

The overarching aim of the Foundation as set out in its articles of association is “to promote, carry out or advance any charitable objects, and in particular any branches or aspects of education, likely to be for the common benefit of British subjects on the one hand and citizens of the United States of America on the other”. More specific objectives are the advancement of education and improvement of public policy-making in the UK, North America and beyond.

The Ditchley Foundation brings thoughtful doers together to think new things and to make new connections. Ditchley’s strength is its power to convene and sustain the frank conversations that are needed to address the problems that today face the world, and particularly democracies. We generate new ideas and new connections that otherwise would not happen by convening opposing views and different silos of expertise in an atmosphere and format designed to grow trust.

Through our events, Ditchley gathers together leaders at different stages in their careers and across generations and countries, including politicians, scientists, philosophers, financiers, business figures, innovators, tech entrepreneurs, artists and civil servants. Bringing such diverse experiences together creates new and often challenging perspectives, and some unexpected and productive friendships. Events are by invitation only to allow Ditchley to achieve the right mix of people. Ditchley is engaged in an intensive programme of innovation focused on the challenge of identifying new talent and expertise from all parts of society in many different countries, in order to ensure that the Ditchley community is continually renewed, is increasingly diverse, and that Ditchley conversations are as productive as possible as a result.

No individual receives financial benefit from the Foundation. Where events are residential, board and accommodation are provided in exchange for participants’ time and expertise.

Current priority themes for Ditchley focus on redefining and renewing democratic societies, states, markets and alliances; making the most of the potential for technological innovation to transform society; the development of a sustainable global economy that contains climate change and other grave environmental risks; and how to reduce the threat from bad actors and the disruption of mass migration.

The Foundation publishes the outcomes of conferences and other events on its website for public benefit. It also shares insights and conclusions with government ministers, civil servants, journalists, business and technology leaders and others in a targeted way, either by direct briefings, post-conference briefings to the Ditchley community, or through subsequent small group discussions exploring particular ideas or themes which require more examination. Ditchley has a wide range of partnerships with other organisations and seeks to work on issues in coordination rather than isolation, aiming to achieve maximum impact and efficiency.

The public benefits generated by Ditchley are a deeper understanding amongst decision makers and influencers of issues of international concern across different fields, delivering in turn a wider public good. By design Ditchley addresses the systemic long-term challenges we face, and so benefits are often difficult to quantify through short-term metrics. Nonetheless these benefits are clearly attested to by participants’ feedback. Exceptionally busy and influential people continue to make time to participate in Ditchley events, whether face to face at Ditchley Park or virtually. The Ditchley experience is educative even for those at the height of their careers and widely appreciated as a valuable contribution to public life. Ditchley conversations inform the reporting of many respected news organisations from the BBC to the Washington Post and also new forms of media.

In normal years the Foundation offers the house and its gardens without charge to charities in Oxfordshire and the surrounding region for several fundraising events. This was not possible in the pandemic year but will recommence at the earliest opportunity.

The Foundation maintains Ditchley Park as a historic house, part of the national heritage. It is open by appointment to individuals, groups and societies to study its history, art and architecture. The public is given access to the building in the form of pre-booked guided tours for a small charge.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

The Director and other officers of the Foundation undertake a range of other activities to promote the reputation and objectives of the Foundation and to attract new participants and supporters for the Foundation. They regularly participate in discussions with policy-makers and thought leaders in the UK, North America and beyond, to explore opportunities for collaboration, attract expert participants to the Ditchley programme, and to share insights from Ditchley discussions.

Some of the objectives stated in the Foundation's original Memorandum of Association of 1958 (such as "to establish fellowships, scholarships and prizes" and "to establish paid residential or other fellowships") are not currently part of Ditchley's programme but are under review in Ditchley's development plans.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in fulfilling their duties and in setting the Foundation's objectives and planning its activities.

All new Trustees are provided with a copy of the Charity Commission's guidance "The Essential Trustee (CC3)" together with Ditchley's Articles of Association. Ongoing training is provided by the Foundation's auditors, currently James Cowper Kreston, on a biannual basis (most recently completed in February 2021), together with an annual reminder of Trustee responsibilities by means of the Charity Commission guidance document referenced above.

***Report of 2020-2021***

2020/21 saw COVID-19 disrupt the normal course of life around the world. Whilst the pandemic rendered the normal programme of in-person conferences and other events impossible, the significant investments made in digital capability in recent years allowed Ditchley to move quickly to a far-reaching virtual programme. Ditchley's business model proved financially resilient and the pause in events at Ditchley Park allowed major progress to be made on capital investment projects and improvements at a lower cost than previously estimated. Although challenging for Ditchley as for all of us, 2020-21 has proved to be a catalytic and accelerating year for the Foundation, with a further step change in reach, impact, profile and capabilities.

The virtual programme made it possible to engage with more people, more frequently, more globally, and to secure more very senior participants more often. Virtual events will remain a central plank in the programme from now on. At the same time, even with the high quality capabilities Ditchley has developed, the limitations of virtual connection were made evident and Ditchley will return to face to face meetings as soon as conditions allow, alongside the continuing virtual elements of the programme. Face to face gatherings remain essential for deepening a sense of connection and mutual understanding between individuals.

**The Bridge**

One of the most important of Ditchley's capability investments this year has been the creation of the Bridge, the transformation and restoration of the historic library into a state of the art digital video studio, enabling video conferencing at a new level of connection and immediacy.

The result of two years of careful planning and fund raising, the restoration work was completed by the in-house maintenance team to a very high standard and the technology designed and installed by a global leader in the field. Special thanks are due to Sir Hugh Roberts, former Keeper of the Queen's Collection, for his invaluable advice to the Ditchley design team on the restoration of the historic room. And of course to the generous donors who made the project possible.

**The Elizabethan Rooms: restoration of Ditchley Park's top floor rooms**

The long planned restoration of Ditchley Park's top floor rooms to a high standard is now well underway with completion targeted for the end of the year. The rooms will be renamed collectively the Elizabethan Rooms because of the historic panelling in many rooms that was reused from the original Elizabethan Manor House on the Ditchley estate. Individual bedrooms on the first and top floors will be named after significant figures from Ditchley's and the Foundation's history, from Churchill to Congresswoman Barbara Jordan who delivered Ditchley's 1976 Annual Lecture. The restoration will ensure that all visitors to Ditchley are hosted at a comparable level and also contribute to Ditchley's financial sustainability by making Ditchley a superlative meeting place for appropriate guest events, when twinned with the Bridge capabilities described above. Extensive works now completed included the removal or containment of asbestos, the removal of 1960s wall partitions, and the creation of new bathrooms. Remaining is the fitting out of each room to an individual design

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reflecting Ditchley's history and style. The bulk of the work is being carried out by the Ditchley estate team, building on the capabilities developed in the restoration of the library. This is enabling significant savings in excess of £1m. The work again depends on generous and supportive donors.

**Net Zero strategy**

Ditchley is committed to reducing its carbon footprint and engaged Small World Consultancy to help with the development of a net zero strategy. Phase one, the collection of comprehensive data from all aspects of the Ditchley operation, is now complete. This informed a baseline assessment of greenhouse gas emissions for Ditchley to enable us to explore how we can deliver a credible approach to achieving a net zero strategy.

