



# **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

**ANNUAL REPORT FOR THE YEAR ENDED**

**31 December 2022**

**Charity Registration Number: 311096**

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**ASHRIDGE (BONAR LAW MEMORIAL) TRUST****LEGAL AND ADMINISTRATIVE DETAILS****Trustees**

The governance of Ashridge (Bonar Law Memorial) Trust is managed by Ashridge CT Limited, a Corporate Trustee.

Ashridge CT Limited directors

Mr Ulf Sandberg  
Mr Ajay Gundecha  
Mr Jeffrey Allen

**Charity number**

311096

**Registered office**

Ashridge  
Berkhamsted  
Hertfordshire  
HP4 1NS

**Actuary**

Mercer  
Tower Place West  
Tower Place  
London  
EC3R 5BU

**Independent auditors**

Knox Cropper LLP  
65 Leadenhall Street  
London  
EC3A 2AD

**Bankers**

Lloyds Banking Group plc  
Progression Centre  
42 Mark Road  
Hemel Hempstead  
Hertfordshire  
HP2 7DW

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

### **Report of the Corporate Trustee for the year ended 31 December 2022**

The Corporate Trustee is pleased to present the audited annual report together with the consolidated financial statements of Ashridge (Bonar Law Memorial) Trust (the Trust) for the year ended 31 December 2022.

The Corporate Trustee's report and the financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities 2019', Financial Reporting Standards 102 and Charities Act 2011. Office for Students regulations have also been complied with since registering during May 2021.

#### **The aims of Ashridge**

Ashridge (Bonar Law Memorial) Trust was constituted as a charitable trust by the Ashridge (Bonar Law Memorial) Trust Act 1954, as amended in 1983 and 2014 (the Act).

The principal activities of the Trust are defined by the Act:

- Provide education at Ashridge
- Undertake research and disseminate the results to the public
- Establish and continue similar institutions overseas

These activities are undertaken by the Trust using the name of Ashridge. The Trust also had a wholly owned subsidiary during the year - see notes 3 and 8 of the financial statements for details. The trading subsidiary undertook specialist activities closely related to management education as follows:

- Ashridge Educational Services Ltd provided executive and organisation education to corporate clients.

The Corporate Trustee referred to the guidance contained in the Charity Commission's publications on public benefit when reviewing aims and objectives. They then considered how to maximise the contribution of planned activities to those aims and objectives as follows:

#### **Provision of education**

As a leading centre for management and organisation learning, the Ashridge vision is to make a substantial contribution to the development of managers, their organisations and society at large.

The activities undertaken to assist this development deliver public benefit in a variety of ways. Ashridge's clients include organisations in the public sector, corporate entities, and individual private students in pursuit of a UK degree.

#### **Research**

The purpose of research at Ashridge is to make a wider intellectual contribution to business practices overall, and a deeper contribution to certain academic and professional fields, as well as to continuously improve education for students and executives. Co-creating knowledge with leaders, managers and policymakers in private, public, and volunteer organizations is a hallmark of this strategy. So is the aspiration to catalyse innovation and be a partner in life-long learning. Ashridge has its roots in management practice, applied scholarship and social responsibility, and the research is designed to leverage these roots and its vast network of connections with private, public and volunteer organizations. The public benefits from Ashridge research as it is widely distributed and freely available.

#### **Establishment of similar institutions overseas**

Ashridge delivers a proportion of its services outside the UK through its corporate clients. Some contracted faculty are based abroad.

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

### **Report of the Corporate Trustee for the year ended 31 December 2022 (continued)**

#### **Achievements and performance**

In performing its activities Ashridge has run educational programs for more than 180 clients and 1127 students with 97 students graduating during the calendar year 2022.

In addition, research at Ashridge has contributed to the academic debate through publishing 118 books, articles, reports and conference papers during 2022.

#### **Financial review**

The result for the year ended 31 December 2022 was a net loss of £2.4 m (2021: income of £575k) for Ashridge (Bonar Law Memorial) Trust. This change is mainly driven by the updated deficit contribution plan for the USS Pension Scheme, and also the delay in enrolling new apprentices following OFSTED inspection in July 2022.

The net movement in funds was (£8,025k) which is driven by the updated actuarial assumptions for the Ashridge pension scheme. The total reserves of the Trust on 31 December 2022 was £16.2m (2021: £24.8m). The total reserves include a designated Research Fund £9.4m (2021: £10m), a restricted Restoration Fund £81k (2021: £81k) and unrestricted free reserves of £6.7m (2021: £14.7m).

During the year the trust has used £584k of the designated research fund in line with the funds intended purpose.

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

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

Ashridge received a full Ofsted inspection in July 2022 for its apprenticeship programmes. The inspection report was published in August 2022 and the outcome enables Ashridge to enrol new apprentices from September 2022. In response to feedback from the Ofsted inspection, Ashridge ran a small, controlled cohort in November 2022, to test the effectiveness of revised procedures and process before commencing with further intakes in 2023. Ashridge continues to invest in its programmes to continuously improve its Apprenticeship provision. Ashridge is due a further monitoring visit from Ofsted in 2023 to assess the progress Ashridge has made.

Most of the qualifications revenue relates to apprenticeships which is funded through the government's Education & Skills Funding Agency, as a government agency we deem the collection of this revenue to be low risk. The Trust may experience collection delays from tuition of independent students, collections are being monitored closely and graduation will only take place once all fees are settled.

The conflict between Russia and Ukraine is considered to be a potential risk since February 2022, this is being monitored closely but so far has not had an impact on the Trust.

The Corporate Trustee and executive team no longer perceive COVID-19 as a prominent risk. The operational disruption during 2021 was limited as education was maintained and carried out online, however it will continue to be monitored and UK Government advice will be followed.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Report of the Corporate Trustee for the year ended 31 December 2022 (continued)

#### Plans for future periods

Profitability for future periods is due to improve further due to the growth in apprenticeship and degree programmes.

