

Think
new things
Make
new connections

THE COUNCIL'S
ANNUAL REPORT
AND ACCOUNTS
2023-2024

DITCHLEY

TABLE OF CONTENTS

The Ditchley Foundation

Office Holders, Trustees and Committee Members	page 2
Finance and General Purposes Committee	page 3
Programme Committee	page 3

The Trustees' Annual Report

Aims, Objectives, Activities and their Public Benefit	page 4
Report of 2023-2024	page 5
The 2023-2024 Programme of Events	page 6
Other Projects	page 9
The Ditchley Team and Governance	page 10
Plans for the Future	page 11
Financial Review	page 11
Development Report	page 14
Private Events and Other Income	page 16
Reserves Policy	page 16
Financial Resilience Statement	page 17
Fundraising Compliance Notice	page 17
Structure, Governance and Management	page 17
Trustees' Responsibilities	page 19
Principal Activities and Business Review	page 19
Dividends	page 19
Directors	page 19

Consolidated Accounts

Independent Auditor's Report to the Members	page 20
Consolidated Statement of Financial Activities	page 24
Consolidated Balance Sheet	page 25
Charity Balance Sheet	page 26
Consolidated Statement of Cash Flows	page 27
Notes to the Accounts	page 28

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 21st 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 60th 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 60th 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 59th Ditchley Annual Lecture was delivered on Saturday 1st 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 18th 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 1st 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: 17th 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. 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**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
	Note				
Income from:					
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>
Total income		<u>76,707,636</u>	<u>6,000</u>	<u>76,713,636</u>	<u>1,587,767</u>
Expenditure on:					
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>
Total Expenditure		<u>4,493,078</u>	<u>29,380</u>	<u>4,522,458</u>	<u>3,616,947</u>
Net income/(expenditure) before net gains on investments		72,214,558	(23,380)	72,191,178	(2,029,180)
Net gains/(losses) on investments	18	<u>2,059,665</u>	<u>-</u>	<u>2,059,665</u>	<u>213,000</u>
Net income / (expenditure)		<u>74,274,223</u>	<u>(23,380)</u>	<u>74,250,843</u>	<u>(1,816,180)</u>
Net movement in funds		<u>74,274,223</u>	<u>(23,380)</u>	<u>74,250,843</u>	<u>(1,816,180)</u>
Reconciliation of funds:					
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>
Total funds carried forward		<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 £
Fixed assets:			
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
Current Assets			
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>
Net current assets/(liabilities)		<u>73,129,330</u>	<u>(84,436)</u>
Total assets less current liabilities		<u>99,344,967</u>	<u>25,094,124</u>
Total net assets		<u>99,344,967</u>	<u>25,094,124</u>
Charity funds			
Restricted funds	17/18	2,116	25,496
Unrestricted funds	17/18	<u>99,342,851</u>	<u>25,068,628</u>
Total funds		<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 £
Fixed assets:			
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
Current Assets			
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>	<u>-</u>
		72,321,656	430,700
Creditors: amounts falling due within one year	15	<u>(627,862)</u>	<u>(729,256)</u>
Net current assets/(liabilities)		<u>72,693,794</u>	<u>(298,556)</u>
Total assets less current liabilities		<u>98,909,433</u>	<u>24,880,006</u>
Total net assets		<u>98,909,433</u>	<u>24,880,006</u>
Charity funds			
Restricted funds	17/18	2,116	25,496
Unrestricted funds	17/18	<u>98,907,317</u>	<u>24,854,510</u>
Total funds		<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

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities (note 20)	25,075,598	(1,572,364)
Cash flows from investing activities		
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>
Net cash provided by investing activities	1,744,351	1,505,343
Change in cash and cash equivalents in the year	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 of 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.

The Ditchley Foundation
(A Company Limited by Guarantee)

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

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

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

The Ditchley Foundation
(A Company Limited by Guarantee)

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

4. Investment income

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

5. Analysis of expenditure on charitable activities

Summary by fund type

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

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total funds 2024 £	Total funds 2023 £
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>
Total 2023	<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

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

The Ditchley Foundation
(A Company Limited by Guarantee)

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

7. Analysis of expenditure on charitable activities

Analysis of direct costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
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>
Total 2024	<u>4,276,835</u>	<u>4,276,835</u>	<u>3,433,331</u>
Total 2023	<u>3,433,331</u>	<u>3,433,331</u>	

Analysis of governance costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
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>
Total 2024	<u>22,915</u>	<u>22,915</u>	<u>22,290</u>
Total 2023	<u>22,290</u>	<u>22,290</u>	

The Ditchley Foundation
(A Company Limited by Guarantee)

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

8. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	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:

	Group 2024 No.	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:

	Group 2024 No.	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:

	Group 2024 No.	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).

The Ditchley Foundation
(A Company Limited by Guarantee)

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 £
Cost of valuation					
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
Depreciation					
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>
Net book value					
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>

The Ditchley Foundation
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
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 £
Cost of valuation					
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>-</u>	<u>-</u>	<u>-</u>	<u>(471,860)</u>
	4,568,455	5,000	1,184,726	1,078,542	6,836,723
At 31 March 2024					
Depreciation					
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>
Net book value					
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.

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

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

10. Investment property

Group

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

Company

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

The Ditchley Foundation
(A Company Limited by Guarantee)

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

11. Fixed asset investments

Group	Investment securities £	Uninvested cash £	Total £
Cost of valuation			
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>
Net book value			
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>

Company	Investments in subsidiary companies £	Investment securities £	Uninvested cash £	Total £
Cost of valuation				
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>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>
Net book value				
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

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
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>

The Ditchley Foundation
(A Company Limited by Guarantee)

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

13. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
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>-</u>	<u>42,964</u>	<u>-</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

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

15. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	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

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

The Ditchley Foundation
(A Company Limited by Guarantee)

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

16. Deferred income (continued)

Deferred income is included in the financial statements as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	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

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds					
General funds	25,068,628	76,707,636	(4,493,078)	2,059,665	99,342,851
Restricted funds					
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>
Total funds	<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

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General funds	26,884,808	1,569,267	(3,598,447)	213,000	25,068,628
Restricted funds					
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>
Total funds	<u>26,910,304</u>	<u>1,587,767</u>	<u>(3,616,947)</u>	<u>213,000</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 2024

18. Summary of funds

Summary of funds – current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds					
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>-</u>	<u>2,116</u>
Total funds	<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 £
Unrestricted funds					
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>-</u>	<u>25,496</u>
Total funds	<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>
Total	<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

	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>
Total	<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

	Group 2024 £	Group 2023 £
Net income for the year (as per Statement of Financial Activities)	74,250,843	(1,816,180)
Adjustments for:		
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>
Total funds	<u>25,075,598</u>	<u>(1,572,364)</u>

21. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	<u>27,013,159</u>	<u>193,210</u>
Total cash and cash equivalents	<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>
Total cash and cash equivalents	<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 £
Contracted for but not provided in these financial statements				
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:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
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.