**Ditchley community digital platform**

A significant innovation over the last year has been on the concept of the Ditchley 'community'. A cross-section of which, close to a thousand people, have now registered for access via the Ditchley digital platform to a programme of panel discussions, book talks and regular series of post-conference briefings. Almost all the events are recorded and can be viewed on demand creating a growing resource.

**Internship programme**

Despite the challenges presented last year, Ditchley developed a sizeable virtual internship programme, with almost 40 paid interns employed. Ditchley took an in principle decision that all interns should be paid to make sure that there is equality of opportunity. As well as drawing interns from Oxford and Cambridge with which Ditchley had existing strong ties, Ditchley forged new relationships with other universities including Nottingham, Sheffield, Birmingham and Edinburgh. A particular focus was on reaching students from disadvantaged backgrounds through the Crankstart programme and those wanting to develop analytical skills through the QStep programme. Interns contributed research on people to involve in Ditchley discussions; summarised the history of discussion of themes such as education, democracy and technology at Ditchley over the decades; and created digital content for our new digital platform on the history and artworks at Ditchley Park (see immediately below).

**Smartify**

Smartify is a digital platform that hosts rich descriptions of art and objects through innovative technology, enabling engaging storytelling about places, their history and their purpose. Ditchley has developed significant digital content on the platform, using a mixture of staff and intern writers. See: <https://smartify.org/venues/ditchley-park> for examples. Fuller content will be available to visitors when they return to Ditchley Park through Smartify's image recognition app, enriching the experience of visiting Ditchley Park. The platform will also increase digital access to Ditchley Park for the wider public.

***The 2020-2021 programme of events***

At the time of drafting last year's Annual Report, the UK was six weeks into the first period of lockdown and the impact of the pandemic was already evident. Ditchley's hybrid conference in October 2020, Living with COVID-19, directly explored the impact. As well as millions of lives lost, the pandemic has caused the greatest disruption to the global economy since the Second World War, dwarfing the effects of the 2008 financial crisis. As a result, the pandemic, and how best to integrate recovery with other priorities, has featured in almost all Ditchley discussions throughout the year.

Another aspect of the year was the sharpening of the geopolitical and economic tensions between China and the West, with a particular focus on competition on technologies such as AI, seen as central to power and prosperity in the 21st century. The reality of Brexit meanwhile has meant a new direction and new choices for the UK. Most strategically of all, global concerns on climate change and loss of biodiversity were given renewed impetus by the election of President Biden and a return of American leadership on the environment. All these factors have fed into the Ditchley programme, which should be seen as a continuous and interconnected engagement with these global trends, rather than as a series of individual events on disparate subjects. Ditchley's gold standard series of two day conferences has provided the spine but numerous small group discussions conducted virtually have both prepared for the larger scale discussions and provided opportunities to follow up and expand on key insights and questions emerging.

One of the programme highlight's was World Order: what can and should it mean today? Held in honour of Henry Kissinger who opened the discussion, this conference marked a shift in Ditchley's approach and

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capabilities with the development of a continuous 24hr operation to enable participation from all continents. A post-conference briefing shared initial reflections and findings with the wider Ditchley community. This became the model for all subsequent virtual conferences.

We held 7 full conferences over the reporting period plus a further 92 events of varying size. Ditchley has experimented with different formats and technologies and will continue to develop expertise in this area. Great efforts have been taken to ensure that the same ethos and values are evident in our face to face and virtual events. Ditchley has emerged as a centre of excellence on holding virtual and hybrid events.

In addition to the conference programme, the following are other notable highlights from the programme over the past year.

**Ditchley Annual Lecture, 27 June 2020**

Senior cabinet member Michael Gove delivered a lecture on the reform of government and the Civil Service which was widely reported and continues to shape that agenda within government. The lecture was streamed live from Ditchley to an influential global audience of over 500.

**Ditchley Summer Project, 4 - 23 July 2020**

This was a series of 33 virtual events over the course of three weeks. These ranged in scale from small group discussions, to large high-profile speaker events with high points being conversations with Brad Smith, President and Chief Legal Officer at Microsoft, and Secretary Condoleezza Rice as the culmination of the series. Over 300 people participated across all events.

**Ditchley Winter Project, 1 - 11 December 2020**

This followed the model for the Summer Project, but with 8 events over two weeks in which around 200 people participated. The programme concluded with two fireside chats on consecutive days with Admiral James Stavridis, former Supreme Allied Commander of NATO, and William M Daley, Former Obama White House Chief of Staff and Secretary of Commerce.

**Ditchley Lumina Summit, 9 - 12 March 2021**

The 2020/2021 education and democracy programme, now in its third year and made possible through the ongoing support of the Lumina Foundation, culminated in a series of discussions exploring the renewal of democracy, recognising talent and finally technological innovation and economic insecurity. It also included the first transatlantic discussion on renewing regionalism with a panel drawn from our networks in Newcastle and the North East and Indianapolis and the State of Indiana. 88 people participated across these 4 sessions.

**Ocean data**

Building from the conference on oceans in April 2018, Ditchley continues to host small group discussions on a range of ocean issues. This in turn is contributing to the development of our climate programme.

Details of all conferences, and other virtual discussions and events can be found on the Ditchley website: <https://www.ditchley.com/events/past-events>

***Plans for the Future***

Ditchley's aim is unchanged: to combine its rich heritage with 21st century technology to be the world's most effective and powerful connecting and convening organisation, working for the public good.

The Foundation will continue to hold a broad range of conferences and other events, virtually, in-person, or most often a combination of both (as long as circumstances allow). Ditchley will also continue to innovate and to build the capabilities and networks to make sure that the Ditchley community includes people of talent and insight from all parts of society and many different fields of expertise, across all generations.

Particular strands of activity in development for 2021/2022 and beyond include a focus on regionalism, a cross-party initiative to better understand the Westminster village, bilateral conversations to build connections between the UK and Germany based on shared interests following Brexit and a climate programme which develops lines of thinking to emerge from the "Climate judo" conference in February and leading into COP26.

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The internship programme will also continue to develop with an aim again of 40 interns for this year, growing to 50 in the subsequent year. Each student will be paid the UK's 'real living wage' (The real living wage is the only UK wage rate that is voluntarily paid by over 7,000 UK businesses who believe their staff deserve a wage which meets every day needs).

***The Ditchley Team and Governance***

The Council of Management, the Finance and General Purposes Committee and the Ditchley executive team have worked exceptionally closely together this year, meeting regularly by Zoom but also through many informal contacts, to shepherd the Foundation safely and effectively through the pandemic. Ditchley emerges from the pandemic in good shape, both in terms of the impact of the programme and financially as a result. Ditchley is grateful for the support of all trustees, governors and members of the UK, American and Canadian governing bodies.

Three Members of Council will be stepping down at this year's Annual General Meeting;  
Philip Stephens from the role of Vice-Chairman of the Council of Management (2013-2021)

Charles Grant, as Chairman of the Programme Committee (2012-2021)

Sir Nigel Sheinwald, as Member (2013-2021)

Sir Martin Smith also stepped down from Council in February 2021 and ex-officio member and former High Commissioner Janice Charette's posting to London also came to an end so she too stepped down in March 2021.

Charles, Lord Aldington, has kindly agreed to continue in his role as Chairman of the Finance and General Purposes Committee for an additional year after his term end in order to ensure continuity as we emerge from the pandemic and also as Ditchley appoints a new chief operating officer following the retirement from the bursar post of Col Mike Montagu (and his move to the new host and historian post). This extension was endorsed by Council in its May meeting.