The transition to a virtual learning environment during COVID-19 lockdowns has enabled the Trust to offer this as a flexible learning option to students and in March 2022 the Trust launched its first exclusively online programme for a new AMEC intake.

Investment in new limitless learning classrooms at the beginning of 2022 also enables our programmes to be taught onsite and virtually. This is increasingly popular for the existing apprenticeship students as it offers more flexibility.

#### Going concern

The effect of COVID-19 has been assessed by the Corporate Trustee, reviewing the Trust's ongoing forecasts and projections to ensure that the organisation remains financially viable. There are no material uncertainties that the Trust would not be able to meet its liabilities as they fall due for the foreseeable future.

The Trust has an excellent liquidity position at 31 December 2022 with £10.3m cash available. Consequently, the Trustee has continued to prepare the financial statements on a going concern basis.

#### Strategic objectives

Ashridge has identified the following strategic aspirations in relation to its core objects, to be:

- One of the top five global providers of customised executive education
- Being known as the place that knows about coaching
- Leading specialist in strategic organisational change and development
- Compact, differentiated, highly regarded qualifications portfolio
- All business streams integrated with facilitated learning over the web.
- Having a faculty noted for practical yet rigorous research that is widely available

Ashridge is one of few business schools worldwide to achieve the 'triple crown' of accreditation from the Association to Advance Collegiate Schools of Business (AACSB), the European Quality Improvement System (EQUIS) and the Association of MBAs (AMBA) and the objective is to retain these accreditations going forward.

#### Governance

Ashridge (Bonar Law Memorial) Trust was constituted as a charitable trust by the Ashridge (Bonar Law Memorial) Trust Act 1954, as amended in 1983 and 2014, and is governed by this act.

Ashridge CT Limited acts as the governing body of the Trust through its own board of directors which meets regularly.

The day-to-day management of Ashridge is undertaken by the President who is appointed by Ashridge CT Ltd. The President has delegated authority for finance, employment, and other operational matters.

#### Related parties

None of the directors of Ashridge CT Limited nor any persons connected with them, had at any time had any beneficial interest in dealings with the Trust and received no remuneration from the Trust.

Ashridge has subsidiaries and other related parties during the year ended 31 December 2022 as per below:

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Report of the Corporate Trustee for the year ended 31 December 2022 (continued)

#### Ashridge CT Limited

Ashridge CT Limited was incorporated in 2015 and appointed as Corporate Trustee of the Trust with the objective to comply with the Act. The directors of Ashridge CT Limited are independent of the Trust in order to ensure there are no conflicts of interest.

#### Ashridge Historical Trust

The member of Ashridge CT Limited is the Ashridge Historical Trust. The trustees of the Ashridge Historical Trust are independent of the Trust and Ashridge CT Limited in order to ensure there are no conflicts of interest.

#### Ashridge Educational Services Ltd

Ashridge Educational Services Ltd is controlled through share ownership by the Trust and was incorporated on 16 December 2019.

#### The Ashridge Pension Scheme

The Ashridge Pension Scheme is a post-employment benefit plan for the benefit of employees of the Trust. Until 2002 the Trust offered final salary pension entitlement to all Ashridge staff through membership of the Ashridge Pension Scheme.

#### Pay policy for senior staff

The pay of the senior staff is reviewed annually. In view of the nature of the charity salaries are benchmarked against pay levels in other comparable educational institutions.

#### Key management personnel

President	Dr Matt Lilley
President (Resigned)	Dr Stephen Hodges
Chief Finance Officer	Mrs Emilie McCarthy
Chief Operating Officer	Mr Mark Coleman
Chief Academic Officer	Dr Johan Roos
Dean of Faculty	Dr Dina Dommett
Senior Director of Research	Miss Nadine Page

#### Disclosure of information to Auditors

The Corporate Trustee confirms that:

- there is no relevant audit information of which the Trust's auditors are unaware; and
- it has taken all the steps that ought to be taken in order to make himself/herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

The report of the Corporate Trustee was approved by the board of directors of Ashridge CT Limited and signed on their behalf by:

*Jeffrey P Allen*

**Mr Jeffrey Allen**  
**Director**  
**Ashridge CT Limited**

**17 April 2023**

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

### **Statement of Corporate Governance and Internal Control for the year ended 31 December 2022**

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

#### **Governance**

Ashridge (Bonar Law Memorial) Trust was constituted as a charitable trust by the Ashridge (Bonar Law Memorial) Trust Act 1954, as amended in 1983 and 2014, and is governed by this act.

Ashridge CT Limited acts as the governing body of the Trust through its own board of directors. Appointment to the board are matters for consideration by the board of directors as a whole and are based on the expertise and skills brought by the individuals involved. The directors receive further training in trustee meetings as required. No induction training was required as there were no new directors during the year.

The members of the board of directors are listed within Legal and Administrative Details. The constitution of the board ensures that no individual dominates the decision-making process and that it can exercise its responsibilities free from management.

The boards regulatory and stewardship responsibilities centre on its role as the ultimate legal authority and for safeguarding the Trust's assets, its financial sustainability, and receiving assurance that its systems comply with the legal and regulatory obligations, including as a Charity, the Office for Students and OFSTED.

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

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

The day-to-day management of Ashridge is undertaken by the President who is appointed by Ashridge CT Limited. The President has delegated authority for finance, employment, and other operational matters.

#### **Corporate Trustee's responsibilities**

The Corporate Trustee is responsible for the preparation of annual financial statements that provide a true and fair view of the state of affairs of Ashridge as at the end of the financial year and of the financial activities during the year.

In preparing the financial statements the Corporate Trustee is required to:

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

The Corporate Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy of the financial position of Ashridge at any time and to ensure that the financial statements comply with relevant statutes.

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

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

### **Statement of Corporate Governance and Internal Control (continued)**

#### **Internal Control**

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

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

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

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the board of directors
- Regular reviews by the board of directors of periodic and annual financial reports which indicate financial performance against forecast
- Setting targets to measure financial and operational performance

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

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

The review of effectiveness of the system is informed by:

- The work of external auditors;
- The work of senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework;
- Comments made by the organisation's financial statements and regulatory inspections in their management letters and other reports.

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

The board of directors has delegated its day-to-day responsibility to the President, as Accounting Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. He is also responsible for reporting to the board any material weaknesses or breakdowns in internal control. The day-to-day responsibility for risk management and monitoring is assigned to the Chief Finance Officer and Chief Operating Officer.

The Trust has considered its responsibility to notify the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with Education Skills Funding Agency terms and conditions of funding.

The board of directors and the Accounting Officer confirm that after due enquiry and to the best of their knowledge, it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisation's financial regulations. We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date, if any instances are identified after the date of this statement these will be notified to the Education and Skills Funding Agency.

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

**Statement of Corporate Governance and Internal Control (continued)**

Approved by the Corporate Trustee and the President and signed on their behalf by:

*Jeffrey P Allen*

**Mr Jeffrey Allen  
Director  
Ashridge CT Limited**

*M/Lilly*

**Mr Matt Lilley  
President  
Ashridge (Bonar Law Memorial) Trust**

**17 Apr 2023**

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATE TRUSTEE OF ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

#### **Opinion**

We have audited the financial statements of Ashridge (Bonar Law Memorial) Trust ("the Parent Charity") and its subsidiary ("the Group") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated and Charity balance sheet, the consolidated cash flow statement 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's and of the Parent Charity's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the Office for Student's Accounts Direction.

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

- the Group's grant and fee income, as disclosed in note 4 to these Financial Statements has been materially misstated.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charity in accordance with the ethical requirements 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 related to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the Report of the Corporate Trustee, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information.

## **ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Report of the Corporate Trustee; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustee**

As explained more fully in the Corporate Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Group's and the Parent 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 Corporate Trustee either intends to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act[s] and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Group and the Parent Charity are required to comply with charity law and certain conditions of OFS registration including compliance with the OFS' latest Accounts Direction and, based on our knowledge of their activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST**

- We gained an understanding of how the Group and Parent Charity complied with their legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the Group and Parent Charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 Corporate Trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees 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 and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Knox Cropper LLP*

Knox Cropper LLP

3 May 2023

Knox Cropper LLP, Statutory Auditor  
65 Leadenhall Street  
London  
EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Consolidated Statement of Financial Activities for the year ended 31 December 2022

	Note	Unrestricted Funds £'000	Designated Funds £'000	2022 Total Funds £'000	2021 Total & Unrestricted Funds £'000
<b>Income:</b>					
<i>Income from charitable activities:</i>					
Fees from educational programmes		4,325	-	4,325	5,366
<i>Income from other trading activities:</i>					
Commercial trading operations		7,253	-	7,253	6,262
Investment income		-	-	-	-
<b>Total income</b>		<b>11,578</b>	<b>-</b>	<b>11,578</b>	<b>11,628</b>
<b>Expenditure:</b>					
Expenditure on charitable activities	5	(6,706)	(584)	(7,290)	(5,258)
<i>Of which Pension Scheme Expenditure</i>	13	<i>(1,638)</i>	<i>-</i>	<i>(1,638)</i>	<i>(344)</i>
Expenditure on other trading activities	5	(6,665)	-	(6,665)	(5,795)
<b>Total expenditure</b>		<b>(13,371)</b>	<b>(584)</b>	<b>(13,955)</b>	<b>(11,053)</b>
<b>Net income</b>	2	<b>(1,793)</b>	<b>(584)</b>	<b>(2,377)</b>	<b>575</b>
<i>Other recognised gains/(losses):</i>					
Actuarial gains/losses on APS pension	14	(6,374)	-	(6,374)	7,619
Foreign exchange gains/(losses)		142	-	142	3
<b>Net movement in funds</b>		<b>(8,025)</b>	<b>(584)</b>	<b>(8,609)</b>	<b>8,197</b>

*There was no restrictive income, expenditure or other movements in funds in the two financial periods.*

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
<i>Reconciliation of funds:</i>				
Total funds at 1 January 2021	6,498	10,000	81	16,579
Net movement in funds	8,197	-	-	8,197
<b>Total funds at 31 December 2021</b>	<b>14,695</b>	<b>10,000</b>	<b>81</b>	<b>24,776</b>
Net movement in funds	(8,025)	(584)	-	(8,609)
<b>Total funds at 31 December 2022</b>	<b>6,670</b>	<b>9,416</b>	<b>81</b>	<b>16,167</b>

All income and expenditure has arisen from continuing activities.

The notes on pages 17 to 31 form part of these financial statements.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Balance Sheets as at 31 December 2022

	Note	Group		Trust	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed assets:</b>					
Investments in subsidiaries	8	-	-	-	-
<b>Total fixed assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current assets:</b>					
Debtors	9	4,877	5,295	4,624	5,295
Cash at bank and in hand		10,320	11,637	10,320	11,637
<b>Total current assets</b>		<b>15,197</b>	<b>16,932</b>	<b>14,944</b>	<b>16,932</b>
	10,				
Creditors: amounts falling due within one year	11	(3,818)	(3,956)	(3,565)	(3,956)
<b>Net current assets</b>		<b>11,379</b>	<b>12,976</b>	<b>11,379</b>	<b>12,976</b>
<b>Total assets less current liabilities</b>		<b>11,379</b>	<b>12,976</b>	<b>11,379</b>	<b>12,976</b>
USS defined benefit pension scheme provision	12	(2,870)	(1,361)	(2,870)	(1,361)
APS defined benefit pension scheme asset	13	7,658	13,161	7,658	13,161
<b>Net assets</b>		<b>16,167</b>	<b>24,776</b>	<b>16,167</b>	<b>24,776</b>
<b>The funds of the charity:</b>					
Unrestricted funds		6,670	14,695	6,670	14,695
Designated funds		9,416	10,000	9,416	10,000
Restricted funds		81	81	81	81
<b>Total charity funds</b>	14	<b>16,167</b>	<b>24,776</b>	<b>16,167</b>	<b>24,776</b>

The notes on pages 17 to 31 form part of these financial statements.