We are immensely grateful to all for their unwavering support and service in these roles and are delighted that their close involvement with Ditchley will continue into the future.

We were sorry to note the deaths over the last year of the following, many of whom had an association with Ditchley extending over decades: Lady Barbara Judge, Sir Samuel Brittan, The Lord O'Neill of Clackmannan, Dame Margaret Weston, Mr H Brandt Ayers, Lieutenant General Brent Scowcroft, Professor Seymour Topping and Mr David Reid Scott. We also note with sadness the passing of Baroness Williams in April 2021.

We must also acknowledge the generosity of many others who support Ditchley in a multiplicity of ways with their time, expertise, energy and, of course, money.

The guiding principles underpinning all that Ditchley does remain those set out by its founder and benefactor, Sir David Wills. We are grateful to the Wills family for their continued support for this endeavour and faith in the team entrusted with this great institution.

***Ditchley Park***

The disruption to normal patterns of activity has, as has already been mentioned, enabled major projects in the house to be undertaken unhindered by the need to work around a busy programme. When guests return to the house, they will find the grounds in excellent order, the state rooms on the ground and first floors looking beautiful, the technology and connectivity the best in Europe and work well advanced on phase one of the second floor bedroom scheme.

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***Financial Review***

**The impact of the coronavirus crisis**

The start of the financial year was dominated by the coronavirus crisis and the Foundation's response and rapid adaptation to the new working environment. For an organisation focused on face to face meetings, there was understandable concern that the crisis could have a major impact on operations and finance and of course impact. But the investments made over the last three years in connectivity and technology allowed us to move almost seamlessly to remote working for most of our staff and to execute throughout the year a successful virtual programme, in order to continue to deliver impact against the Foundation's objectives.

Financially, we lost almost £300,000 in income from postponed guest events but this was balanced over the course of the period by savings in operational costs derived in the main from the suspension of the face-to-face programme and external business activity requiring travel.

In view of the uncertainty surrounding income from events, in addition to the negative impact on the financial markets early on in the crisis, we furloughed a small number of the permanent staff with exclusively events-related roles, in addition to the regular cohort of casual events staff, who were missing out on income. While our use of furloughing was limited to the first four months of the scheme, the continuing uncertainty over when events would resume at Ditchley led to the necessity of a handful of redundancies. These measures ensured that we were in a strong position to weather the extended crisis.

The absence of events at the house meant that we were able to opt to use the Ditchley in-house team to carry out major restoration projects including in the library and on the second floor as covered above. This meant extending the work over a longer time frame but has resulted in major savings, in excess of £1m, in terms of our capital investments in Ditchley.

**Management and role of the invested portfolio**

The strategic imperative remains for the Foundation to grow both the value of its invested portfolio, still its principal source of income (and therefore not a reserve) and its yearly income from different sources. The invested portfolio is the ultimate guarantee of the Foundation's independence as a connector and convenor of people.

The portfolio had a value of £19.6m at the end of the financial year, recovering from a low of £17.5m at the same point the previous year following a 21% performance gain in the period net of fees and before our withdrawals. The Investment Sub-Committee (ISC) view is that investment managers Partners Capital steered the portfolio through the turbulence as well as could be expected, with the Foundation's conservative investment strategy proving once again successful at limiting losses compared to the previous financial crises of 2003 and 2008.

Drawdown from the portfolio at year end was £1.44m, marginally under the budget target, itself a 13% reduction on the £1.64m drawdown in the previous financial year. For the coming year the budgeted figure for drawdown is set at £1.3m, a deliberate further reduction of 10%. This is the next step on a glidepath of reduction targets to bring down the annual withdrawal amount to a sustainable 4% of portfolio value by financial year 24/25.

An ESG investment policy was adopted by the Council of Management this financial year, empowering our investment managers to report on the exposure of the diverse funds of funds in which the portfolio is invested.

**Strategic financial risks**

Our main strategic financial risk remains a sustained collapse in the markets and in the value of our invested portfolio. Our main mitigations continue to be: careful management of, and diversification within, the portfolio; continued work on development; and if necessary further reduction of costs.

**Management of finances**

Financial year 2020/2021 expenditure in the annual accounts was under budget at £2.87m, while income was close to £1.23m, with donations accounting for 84% of this. The total loss of DPCC revenue from guest events was fully offset by savings – operational expenditure was 20 percent below the budgeted figure.

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The spend for the year included £920,000 on estate, programme and campaign development, the bulk of which were two major sponsored projects: the creation of a state-of-the-art teleconference facility (the Bridge) in the redecorated and refitted Library; and the upgrade of guest accommodation on the second floor including ensuite and dedicated bathroom facilities. The project spend, of which £390,000 was capitalised at year end for the Bridge, ended up higher than initially budgeted but this was fully funded by higher than budgeted donations.

Expenditure in 2021/2022 is budgeted, in the management accounts, to be just over £3m. This includes both normal running costs and an element of £490,000, earmarked for capability development and infrastructure upgrades, including the ongoing second floor works. No new work will be undertaken without funding. Income in the management accounts for the year is anticipated at a little over £1.363m. Tight controls remain in place to ensure spending does not get ahead of donation income and projects will be delayed if donated funding is not available.

***Development Report***

2021 brings successfully to a close the first phase of Ditchley's development and associated campaign. We have managed to fund all the improvements and expansion of the programme planned. On the major investments on the library and the second floor the pandemic year has proved an opportunity with the reduced costs of the works meaning over £1m less to raise to meet our objectives.

We raised close to £1.03m in donations during the year. As of writing, the running total for the campaign is £4.7m in donations and firm pledges, bringing us close to our revised target (see immediately above) of £4.8m for the first phase of development.

The increasing maturity of our development effort is evident, yet our expenditure on development remains low compared to most comparable organisations. The team, which now comprises a development lead officer, an assistant and a part time external consultant, is supported by a development steering group and valuable expert volunteer help from Ditchley's community. We continue to seek donors' support for our programme; earmarked capital projects; and growth of our invested portfolio as the bedrock of our operations and independence.

We have continued to secure funds from a variety of sources, including a number of new individual donors, trusts and foundations, complementing the continued support from regular donors and Fellows.