The financial statements were approved by the corporate trustee, Ashridge CT Limited, and the President on 17 April 2023, and signed on their behalf by:

*Jeffrey P Allen*

**Mr Jeffrey Allen**  
Director  
Ashridge CT Limited

*MML*

**Mr Matt Lilley**  
President  
Ashridge (Bonar Law Memorial) Trust

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Consolidated Statement of Cash Flows for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
<b><u>Cash flows from operating activities:</u></b>			
Net cash provided by (used in) operating activities	A	(1,317)	1,610
<b><u>Cash flows from investing activities:</u></b>			
Investment income received in year		-	-
Net cash provided by (used in) from investing activities		-	-
Change in cash in the reporting period		(1,317)	1,610
Cash at the beginning of the reporting period		11,637	10,027
Cash at the end of the reporting period	B	<b>10,320</b>	<b>11,637</b>

**Note A: Reconciliation of net income/(expenditure) to net cash flow from operating activities**

Net incoming resources from educational and related activities		(2,377)	575
<b>Adjustments for:</b>			
Investment income received in year		-	-
Decrease in debtors		418	1,676
Increase/(decrease) in creditors		(138)	12
Additional pension contributions		(1,000)	(1,000)
Pension costs relating to defined benefit plans:	APS administration costs	377	474
	APS finance (gain)/cost	(248)	(73)
	Movement in USS	1,509	(57)
Foreign exchange gains		142	3
<b>Net cash provided by (used in) operating activities</b>		<b>(1,317)</b>	<b>1,610</b>

**Note B: Analysis of cash and cash equivalents**

	At 01/01/22 £'000	Cash Flow £'000	At 31/12/22 £'000
<b>Cash at bank and in hand</b>	<b>11,637</b>	<b>(1,317)</b>	<b>10,320</b>

The notes on pages 17 to 31 form part of these financial statements.

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST****Notes to the Financial Statements for the year ended  
31 December 2022****1. Statement of Accounting Policies****Basis of accounting**

These financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (2019), Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), and the Charities Act 2011.

The Trust registered with the Office for Students in May 2021, and as a result are required to follow the latest Office for Students' Accounts Direction with effect from the financial statements for the year ended 31 December 2022. The Trust chose to adopt the Accounts Direction early for the year ended 31 December 2021 where the information was readily available.

The Group financial statements incorporate a line by line consolidation of the financial statements of the Trust and its subsidiaries. There are uniform accounting policies across the Group. All intra-group transactions and balances between group entities are eliminated on consolidation.

Ashridge (Bonar Law Memorial) Trust, a public benefit entity, has taken advantage of the provision not to include its own Statement of Financial Activities and related notes in the consolidated financial statements.

These financial statements are presented in GBP Sterling which is also the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest thousand.

**Going Concern**

The Corporate Trustee, after making enquiries, has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the next 12 months and will continue to operate for the primary purpose of the Trust.

The main risks have been assessed by the Corporate Trustee, reviewing the Trust's ongoing forecasts and projections to ensure that the organisation remains financially viable. The board acknowledges the risk but does not consider it as significant going forward. The Trust has an excellent liquidity position at 31 December 2022 with £10.3m cash available. The Corporate Trustee does not believe there are any material uncertainties relating to its ability to continue as a going concern and have therefore prepared the financial statements on that basis.

The conflict between Russia and Ukraine is considered to be a potential risk since February 2022, this is being monitored closely but so far has not had an impact on the Trust.

**Income**

Income represents revenue for programmes, consultancy, research and conference activities undertaken during the year. Revenue is recognised when the programme is delivered. Deferred income represents fees invoiced in advance.

**Donations**

Donations are credited to revenue on a receivable basis.

**Expenditure**

Costs relating to the provision of core education, research and consulting services are included within the Statement of Financial Activities.

Expenditure charged against Restricted Funds falls within the purposes outlined in note 14. All other expenses are borne out of the Unrestricted Fund. Costs are allocated to specific departments on a project basis as necessary.

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST****Notes to the Financial Statements for the year ended 31 December 2022 (continued)****1. Statement of Accounting Policies (continued)****Foreign currencies**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Gains and losses are recognised in the Statement of Financial Activities

**Financial instruments**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment loss is recognised in the profit or loss.

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**Retirement benefits**

The Ashridge Pension Scheme is a historical single-employer defined benefit scheme. Recognised in the Balance Sheet is the value of the scheme's assets less the present value of the scheme's liabilities. The pension cost for the scheme is analysed between current service cost, past service cost and net return on pension scheme assets. Current service cost is the actuarially calculated present value of the benefits earned by the active employees in each period. Past service costs, relating to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits, are recognised in the Statement of Financial Activities on a straight line basis over the period in which the increase in benefits vest. The net expected return on the pension assets comprises the expected return on the pension scheme assets less interest on scheme liabilities. The actuarial gains and losses which arise from updating the latest actuarial valuation to reflect conditions at the balance sheet date are shown in the Statement of Financial Activities.

The Trust participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Trust is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Trust accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since the Trust has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Trust recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Statement of Financial Activities.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The Corporate Trustee is satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST****Notes to the Financial Statements for the year ended 31 December 2022 (continued)****1. Statement of Accounting Policies (continued)****Taxation**

The Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Judgements and key sources of estimation uncertainty**

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

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

**(i) Treatment of the USS pension scheme**

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (the recovery plan). The Trust is satisfied that USS meets the definition of a multi-employer scheme and has therefore recognised the liability of the future deficit contribution based on the recovery plan.

To determine the appropriate values for the USS pension recovery plan the Trust has applied an accounting model developed by the British Universities Finance Director's Group (BUFDG) in conjunction with the USS. The use of this model enables the Trust to reduce the level of uncertainty regarding the amount of the liability and is a model which is used by Universities across the board.

**(ii) Impairment of debtors**

The Trust makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment, management considers factors including the ageing profile of debtors and historical experience.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

#### 2. Consolidated Group Income and Expenditure Account

The principal differences between the Income and Expenditure Account below and the Statement of Financial Activities are the classification of the income and expenditure together with the exclusion of unrealised gains and losses. The figures below reflect only movement of the unrestricted funds.

In the course of normal business, some costs are not directly attributable. These costs are apportioned based on the most relevant factor.

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Income</b>		
Qualification programmes	4,325	5,366
Custom and consulting	7,253	6,262
Investment income	-	-
	<b>11,578</b>	<b>11,628</b>
<b>Expenditure</b>		
Staff costs, including pension	(6,053)	(5,858)
Associates and agency staff	(4,715)	(4,144)
Other direct costs	(165)	(144)
Marketing and business development	(240)	(240)
Property and other overhead costs	(560)	(323)
APS pension administration and finance costs	(129)	(401)
USS pension provision movement	(1,509)	57
	<b>(13,371)</b>	<b>(11,053)</b>
	<b>(1,793)</b>	<b>575</b>

#### 3. Net Income from Trading Subsidiary

The Trust had one wholly owned trading subsidiary (note 8) which was incorporated in the UK and donated its trading profits to the Trust subject to Gift Aid.

	<b>AES Ltd</b>	
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Income	7,253	6,262
Expenditure	(6,665)	(5,804)
Foreign Exchange Gains	21	-
<b>Surplus</b>	<b>609</b>	<b>458</b>
Donation subject to gift aid	(609)	(458)
Profit on ordinary activities	-	-

All transactions between Ashridge and its subsidiary are conducted on an arm's length basis.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

### 4. Details of grant and fee income

	Group		Trust	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Grant income from other funding bodies	2,720	3,775	2,720	3,775
Fee income for taught awards	1,605	1,601	1,605	1,601
<b>Total grant and fee income</b>	<b>4,325</b>	<b>5,376</b>	<b>4,325</b>	<b>5,376</b>

### 5. Analysis of Total Resources Expended

Expenditure includes:

	Group		Trust	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Impairment of trade receivables	61	67	61	67
Fees payable to Group auditors - audit services	21	19	21	19
Fees payable to Group auditors - non audit services	1	1	1	1
	<b>83</b>	<b>87</b>	<b>83</b>	<b>87</b>

	Direct costs £'000	Support costs £'000	Support cost recharges £'000	Total 2022 £'000	Total 2021 £'000
<b>Expenditure on charitable activities</b>					
Qualification & Apprenticeships Programmes	1,085	2,349	(600)	2,834	2,842
Faculty	1	3,258	(2,100)	1,159	1,205
Research	-	584	-	584	225
Overheads & Facilities	2	1,374	(300)	1,076	640
Custom & Open Programmes	-	-	-	-	2
APS & USS Pension P&L charge	-	1,637	-	1,637	344
	<b>1,088</b>	<b>9,202</b>	<b>(3,000)</b>	<b>7,290</b>	<b>5,258</b>
<b>Expenditure on other trading activities</b>					
Custom & Open Programmes	3,644	-	-	3,644	2,790
Teaching costs	-	-	3,000	3,000	3,000
Overheads	-	21	-	21	5
	<b>3,644</b>	<b>21</b>	<b>3,000</b>	<b>6,665</b>	<b>5,795</b>

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

#### 6. Staff Costs (Group and Trust)

Salaries, wages and related payroll costs, including subsidiary undertakings, amounted to:

	2022 £'000	2021 £'000
Salaries and wages	5,103	4,637
Social security costs	576	482
Pension costs	786	739
Termination payments	2	-
Defined benefit scheme administration costs	377	474
	<b>6,844</b>	<b>6,332</b>

The Group has given regard to the 'Guidance on decisions taken about severance payments in HEI's' published by the Committee of University Chairs when determining severance pay. Compensation for loss of office has been paid to one member of staff during the year ended 31 December 2022 amounting to £2k (2021: £0).

The majority of staff were employed by the Trust on behalf of the Group. For the year ended 31 December 2022 the average number of staff employed by the Trust was 64 (2021: 62).

Ashridge CT Limited, the corporate trustee, received no remuneration for its service to the Trust (2021: nil) and was reimbursed travel expenses of £nil during the year (2021: £nil).