A full list of donors for 2020/2021 is included below in alphabetical order:

*Anonymous Foundation*

The American Ditchley Foundation  
The John H and Marjorie N Glasgow Foundation  
The Lennox Hannay Charitable Trust  
The Loveday Charitable Trust  
Lumina Foundation  
Microsoft Corporation  
The William Delafield Charitable Trust

*Anonymous Individuals*

Lord and Lady Aldington  
George and Ally Bailey  
Mr Sam Blyth  
Dr Kate Bronfenbrenner  
Sir Andrew Cahn KCMG  
Mr Dominic Casserley  
Ms C K Coombs  
Ms Bronwyn Curtis OBE  
Mr Sam Daws  
Sir Simon Fraser GCMG  
Mr Stephen Glascock  
In memory of Sir John Graham Bt GCMG

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Sir Christopher Greenwood GBE CMG QC  
The Rt Hon. Dominic Grieve QC  
Ms Jan Hall OBE  
The Rt Hon. the Lord Hill of Oareford CBE  
Dame DeAnne Julius DCMG, CBE  
Ms Rosie Kay FRSA  
Sir John Kemp-Welch  
John and Caitlin Kennedy  
Ms Rachel Lomax  
Mr Chris Mairs CBE  
The Rt Hon. Sir John Major KG CH  
Ambassador P. Michael McKinley Ret  
Col Mike and Caroline Montagu  
Sir Mark and Lady Moody-Stuart  
Mr Edward Mortimer CMG  
Marc and Odile Mourre  
Mr Paul Newman  
Ms Margaret Nibbi  
Mr Ismet Oztanik  
Mrs Elizabeth Padmore  
Mr Jonathan Paris  
Luke and Nicky Ponsonby  
Mr Eric Reguly  
The Rt Hon. Sir Malcolm Rifkind KCMG QC  
Sir John Sawers GCMG  
Sir Martin and Lady Smith  
Mr David Soanes  
Mr Philip Stephens  
Mr Bobby Vedral  
Dr Diana Walford CBE MD FRCP FRCPATH FFPH  
Mr Simon Webb CBE, FICE  
The Rt Hon. the Lord Willetts FRS FAcSS  
Mr Peter Wilson-Smith  
Dr Dawn Wright

We thank all our donors for their support this year.

***Private Events and Other Income***

Ditchley Park Conference Centre Limited was unable to operate over the course of the last financial year due to the pandemic, meaning no guest event income (but also reduced DPCC costs). Most events were postponed, however, rather than cancelled and there are a significant number of bookings or enquiries in place for 2021/2022. The signs are promising that this revenue stream, where all profits from Ditchley Park Conference Limited are donated to the Foundation in support of its charitable aims, will return to or exceed pre-pandemic levels.

For the new financial year the forecast turnover has been set at a modest £108,000, based upon a resumption of face to face events in mid-July with the number and scale of bookings gradually ramping up from September out to the financial year end, but this will depend entirely on the progress of the crisis and the freeing up of restrictions as anticipated by the Roadmap.

Looking beyond this, the outlook for DPCC is very positive as the new technological capabilities and restoration of the Mansion to a high standard are set to make Ditchley an even more sought after venue, including for high level private sector company clients when appropriate.

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***Reserves Policy***

The Foundation's core finances are based upon its investment portfolio (valued at £19.6m as at end March 2021), which provides still the principal source of income. The portfolio is not a reserve, nor managed as such, and in the absence of any dedicated reserve fund, the Council of Management consider it a matter of essential financial discipline that the value of the capital is preserved as far as possible in order that the Foundation can deliver on its founding mission to run its programme for positive impact, rather than for profit or the interest of any party.

***Short term reserve***

The portfolio is invested across multiple asset classes and managed by Partners Capital to have a minimum of £400,000 of liquid reserves available to the Foundation within a week. This sum was identified by the Investment Sub-Committee, under the auspices of the Finance and General Purposes Committee, as an appropriate amount of short term reserve to cover contingencies such as major emergency repairs. As at March 2021, the invested assets under management could provide some £800,000 to be available within a week, with 60 percent of the portfolio available to be liquidated within a four to seven month period.

The Ditchley Foundation has determined on advice not to hold a separate reserves fund outside the main portfolio given both the opportunity cost (due to lower expected returns) and the additional administrative burden of operating a separate reserves portfolio.

***Strategic long term reserves***

The Foundation's strategic aim is to build its invested portfolio through development to the point where it is able to track the approach of Oxford colleges and take around 4% of income from the held funds each year.

The Foundation has set out a plan of stepped reductions of the sum withdrawn annually from the invested portfolio in order to reduce reliance on the portfolio and to bring this down to 4% of portfolio value by FY 24/25, with this aim achieved by a combination of programme and project fundraising, efficiencies and increasing other income streams such as DPCC. This strategy will be pursued in parallel to campaigning for direct donations to increase the size of the invested portfolio.

As at 31 March 2021, total funds stood at £26,495,157 of which £186,683 were restricted. The level of unrestricted free reserves, after excluding fixed assets and designated funds, stood at £22,847,131.

***Financial Resilience Statement***

Ditchley's trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months from the date of approval of these financial statements. The Budget endorsed for FY 21/22 allows for an unrestricted cash balance of £350k at the end of the period, in addition to the Foundation's invested portfolio of £19.6m, with sufficient liquidity to cover any short-term urgent needs.

***Fundraising Compliance Notice***

The Ditchley Foundation receives income from donations and has a trading subsidiary, Ditchley Park Conference Centre Limited. The Ditchley Foundation has signed up to the Code of Practice issued by the Fundraising Regulator. We do not carry out any direct marketing to the public and give clear instructions as to how individuals can be removed from our mailing lists. Our fundraising capability is in-house, supported by professional consultants. We do not use external commercial participators in our fundraising activities. There have been no complaints about fundraising in the year. A formal donor policy was approved by the Finance and General Purposes Committee and endorsed by the Council of Management in November 2020.

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***Structure, Governance and Management***

The Ditchley Foundation is “a Company limited by guarantee not having a share capital”, incorporated on the 24 February 1958, the Articles of Association having been subsequently amended on the 29 November 1966, 7 July 2007 and 7 July 2018.

Members of the Foundation are currently designated “Governors”. They meet at least once a year, whether virtually or in person, at the Annual General Meeting of the Foundation, to approve the Annual Report and accounts of the Foundation and to receive the report of the auditors; to elect, as necessary, in accordance with the Articles of Association, the Council of Management; and to deal with other business of the Foundation. In addition to the AGM, Governors are also invited to further briefings during the course of the year and receive regular updates by email or letter.

Trustees (Members of the Council of Management) are generally selected from the ranks of the Governors and invited to join the Council by the Chairman, acting on the recommendations and advice of the existing Trustees, with a view to maintaining a balance of experience, expertise and background within the body of Trustees. They are subsequently elected by the Governors and serve a four-year term, renewable for one further four-year term.

All Trustees are fully familiar with the aims and ideals of the Foundation.

The administration of the Foundation is carried out by the Council of Management, through the Finance and General Purposes Committee. The day-to-day management of the Foundation is conducted by the Director, who is appointed by, and responsible to, the Council of Management.

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned, the most recent instance being the remuneration review conducted during 2017/2018 and implemented in 2018/2019.

Ditchley Park Conference Centre Limited (DPCC) is the trading arm of the Foundation and oversees events in the Mansion when not in use by the Foundation. These events include visits (the house is a Grade I listed historic building), conferences and meetings organised by outside bodies and use of the Mansion for education, photography and films. This activity has been in abeyance over the course of the last financial year.

The Council of Management is responsible for the management of risks faced by the Foundation. Detailed considerations of risk are delegated to the Director and his staff. Risks are identified, assessed, and controls established throughout the year with a formal review undertaken tri-annually. A high-level Risk Register was introduced in 2018 and is now reviewed regularly, including at each Finance and General Purposes Committee meeting and, as of 2021/2022, annually by the Council of Management. The Register assesses the following risks:

- COVID-19 pandemic
- Serious injury or death of member of staff or visitor
- Catastrophic damage to the Mansion (infrastructure) and heritage, including by fire
- Loss of impact and relevance of the Foundation
- Failure to adapt to changes in society and technology mean impact and reputation and efficiency undermined
- Reputation for financial probity, effectiveness and impact damaged
- Business model not sustainable
- Data loss or privacy breach endangering reputation and damaging interests
- Loss of Business Continuity and reputational damage due to insufficient resilience in staff and infrastructure
- Serious damage to reputation due to failure to keep up with shifting public attitudes and perceptions

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The Disaster Recovery Plan is subject to ongoing review, particularly regarding the business continuity aspects as impacted by the current pandemic.