The remuneration (salary including staff benefits and termination payments but excluding pension contributions) paid to high paid members of staff falls into the following bands:

	2022	2021
£60,001 - £70,000	2	1
£70,001 - £80,000	3	5
£80,001 - £90,000	2	7
£90,001 - £100,000	3	4
£100,001 - £110,000	5	6
£110,001 - £120,000	5	4
£120,001 - £130,000	4	2
£130,001 - £140,000	1	-
£140,001 - £150,000	4	2
£150,001 - £160,000	-	-
£210,001 - £220,000	1	-
	30	31

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

The number of senior staff expressed on a full-time equivalent basis who received basic annual salaries in the following ranges at 31 December 2022 were:

	Number of staff (2022)	Number of staff (2021)
<b>Basic salary per annum</b>		
£100,000 - £104,999	2	2
£105,000 - £109,999	1	2
£110,000 - £114,999	2	4
£115,000 - £119,999	4	-
£120,000 - £124,999	1	1
£125,000 - £129,999	-	1
£130,000 - £134,999	1	-
£140,000 - £144,999	-	1
£155,000 - £159,999	1	1
£200,000 - £204,999	1	1
£315,000 - £319,999	-	1
	13	14

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

The President Stephen Hodges' total annual remuneration was £423,953 for the 5 months of his employment which terminated on 31 of May 2022. This represents the total annual remuneration paid by Ashridge (Bonar Law Memorial) Trust and Hult International Business School Ltd for his role as President for these Office for Students registered providers. Ashridge (Bonar Law Memorial) Trust was responsible for funding £141,988 for the year ended 31 December 2022. Hult International Business School Ltd was responsible for funding £281,965.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £41,667.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - Performance-related pay and other bonuses of £100,000.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have paid made to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £321
- From Hult International Business School Ltd:
  - Base salary of £83,333.
  - A total amount of £2,500 has been paid by the provider in pension contributions on behalf of the head of provider during the year.
  - No payments of dividends have been made.
  - Performance-related pay and other bonuses awarded of £200,000.
  - A total amount of £298 has been paid by the provider in pension contributions as part of National Insurance savings.
  - A total amount of £4,167 has been provided as Salary Sacrifice to pension contribution during the year.
  - Hult International Business School Ltd does not provide to the President private healthcare benefit.

The President Matt Lilley started on 1<sup>st</sup> of June 2022 and his total annual remuneration was £119,866 for the 7 months of his employment during the year. This represents the total annual remuneration paid by Ashridge (Bonar Law Memorial) Trust and Hult International Business School Ltd for his role as President for these Office for Students registered providers. Ashridge (Bonar Law Memorial) Trust was responsible for funding £60,533 for the year ended 31 December 2022. Hult International Business School Ltd was responsible for funding £59,333.

- From Ashridge (Bonar Law Memorial) Trust:
  - Base salary of £60,083.
  - No payments have been paid in lieu of pension contributions.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings.
  - No other type of benefits and remuneration have been paid to the head provider.
  - Ashridge (Bonar Law Memorial) Trust provided private healthcare benefit to the President for a value of £450.
- From Hult International Business School Ltd:
  - Base salary of £58,333.
  - A total amount of £1000 has been paid by the provider in pension contributions on behalf of the head of provider during the year.
  - No payments of dividends have been made.
  - No Performance-related pay and other bonuses have been awarded.
  - No payment made by the provider in pension contributions on behalf of the head of provider during the year.
  - No payment made by the provider in pension contributions as part of National Insurance savings
  - No other type of benefits and remuneration have been paid to the head provider.
  - Hult International Business School Ltd does not provide to the President private healthcare benefit.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

Both appointed presidents voluntarily withdrew from the Ashridge USS pension scheme on the date of their appointment, no payments have been paid in lieu of pension contributions. Ashridge provides to the President private healthcare benefits that flow from being an employee of Ashridge and which is available to all employees.

The Presidents salary is set by Ashridge CT Limited, the Corporate Trustee.

#### Process for judging performance

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

#### Approach and justification to the Presidents remuneration

The Presidents salary is reviewed annually and reflects the following:

- Market rate by size and complexity of institution
- The scale and complexity of the job
- Comparisons with benchmarks
- Performance as measured against objectives set by the board of directors

#### Pay multiple

The relationship between the Presidents Ashridge remuneration and that for all other staff employed by Ashridge, expressed as a pay multiple is as follows:

- The current head of the provider's basic salary is 3.4 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The current head of the provider's total remuneration is 2.6 times the median total remuneration of staff.
- The outgoing head of the provider's basic salary is 3.0 times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.
- The outgoing head of the provider's total remuneration is 5.3 times the median total remuneration of staff.

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

### 7. Remuneration of key management personnel

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

	2022	2021
	£'000	£'000
Salaries and wages	747	592
Social security costs	98	71
Pension costs	51	61
	<b>896</b>	<b>724</b>

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

Notes to the Financial Statements for the year ended 31 December 2022  
(continued)

### 8. Investments in Subsidiaries

The following company, which is registered in England, was a wholly owned subsidiary of the Trust during the year:

Company	Share Capital	Holding
Ashridge Educational Services Ltd	100 £1 ordinary shares	100%
Company number: 12363817		
Registered address: Ashridge, Berkhamsted, Hertfordshire, HP41NS		

### 9. Debtors

	Group		Trust	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	1,779	1,596	1,406	1,596
Amounts due from group undertakings	-	-	120	-
Other debtors	198	6	198	6
Prepayments and accrued income	400	193	400	193
Other financial instruments	2,500	3,500	2,500	3,500
	<b>4,877</b>	<b>5,295</b>	<b>4,624</b>	<b>5,295</b>

Trade debtors are stated after provisions for impairment - Group: £61k (2021: £67k), Trust £61k (2021: £67k).

### 10. Creditors: amounts falling due within one year

	Group		Trust	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	396	527	143	271
Amounts owed to group undertakings	-	-	-	256
Payments received on account for contracts	59	14	59	14
Taxation and social security	579	490	579	490
Other creditors	1	1	1	1
Accruals and deferred income	2,783	2,924	2,783	2,924
	<b>3,818</b>	<b>3,956</b>	<b>3,565</b>	<b>3,956</b>

### 11. Deferred Revenue Movement

	Group		Trust	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Opening balance	2,233	2,305	2,233	2,305
Amounts released from prior year	(876)	(1,237)	(876)	(1,237)
Income deferred in current year	897	1,165	897	1,165
	<b>2,254</b>	<b>2,233</b>	<b>2,254</b>	<b>2,233</b>

**ASHRIDGE (BONAR LAW MEMORIAL) TRUST****Notes to the Financial Statements for the year ended 31 December 2022 (continued)****12. Provisions for liabilities - Group and Trust**

Obligation to fund deficit on USS Pension:

	<b>£'000</b>
<b>At 1 January 2022</b>	1,361
Unwinding of discount factor	25
Deficit contributions paid	(155)
Change in expected contributions	1,639
<b>At 31 December 2022</b>	<b><u>2,870</u></b>

The obligation to fund the past deficit on the USS arises from the contractual obligation with the USS to deficit payments in accordance with the deficit recovery plan.

The change in expected contributions arose due to the scheme's deficit increasing based on the latest valuation - see note 13.

**13. Pension Commitments**

The total pension cost charged in the Income and Expenditure account was £1509k (2021: £57k).

**(i) Universities Superannuation Scheme (USS)**

Ashridge is a member of the Universities Superannuation Scheme (USS), a national defined benefits scheme for university academic and academic-related staff.

Pension benefits for 55 members of staff at 31 December 2022 (2021: 54) are provided under the USS.

An obligation to fund the past deficit on the USS arises from the contractual obligation with the USS for deficit payments in accordance with the deficit recovery plan. In calculating the provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

To fund the shortfall the deficit recovery plan requires Employers Deficit Contribution payments as a percentage of salaries:

- 2% with effect from 1 October 2019
- 6% with effect from 1 October 2021 to 31 March 2028

**Amounts recognised in the Balance Sheet:**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
USS Provision	2,870	1,361

The provision has been calculated based upon the adoption of a deficit recovery plan based on the 2020 actuarial valuation, which was the only agreed valuation and deficit recovery plan as at the balance sheet date.

Since the Trust cannot identify its share of the scheme assets and liabilities, the following disclosures reflect those assets and liabilities as a whole:

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

#### 13. Pension Commitments

##### (i) Universities Superannuation Scheme (USS) (continued)

	31 March 2020 £ billions	31 March 2018 £ billions
Scheme assets	66.5	63.7
Total scheme liabilities	(80.6)	(67.3)
<b>FRS 102 total scheme deficit</b>	<b>(14.1)</b>	<b>(3.6)</b>
<b>FRS 102 total funding level</b>	<b>83%</b>	<b>95%</b>

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles, which can be found on the USS's website

Pension increases (CPI)	Set consistently with market-based pricing for the relevant minimums and maximums	
Discount Rate (forward rates)	Pensioners	1.4% pa
	Non-pensioners	0.7% pa

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality - base table	<u>Males:</u> 101% of S2PMA_L . <u>Females:</u> 95% of S3PFA.
Mortality - future improvements	CMI_2019 with a smoothing parameter of 7.5. Additionally it has an initial addition of 0.5% pa and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	31 December 2022
Males currently aged 65 (years)	23.3
Females currently aged 65 (years)	25.2
Males currently aged 45 (years)	24.1
Females currently aged 45 (years)	26.3

Key assumptions used are:

	2022	2021
Discount rate	5.05%	1.85%
RPI inflation rate	3.15%	3.35%
CPI inflation rate	2.75%	2.90%

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

#### 13. Pension Commitments

##### (ii) Ashridge Pension Scheme (APS)

The Ashridge Pension Scheme is a funded defined benefit pension scheme, with the assets held in a separate trustee administered funds. It was open to full and part-time employees together with those subject to fixed term contracts until May 2002. With effect from January 2004 an accrual for future service for Senior Staff was transferred to the USS although General Staff at that time continued to accrue future service within the APS. Accrual for future service for the great majority of those remaining transferred to USS at the end of 2008. The final active member retired in 2012. Ashridge Pension Scheme is closed to new members.

Costs relating to APS are assessed in accordance with the advice of an independent qualified actuary, from Mercer, using the Projected Unit Method.

The most recent Scheme Funding Report of the Actuarial Valuation for the Ashridge Pension Scheme was undertaken as at 31 December 2019. At the date of the valuation, the value of the scheme's assets were £113.9 million which represented 97% of the actuarial value of the benefits that had accrued to members.

The most recent FRS 102 Actuarial Valuation Report for Ashridge Pension Scheme was undertaken as at 31 December 2022.

##### Principal actuarial assumptions

The financial assumptions used to calculate scheme liabilities are:

	<b>2022</b>	<b>2021</b>
Discount rate for scheme liabilities	5.05%	1.85%
Pensions in payment increase rate	2.65%	2.85%
Price inflation rate: CPI	2.75%	2.90%
Assumed life expectancy on retirement at age 65:		
Retiring today (male member age 65)	23.3	23.3
Retiring in 20 years (male member age 45 today)	24.1	24.0
Retiring today (female member age 65)	25.2	25.2
Retiring in 20 years (female member age 45 today)	26.3	26.3

Contributions paid to the Scheme by the Trust in relation to past service were £1 million (2021: £1 million). Contributions being paid by the Trust are in accordance with actuarial recommendation.

The Trust is committed to contribute £380k to Ashridge Pension Scheme in 2023.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

### Notes to the Financial Statements for the year ended 31 December 2022 (continued)

#### 13. Pension Commitments

##### (ii) Ashridge Pension Scheme (APS) (continued)

###### Amounts recognised in the Balance Sheet:

	2022	2021
	£'000	£'000
Defined benefit obligations at 31 December 2022	(73,379)	(113,816)
Fair value of plan assets at 31 December 2022	81,037	126,977
<b>Net pension obligations at 31 December 2022</b>	<b>7,658</b>	<b>13,161</b>

###### Changes in the present value of defined benefit obligations

	2022	2021
	£'000	£'000
Defined benefit obligations at 31 December 2021	113,816	119,532
<u>Movement in the year:</u>		
Benefit payments from plan assets	(3,704)	(3,873)
Effect of changes in assumptions	(41,725)	(3,489)
Effect of experience adjustments	2,921	-
Interest on pension liabilities	2,071	1,646
Cost - gain on curtailments/changes	-	-
Defined benefit obligations at 31 December 2022	<b>73,379</b>	<b>113,816</b>