The key controls used by the Foundation include:

- The above-mentioned tri-annual meetings of the Council at which the Director and his senior staff brief the Trustees;
- Biannual meetings of the Finance and General Purposes Committee, which usually precede the Council Meetings, and a further annual meeting of the Committee at which they decide on major works and review health and safety procedures;
- Detailed job descriptions for the Director and Senior Staff, which are reviewed in detail on changes of incumbent;
- Three meetings a year between the Investment Sub-Committee of the Finance and General Purposes Committee and the investment managers of the investment portfolio. Additionally, members of this Committee with investment experience liaise with the investment managers as often as market conditions warrant it;
- Three times a year meeting of the Director's Risk Committee which reports to the Finance and General Purposes Committee, plus twice a year meeting of the Director's Health and Safety Committee, to review risks and safety procedures and decide on any necessary policy adjustments in the light of legislative changes.

Through these processes the Trustees are satisfied that the major risks have been identified and adequately mitigated where necessary.

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***Trustees' Responsibilities***

As directors, the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are required by UK company law to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the company, and the group, and of the profit or loss of the company and the group for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ending 31 March 2021. They are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company in recognition of their responsibilities under the Companies Act 2006. The Trustees are responsible for taking reasonable steps to safeguard the assets of the company, and the group, and to prevent and detect fraud and other irregularities. As far as the Trustees are aware, there is no relevant audit information (information needed by the Foundation's auditors in connection with preparing their report) of which the Foundation's auditors are unaware; Trustees individually have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's Auditors are aware of that information. The Trustees are required to prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charity will continue in operation.

***Principal Activities and Business Review***

The consolidated statement of financial activities for the year is set out on pages 20 - 21. A review of the Foundation's business during the year is contained in the Trustee's Annual Report starting on page 4 and incorporates the requirements of the Directors' report as required by company law.

***Dividends***

In accordance with the Memorandum of Association, no dividends may be paid to Members.

***Directors***

The Members of the Council of Management are listed on page 1.

By order of the Council of Management,



**KATIE WILLIAMS**  
Company Secretary

Dated: 26th May 2021

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**

**Opinion**

We have audited the financial statements of The Ditchley Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**Other information**

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

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**Responsibilities of trustees**

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

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

**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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DITCHLEY FOUNDATION**  
**(CONTINUED)**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Farwell MA FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

2 Chawley Park  
Cumnor Hill  
Oxford  
Oxfordshire  
OX2 9GG

Date: 28th May 2021

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations, grants and legacies	3	647,383	381,916	1,029,299	1,153,147
Trading turnover of subsidiary		3,781	-	3,781	217,254
Investment income	4	67,094	-	67,094	141,203
Other sources		127,922	-	127,922	75,991
		<u>846,180</u>	<u>381,916</u>	<u>1,228,096</u>	<u>1,587,595</u>
<b>Total income</b>					
<b>Expenditure on:</b>					
Raising funds:					
Voluntary income		45,000	-	45,000	16,025
Fundraising trading (DPCC costs)		3,660	-	3,660	140,641
Investment management fees		199,182	-	199,182	128,611
Charitable activities: Conference programme costs	5	2,187,866	435,027	2,622,893	2,440,994
		<u>2,435,708</u>	<u>435,027</u>	<u>2,870,735</u>	<u>2,726,271</u>
<b>Total expenditure</b>					
<b>Net expenditure before net gains on investments</b>					
		<u>(1,589,528)</u>	<u>(53,111)</u>	<u>(1,642,639)</u>	<u>(1,138,676)</u>
Net gains on investments	9,10	3,714,337	-	3,714,337	534,277
<b>Net income / (expenditure)</b>					
		<u>2,124,809</u>	<u>(53,111)</u>	<u>2,071,698</u>	<u>(604,399)</u>
Transfers between funds	14	512,600	(512,600)	-	-
<b>Net movement in funds</b>					
		<u>2,637,409</u>	<u>(565,711)</u>	<u>2,071,698</u>	<u>(604,399)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		23,671,065	752,394	24,423,459	25,027,858
Net movement in funds		2,637,409	(565,711)	2,071,698	(604,399)
<b>Total funds carried forward</b>					
		<u>26,308,474</u>	<u>186,683</u>	<u>26,495,157</u>	<u>24,423,459</u>

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

All activities relate to continuing operations.

	<b>2021</b>	2020
	<b>£</b>	£
Investment and rental income	<b>67,094</b>	141,203
Net gains on investment assets	<b>3,714,337</b>	534,277
<b>Total</b>	<b><u>3,781,431</u></b>	<u>675,480</u>

For information, total cash drawdown from the investment portfolio was £1,440,000 (2020: £1,635,000). The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 25 - 44 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00599389**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	8	3,461,343	3,195,053
Investments	10	19,614,331	17,536,471
Investment property	9	2,988,000	2,926,000
		26,063,674	23,657,524
<b>Current assets</b>			
Stocks	11	59,371	38,184
Debtors	12	121,693	79,797
Cash at bank and in hand		508,284	799,932
		689,348	917,913
Creditors: amounts falling due within one year	13	(257,865)	(151,978)
		431,483	765,935
<b>Total assets less current liabilities</b>		26,495,157	24,423,459
<b>Total net assets</b>		26,495,157	24,423,459
<b>Charity funds</b>			
Restricted funds	14	186,683	752,394
Unrestricted funds	14	26,308,474	23,671,065
		26,495,157	24,423,459

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

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



.....  
**The Right Honourable Lord Hill of Oareford CBE**

Dated: 26th May 2021

The notes on pages 25 to 44 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00599389**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	8	3,461,343	3,195,053
Investments	10	19,614,333	17,536,473
Investment property	9	2,988,000	2,926,000
		26,063,676	23,657,526
<b>Current assets</b>			
Stocks	11	59,371	38,171
Debtors	12	121,693	69,787
Cash at bank and in hand		507,566	758,078
		688,630	866,036
Creditors: amounts falling due within one year	13	(257,270)	(176,716)
		431,360	689,320
<b>Total assets less current liabilities</b>		26,495,036	24,346,846
<b>Total net assets</b>		26,495,036	24,346,846
<b>Charity funds</b>			
Restricted funds	14	186,683	752,394
Unrestricted funds	14	26,308,353	23,594,452
<b>Total funds</b>		26,495,036	24,346,846

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

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



.....  
**The Right Honourable Lord Hill of Oareford CBE**

Dated: 26th May 2021

The notes on pages 25 to 44 form part of these financial statements.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (note 17)	<b>(1,341,587)</b>	(954,538)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	<b>46,057</b>	45,493
Purchase of tangible fixed assets (note 8)	<b>(436,118)</b>	(57,128)
Drawdown from investments	<b>1,440,000</b>	1,635,296
	<hr/>	<hr/>
<b>Net cash provided by investing activities</b>	<b>1,049,939</b>	<b>1,623,661</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>(291,648)</b>	<b>669,123</b>
Cash and cash equivalents at the beginning of the year	<b>799,932</b>	130,809
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year (note 18)</b>	<b>508,284</b>	799,932
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 44 form part of these financial statements

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

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

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

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

**1.2 Company status**

The liability is limited by guarantee and no shares are authorised or issued by the Foundation. Each member undertakes to contribute £1 to the assets of the Foundation in the event of the same being wound up whilst a member, or within a year of ceasing to be a member, for the payment of debts and liabilities of the Foundation contracted before ceasing to be a member, and of the cost, charges and expenses of winding up, such as may be required not exceeding £1.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting policies (continued)**

**1.3 Going concern**

Ditchley's trustees (the Council of Management) are assured that The Ditchley Foundation has sufficient funds to enable it to continue its activities on a going concern basis for a period of at least 12 months from the date of approval of these financial statements. The Budget endorsed for financial year 21/22 allows for an unrestricted cash balance of £350k at the end of the period, in addition to the Foundation's invested portfolio of £19.6 million, with sufficient liquidity to cover any short term urgent needs.

The pandemic significantly impacted the operation of The Ditchley Foundation and Ditchley Park Conference Centre for the whole of the financial year 20/21. But there were positive as well as negative consequences. Ditchley conferences and dialogue events were immediately resumed virtually (save for two hybrid events in the Autumn) and the Foundation's profile and impact were maintained and arguably advanced with more high level figures able to participate remotely and new series of events conceived such as the successful virtual Ditchley Summer Project for the Ditchley community. Costs were significantly reduced by not holding face to face events. This offset in entirety the loss of income from private events via the Foundation's for profit subsidiary (Ditchley Park Conference Centre).

In the absence of events at Ditchley Park, construction was able to press forward on both the transformation of the library with the fitting of state of the art audio visual equipment to enable world class hybrid events and the long planned complete restoration of the second floor bedrooms. Being able to take longer over these projects, and use the in-house team more, allowed Ditchley to save significant capital sums. In addition, the new skills developed by the in-house team will reduce maintenance and restoration costs for years to come.

The projects will substantially enhance Ditchley's attraction as a meeting venue, underpinning further Ditchley's financial stability. Most of the events planned originally for 20/21 have been rescheduled rather than cancelled so this income will be recouped.

**1.4 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Guest conference income excludes value added tax and represents the invoiced value of goods and services supplied.

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting policies (continued)**

**1.5 Expenditure**

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds, including the activities of Ditchley Park Conference Centre Limited.

Expenditure on charitable activities activities comprises the costs of running the conference programme.

All resources expended are inclusive of irrecoverable VAT.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of The Ditchley Foundation and its subsidiary undertaking, Ditchley Park Conference Centre Limited.

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

**1.7 Government grants**

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

**1.8 Tangible fixed assets and depreciation**

The house and land at Ditchley Park, acquired by gift, are not valued. Expenditure on improvements is at cost less depreciation.

Individual fixed assets costing £1,000 or more are capitalised at cost.

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

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

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets and depreciation (continued)**

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- between 20 and 50 years
Motor vehicles	- 5 years
Fixtures and fittings	- between 3 and 10 years
Office and IT equipment	- between 3 and 10 years

**1.9 Investments**

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

Freehold properties held for investment purposes are valued periodically on professional advice and are included in the financial statements at their market value at the year end.

Quoted investments have been valued at the bid market price at the close of business at the year end. The market value of unit trusts and managed funds units is either taken as the bid or Net Asset Value price at the year end as advised by the investment managers.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or subsequent cost and are credited or charged to the Statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the Statement of financial activities based on the market value at the year end.

The investment in the subsidiary undertaking is valued at cost less provision for impairment.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**1.12 Debtors**

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

**THE DITCHLEY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Accounting policies (continued)**

**1.13 Cash at bank and in hand**

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

**1.14 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.15 Financial instruments**

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

**1.16 Pensions**

The pension scheme is a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

**1.17 Fund accounting**

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties:

Property valuations are performed annually by the Council, based upon external indications of value (including periodic valuations by qualified Independent Chartered Surveyors) and consideration of market conditions.

**3. Income from donations, grants and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations, grants and legacies	647,383	381,916	<b>1,029,299</b>	1,153,147
Total 2020	473,430	679,717	1,153,147	

**THE DITCHLEY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Distributions from investments	21,037	<b>21,037</b>	95,710
Rents	45,269	<b>45,269</b>	44,413
Bank interest	788	<b>788</b>	1,080
<b>Total 2021</b>	<u>67,094</u>	<u><b>67,094</b></u>	<u>141,203</u>
Total 2020	<u>141,203</u>	<u>141,203</u>	

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Conference programme costs	<u>2,187,866</u>	<u>435,027</u>	<u><b>2,622,893</b></u>	<u>2,440,994</u>
Total 2020	<u>2,257,236</u>	<u>183,758</u>	<u>2,440,994</u>	

**Summary by expenditure type**

	<b>Staff costs 2021 £</b>	<b>Depreciation 2021 £</b>	<b>Other costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Conference programme costs	<u>1,181,778</u>	<u>169,828</u>	<u>1,271,287</u>	<u><b>2,622,893</b></u>	<u>2,440,994</u>
Total 2020	<u>1,270,438</u>	<u>164,321</u>	<u>1,006,235</u>	<u>2,440,994</u>	

**THE DITCHLEY FOUNDATION**  
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**6. Analysis of expenditure by charitable activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Conference programme costs	2,594,447	28,446	<b>2,622,893</b>	2,440,994
Total 2020	2,390,280	50,714	2,440,994	

**Analysis of direct costs**

	<b>Conference programme cost 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	1,181,778	<b>1,181,778</b>	1,270,438
Depreciation	169,828	<b>169,828</b>	164,321
Administration	147,909	<b>147,909</b>	170,406
Repairs and maintenance	185,772	<b>185,772</b>	175,918
Household and service costs	237,757	<b>237,757</b>	245,396
Conference and events	45,647	<b>45,647</b>	155,347
Irrecoverable VAT	91,121	<b>91,121</b>	68,336
Development programme costs	71,294	<b>71,294</b>	139,407
Costs attributable to DPCC	(3,660)	<b>(3,660)</b>	(140,641)
Bridge project, Lumina costs and Rotunda	55,642	<b>55,642</b>	92,430
Campaign and communication costs	27,009	<b>27,009</b>	48,922
Asbestos removal	317,418	<b>317,418</b>	-
Second floor refurbishment costs	66,932	<b>66,932</b>	-
<b>Total 2021</b>	<b>2,594,447</b>	<b>2,594,447</b>	2,390,280
Total 2020	2,390,280	2,390,280	

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**6. Analysis of expenditure by charitable activities (continued)**

**Analysis of support costs**

	<b>Unrestricted 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Trustees' meeting costs and travel expenses on Foundation business	221	<b>221</b>	10,267
Auditor's remuneration	8,990	<b>8,990</b>	9,540
Non-audit fees - other financial services	19,235	<b>19,235</b>	30,907
<b>Total 2021</b>	<u>28,446</u>	<u><b>28,446</b></u>	<u>50,714</u>
Total 2020	<u>50,714</u>	<u>50,714</u>	

**7. Staff costs**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
Wages and salaries	<b>1,049,616</b>	1,096,107	<b>1,049,536</b>	1,045,669
Social security costs	<b>95,483</b>	96,512	<b>95,483</b>	96,512
Contribution to defined contribution pension schemes	<b>81,679</b>	77,819	<b>81,679</b>	77,819
	<u><b>1,226,778</b></u>	<u>1,270,438</u>	<u><b>1,226,698</b></u>	<u>1,220,000</u>

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

	<b>Group 2021 No.</b>	<b>Group 2020 No.</b>
Administration	<b>15</b>	14
Establishment	<b>13</b>	13
Conference	<b>1</b>	6
	<u><b>29</b></u>	<u>33</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Staff costs (continued)**

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

	<b>Group 2021 No.</b>	<b>Group 2020 No.</b>
In the band £110,001 - £120,000	1	1

No members of the Council of Management received any emoluments during the year (2020: £Nil).