###### Changes in the fair value of plan assets

	2022	2021
	£'000	£'000
Fair value of plan assets at 31 December 2021	126,977	124,475
<u>Movement in the year:</u>		
Employer contributions	1,000	1,000
Benefit payments from plan assets	(3,704)	(3,873)
Administrative costs paid from plan assets	(377)	(474)
Return on plan assets	(45,178)	4,130
Interest on pension assets	2,319	1,719
Fair value of plan assets at 31 December 2022	<b>81,037</b>	<b>126,977</b>

###### Plan assets comprise:

	2022	2021
	£'000	£'000
Alternatives/multi asset funds	37,177	71,347
Bonds	27,527	44,636
Cash	18,603	1,793
Derivatives	(9,490)	701
Property	3,785	3,540
Annuity policies	3,435	4,960
	<b>81,037</b>	<b>126,977</b>

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

### 13. Pension Commitments

#### (iii) Ashridge Pension Scheme (APS) (continued)

##### Amount recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Interest expense on pension liabilities	2,071	1,646
Interest income on pension assets	(2,319)	(1,719)
Administrative costs paid from plan assets	377	474
Gain on curtailments/changes	-	-
Pension charge/(income) for the year	129	401
Effect of changes in assumptions	(41,725)	(3,489)
Return on plan assets	45,178	(4,130)
Effect of experience adjustments	2,921	-
Actuarial (gain)/loss on defined benefit pension scheme	6,374	(7,619)
<b>(Gain)/loss recognised in the SOFA</b>	<b>6,503</b>	<b>(7,218)</b>

### 14. Funds

	Unrestricted General £'000	Designated Research £'000	Restricted Restoration £'000	Total £'000
Total funds at 1 January 2021	6,498	10,000	81	16,579
Net income	575	-	-	575
Actuarial gains on APS pension	7,619	-	-	7,619
Foreign exchange losses	3	-	-	3
<b>Total funds at 31 December 2021</b>	<b>14,695</b>	<b>10,000</b>	<b>81</b>	<b>24,776</b>
Net income	(1,793)	-	-	(1,793)
Actuarial losses on APS pension	(6,374)	-	-	(6,374)
Foreign exchange gains	142	-	-	142
Designated Research	-	(584)	-	(584)
<b>Total funds at 31 December 2022</b>	<b>6,670</b>	<b>9,416</b>	<b>81</b>	<b>16,167</b>
<i>Memo</i>				
APS scheme (surplus)/deficit (note 13)	( 7,658)	-	-	(7,658)
USS pension provision (note 13)	2,870	-	-	2,870
<b>Total funds excluding pension scheme surplus</b>	<b>1,882</b>	<b>9,416</b>	<b>81</b>	<b>11,379</b>

The unrestricted General Funds represent the cumulative total of past results generated by the Trust. The 1954 Act, as amended in 1983, stipulates that the Funds may be used solely to further the objects of the Trust.

The designated Research Fund exists to assist Ashridge to undertake research related to the roles of corporate headquarters and division levels in multi-business companies and to find ways of improving the strategic management process with the results of such research being disseminated to the public. The funds are intended for building research capability and capacity at Ashridge.

The restricted Restoration Fund represents house and garden tour receipts as well as donations received to maintain and restore the historic fabric of the estate.

## ASHRIDGE (BONAR LAW MEMORIAL) TRUST

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

### 15. Analysis of Net Assets Between Funds

	Unrestricted Funds £'000	Designated Research Fund £'000	Restricted Restoration Fund £'000	Total £'000
<b><u>Total Funds at 31 December 2022:</u></b>				
<b>Group</b>				
Net Current Assets	1,298	10,000	81	11,379
Pension Deficit - APS	7,658	-	-	7,658
Pension Provision - USS	(2,870)	-	-	(2,870)
Designated Research	584	(584)	-	-
<b>Total</b>	<b>6,670</b>	<b>9,416</b>	<b>81</b>	<b>16,167</b>
<b>Trust</b>				
Net Current Assets	1,298	10,000	81	11,379
Pension Deficit - APS	7,658	-	-	7,658
Pension Provision - USS	(2,870)	-	-	(2,870)
Designated Research	584	(584)	-	-
<b>Total</b>	<b>6,670</b>	<b>9,416</b>	<b>81</b>	<b>16,167</b>
	Unrestricted Funds £'000	Designated Research Fund £'000	Restricted Restoration Fund £'000	Total £'000
<b><u>Total Funds at 31 December 2021:</u></b>				
<b>Group</b>				
Net Current Assets	2,895	10,000	81	12,976
Pension Deficit - APS	13,161	-	-	13,161
Pension Provision - USS	(1,361)	-	-	(1,361)
<b>Total</b>	<b>14,695</b>	<b>10,000</b>	<b>81</b>	<b>24,776</b>
<b>Trust</b>				
Net Current Assets	2,895	10,000	81	12,976
Pension Deficit - APS	13,161	-	-	13,161
Pension Provision - USS	(1,361)	-	-	(1,361)
<b>Total</b>	<b>14,695</b>	<b>10,000</b>	<b>81</b>	<b>24,776</b>

### 16. Donations

Donations of £nil (2021: £nil) were received.

### 17. Related Parties

Details of the balances outstanding with subsidiaries owned during the year are as follows:

	2022 £'000	2021 £'000
<u>Debtors</u>		
Ashridge Educational Services Limited	120	-
<u>Creditors</u>		
Ashridge Educational Services Limited	-	256

Ashridge Educational Services Limited donated its profits of £609k to the Trust (2021: £458k).