No members of the Council of Management received payment for professional or other services supplied to the charity (2020: £Nil).

During the year, there was £221 of disbursements for travel and associated expenses incurred by one member of the Council of Management while undertaking activities directly associated with the purposes of the Foundation (2020: £10,267).

The key management personnel of the Foundation comprise the Council of Management, the Director and the Bursar. The total employee benefits of the key management personnel of the Trust were £198,242 (2020: £197,554).

During the year, redundancy costs totalled £37,504 (2020: £14,120) including pay in lieu of notice.

We drew on the Coronavirus Job Retention Scheme during the period April to July 2020. The total amount received was £60,137.

**8. Tangible fixed assets**

**Group**

	<b>Freehold property £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Office and IT equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 April 2020	4,577,175	42,373	64,887	552,962	5,237,397
Additions	-	2,500	-	433,618	436,118
Transfers between classes	-	-	(10,100)	10,100	-
At 31 March 2021	4,577,175	44,873	54,787	996,680	5,673,515
<b>Depreciation</b>					
At 1 April 2020	1,497,710	39,956	28,818	475,860	2,042,344
Charge for the year	121,408	1,000	5,296	42,124	169,828
Transfers between classes	-	-	(10,100)	10,100	-
At 31 March 2021	1,619,118	40,956	24,014	528,084	2,212,172

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Tangible fixed assets (continued)**

**Group (continued)**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Net book value</b>					
At 31 March 2021	<u>2,958,057</u>	<u>3,917</u>	<u>30,773</u>	<u>468,596</u>	<u>3,461,343</u>
At 31 March 2020	<u>3,079,465</u>	<u>2,417</u>	<u>36,069</u>	<u>77,102</u>	<u>3,195,053</u>

**Company**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office and IT equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2020	4,577,175	42,373	64,887	552,962	5,237,397
Additions	-	2,500	-	433,618	436,118
Transfers between classes	-	-	(10,100)	10,100	-
At 31 March 2021	<u>4,577,175</u>	<u>44,873</u>	<u>54,787</u>	<u>996,680</u>	<u>5,673,515</u>

**Depreciation**

At 1 April 2020	1,497,710	39,956	28,818	475,860	2,042,344
Charge for the year	121,408	1,000	5,296	42,124	169,828
Transfers between classes	-	-	(10,100)	10,100	-
At 31 March 2021	<u>1,619,118</u>	<u>40,956</u>	<u>24,014</u>	<u>528,084</u>	<u>2,212,172</u>

**Net book value**

At 31 March 2021	<u>2,958,057</u>	<u>3,917</u>	<u>30,773</u>	<u>468,596</u>	<u>3,461,343</u>
At 31 March 2020	<u>3,079,465</u>	<u>2,417</u>	<u>36,069</u>	<u>77,102</u>	<u>3,195,053</u>

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**8. Tangible fixed assets (continued)**

Freehold property comprises expenditure on improvements. The House and associated land are valued at £nil since they were acquired by gift. No value has been attributed to these assets as, in accordance with the wishes of the donor, it is intended that the House and associated land will be held in perpetuity to support the objectives and activities of the Foundation. Ditchley House was built in 1722 and is a listed Grade 1 building. Significant costs would be involved in valuing the property which, in the opinion of the Trustees, would be onerous compared with the additional benefit derived by users of the accounts in assessing the stewardship of assets. The House and outbuildings are currently insured for £64,455,769.

Other properties occupied by staff and considered as permanent staff quarters are included at deemed cost based upon a valuation performed at 31 March 2008 by Laws and Fiennes, Chartered Surveyors.

**9. Investment property**

**Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2020	2,926,000
Surplus on revaluation	62,000
	2,988,000
At 31 March 2021	2,988,000

**Company**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2020	2,926,000
Surplus on revaluation	62,000
	2,988,000
At 31 March 2021	2,988,000

Investment properties comprise properties and farmland on the estate rented on a commercial basis. The last professional valuation of the properties was undertaken in 2021 by Savills, Chartered Surveyors, on an open market value for existing use basis. Council have considered this valuation and its appropriateness. The farmland was last valued in 2020 and the Council considers this valuation to be materially correct at 31 March 2021.

**THE DITCHLEY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10. Fixed asset investments**

<b>Group</b>		<b>Investment securities £</b>	<b>Uninvested cash £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2020		17,048,935	487,536	17,536,471
Additions		1,304,291	-	1,304,291
Disposals		(2,970,573)	-	(2,970,573)
Revaluations		3,652,337	-	3,652,337
Other movements		(104,553)	196,358	91,805
<b>At 31 March 2021</b>		<b>18,930,437</b>	<b>683,894</b>	<b>19,614,331</b>
<b>Net book value</b>				
<b>At 31 March 2021</b>		<b>18,930,437</b>	<b>683,894</b>	<b>19,614,331</b>
At 31 March 2020		17,048,935	487,536	17,536,471
<b>Company</b>	<b>Investments in subsidiary companies £</b>	<b>Investment securities £</b>	<b>Uninvested cash £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2020	2	17,048,935	487,536	17,536,473
Additions	-	1,304,291	-	1,304,291
Disposals	-	(2,970,573)	-	(2,970,573)
Revaluations	-	3,652,337	-	3,652,337
Other movements	-	(104,553)	196,358	91,805
<b>At 31 March 2021</b>	<b>2</b>	<b>18,930,437</b>	<b>683,894</b>	<b>19,614,333</b>
<b>Net book value</b>				
<b>At 31 March 2021</b>	<b>2</b>	<b>18,930,437</b>	<b>683,894</b>	<b>19,614,333</b>
At 31 March 2020	2	17,048,935	487,536	17,536,473

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**FOR THE YEAR ENDED 31 MARCH 2021**

**11. Stocks**

	<b>Group 2021 £</b>	Group 2020 £	<b>Company 2021 £</b>	Company 2020 £
Finished goods and goods for resale	<b>59,371</b>	38,184	<b>59,371</b>	38,171

**12. Debtors**

	<b>Group 2021 £</b>	Group 2020 £	<b>Company 2021 £</b>	Company 2020 £
<b>Due within one year</b>				
Trade debtors	<b>12,200</b>	13,723	<b>12,200</b>	3,713
Other debtors	<b>30,775</b>	13,630	<b>30,775</b>	13,630
Prepayments and accrued income	<b>46,617</b>	52,444	<b>46,617</b>	52,444
VAT recoverable	<b>32,101</b>	-	<b>32,101</b>	-
	<b>121,693</b>	79,797	<b>121,693</b>	69,787

**13. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	Group 2020 £	<b>Company 2021 £</b>	Company 2020 £
Trade creditors	<b>77,043</b>	58,741	<b>77,043</b>	58,741
Amounts owed to group undertakings	-	-	<b>31,378</b>	43,412
Other taxation and social security	<b>26,520</b>	29,338	<b>26,470</b>	29,042
Other creditors	<b>8,113</b>	8,680	<b>8,113</b>	7,225
Accruals and deferred income	<b>146,189</b>	55,219	<b>114,266</b>	38,296
	<b>257,865</b>	151,978	<b>257,270</b>	176,716

**THE DITCHLEY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
General funds	23,671,065	846,180	(2,435,708)	512,600	3,714,337	26,308,474
<b>Restricted funds</b>						
Fabric fund	43,993	-	-	(43,993)	-	-
Travel fund	25,496	-	-	-	-	25,496
Earmarked donations	588,835	-	(426,481)	(102,502)	-	59,852
Dulverton fund	94,070	-	-	(79,070)	-	15,000
Front gates and railings	-	2,500	(2,500)	-	-	-
Bridge	-	368,916	-	(287,035)	-	81,881
Rotunda	-	10,000	(6,046)	-	-	3,954
Rooms	-	500	-	-	-	500
	<u>752,394</u>	<u>381,916</u>	<u>(435,027)</u>	<u>(512,600)</u>	<u>-</u>	<u>186,683</u>
<b>Total of funds</b>	<u><u>24,423,459</u></u>	<u><u>1,228,096</u></u>	<u><u>(2,870,735)</u></u>	<u><u>-</u></u>	<u><u>3,714,337</u></u>	<u><u>26,495,157</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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

**Statement of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
General funds	24,715,594	907,878	(2,542,513)	55,829	534,277	23,671,065
<b>Restricted funds</b>						
Fabric fund	64,677	13,348	(15,532)	(18,500)	-	43,993
Travel fund	15,496	10,000	-	-	-	25,496
Earmarked donations	-	656,369	(67,534)	-	-	588,835
Dulverton fund	232,091	-	(100,692)	(37,329)	-	94,070
	<u>312,264</u>	<u>679,717</u>	<u>(183,758)</u>	<u>(55,829)</u>	<u>-</u>	<u>752,394</u>
<b>Total of funds</b>	<u><u>25,027,858</u></u>	<u><u>1,587,595</u></u>	<u><u>(2,726,271)</u></u>	<u><u>-</u></u>	<u><u>534,277</u></u>	<u><u>24,423,459</u></u>

**THE DITCHLEY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	23,671,065	846,180	(2,435,708)	512,600	3,714,337	26,308,474
Restricted funds	752,394	381,916	(435,027)	(512,600)	-	186,683
	<u>24,423,459</u>	<u>1,228,096</u>	<u>(2,870,735)</u>	<u>-</u>	<u>3,714,337</u>	<u>26,495,157</u>

**Summary of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	24,715,594	907,878	(2,542,513)	55,829	534,277	23,671,065
Restricted funds	312,264	679,717	(183,758)	(55,829)	-	752,394
	<u>25,027,858</u>	<u>1,587,595</u>	<u>(2,726,271)</u>	<u>-</u>	<u>534,277</u>	<u>24,423,459</u>

The General Fund comprises the original gift to the Foundation by HDH Wills family and family trusts together with the changes to the capital value of investments and surpluses and deficits on income and expenditure.

Restricted funds include monies specifically provided to offset the cost of conferences, including participants' travel, earmarked donations and donations to the Fabric Fund.

Earmarked donations relate predominantly to grants received for the removal of asbestos, refurbishment of the second floor, the south front project and the Bridge project, for which there is also a separate restricted fund.

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,461,343	-	3,461,343
Fixed asset investments	19,614,331	-	19,614,331
Investment property	2,988,000	-	2,988,000
Current assets	502,665	186,683	689,348
Creditors due within one year	(257,865)	-	(257,865)
<b>Total</b>	<u>26,308,474</u>	<u>186,683</u>	<u>26,495,157</u>

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**16. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,195,053	-	3,195,053
Fixed asset investments	17,536,471	-	17,536,471
Investment property	2,926,000	-	2,926,000
Current assets	165,519	752,394	917,913
Creditors due within one year	(151,978)	-	(151,978)
<b>Total</b>	<u><u>23,671,065</u></u>	<u><u>752,394</u></u>	<u><u>24,423,459</u></u>

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

	Group 2021 £	Group 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>2,071,698</u>	<u>(604,399)</u>
<b>Adjustments for:</b>		
Depreciation charges (note 8)	<b>169,828</b>	164,459
Investment property gain (note 9)	<b>(62,000)</b>	(346,000)
Gains on investments (note 10)	<b>(3,652,337)</b>	(188,277)
Dividends, interests and rents from investments (note 4)	<b>(67,094)</b>	(141,203)
(Increase)/decrease in stocks (note 11)	<b>(21,187)</b>	5,274
(Increase)/decrease in debtors (note 12)	<b>(41,896)</b>	118,858
Increase/(decrease) in creditors (note 13)	<b>105,887</b>	(88,198)
Other investment movements	<b>155,514</b>	124,948
<b>Net cash used in operating activities</b>	<u><u>(1,341,587)</u></u>	<u><u>(954,538)</u></u>

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**18. Analysis of cash and cash equivalents**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Cash in hand	508,284	799,932
<b>Total cash and cash equivalents</b>	<b>508,284</b>	<b>799,932</b>

**19. Analysis of changes in net debt**

	<b>At 1 April 2020 £</b>	<b>Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	799,932	(291,648)	508,284
	<b>799,932</b>	<b>(291,648)</b>	<b>508,284</b>

**20. Capital commitments**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>	<b>Company 2021 £</b>	<b>Company 2020 £</b>
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	75,741	-	75,741	-

**21. Pensions commitments**

The Foundation maintains a pension scheme covering all of its permanent and casual employees. It is a defined contribution scheme (employer 10%) administered by the trustees. Its funds are kept separate from those of the Foundation. Contributions outstanding at 31 March 2021 were £9,700 (2020: £15,347). The pension cost charge represents contributions payable by the Foundation in accordance with the rules of the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Principal subsidiary**

The following was a subsidiary undertaking of the company:

Name	Company number	Holding	Included in consolidation
Ditchley Park Conference Centre Limited	01944182	100%	Yes

The financial results of the subsidiary for the year were:

	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Ditchley Park Conference Centre Limited	3,781	3,660	121	123

**23. Related party transactions**

In the year, a number of trustees made donations to the Foundation under the 1580 Fellowship Scheme.

Dr C Wills, who is a Trustee, who was also a Trustee of The HDH Wills 1965 Charitable Trust. During the year The HDH Wills Charitable Trust charged the Foundation £69,555 (2020: £Nil).

During the period, the Foundation recharged The HDH Wills 1965 Charitable Trust £2,283 (2020: £Nil). At the year end the Foundation was owed £104 (2020: £Nil).

The wife of the Foundation's director, K Arroyo, was reimbursed during the year by the charity for purchases she made on the charity's behalf for furnishings as part of the second floor and library projects. This totalled £4,503 in 2021 (2020: £Nil). K Arroyo was also paid £8,000 in the year (2020: £nil) for interior design consultancy work as part of the second floor and library projects.