



# The Queen's Trust

helping young people help others

## Young people helping others: it's cool to care

“

...the biggest impact you can have, as an individual, is within your own community. Sometimes the smallest of things, like helping someone cross the road; to climb a flight of stairs or lift their shopping into a car, really does make a difference. It doesn't cost anything, just a little bit of your time.

...We all know how valuable the help and support of our friends can be. Multiply this with what is going on today by thousands of times and you can see that by coming together you can change your communities and beyond...

Some people don't think it's cool to help others; personally I think it's the coolest thing in the world! ”

*Prince Harry, addressing 12,000 young volunteers at Free The Children's We Day, London, March 7th 2014*



Prince Harry. Photograph © Anthony Harvey



# The Queen's Trust

helping young people help others

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# The Queen's Trust

## Chairman's Introduction

The Queen's Trust was established with the proceeds of a public fundraising campaign on the occasion of The Queen's Silver Jubilee in 1977. It was Her Majesty's wish that these funds be used to help young people help others. Almost £85m has been committed so far in pursuit of this purpose.

Since 1977 we have seen that young people want to do good things for others and in doing so enrich their own lives, just given the right opportunity. And, perhaps most powerfully of all, we have seen how brilliantly young people help each other, particularly through a difficult shared experience. In our visits to the charities we support, it is this quality, possibly more than anything else that really stands out.

The societal benefits derived from enabling young people to have the opportunity to help each other and others are now generally acknowledged, with movements such as Generation Change, Youth United, The National Citizenship Service and The Campaign for Youth Social Action providing great examples. The Campaign for Youth Social Action really gained momentum this year and now enjoys support from across the political divide, alongside the voluntary, private and public sectors. It has the ambitious target of increasing the numbers of young people involved in social action and volunteering from 29% to 50% by 2020. We are pleased to support them in this ambition, not only in our financial support for the Campaign itself, but this year in supporting charities with youth social action at the heart of what they do – such as City Year, Public Service Broadcast Trust's Fixers and Free The Children.

All this was perhaps most vividly expressed in London earlier this year. On March 7th, we attended Free The Children's first We Day, an event in celebration of service that took place at Wembley Arena. We have helped Free The Children extend its in-school volunteering programme to 150,000 young people. Tickets to We Day can't be bought; they can only be earned through service to others. We were delighted to see 12,000 young people there, rewarded for what they had done as volunteers and inspired by those around them to do more. Prince Harry joined Malala, Vice-President Al Gore and others to talk about the value of helping other people, and an extract of his speech opens this year's Report. Prince Harry's belief that it is "cool to care" is a contemporary restatement of "helping young people help others" and shows how our Patron's unshakeable belief in young people was perhaps in the vanguard in 1977 and remains just as relevant today. Our fund is winding up and next year we will make our final major grants. In doing so, we aim to help them continue this belief in young people long into the future.

**Sir Alan Reid**, GCVO, Chairman



# The Queen's Trust

## Reference and Administrative Details for the year ended 31 March 2014

### **Principal Address**

Buckingham Palace  
London SW1A 1AA

**Charity Registration Number:** 272373

### **Patron**

Her Majesty The Queen

### **Constitution and Governing Instrument**

The Queen's Silver Jubilee Trust was established as an unincorporated Trust in 1977. It is registered as a charity (No. 272373) and is governed by its Trust Deed (as varied and amended in 2005). On 25 July 2013, the Trust changed its name from The Queen's Silver Jubilee Trust to The Queen's Trust and the Charity Commission was duly notified.

### **Trustees**

The Trustees are appointed by HRH The Prince of Wales in accordance with the terms of the Deed of Revocable Delegation and Release dated 25 March 1981.

The Trustees, who held office throughout the year, were as follows:

Sir Alan Reid GCVO (Chairman)  
Christopher Coombe  
The Rt Hon Sir Christopher Geidt KCB, KCVO, OBE  
Michael Marks CVO, CBE  
Peter Mimpriss CVO  
Sandra Roberston  
Sir Trevor McDonald OBE

### **Director**

Nicola Brentnall

### **Grants Manager**

Vivien Gunn

### **Administrator**

Anne Threlkeld



# The Queen's Trust

## Reference and Administrative Details for the year ended 31 March 2014

### **Auditors**

KPMG LLP  
15 Canada Square  
London E14 5GL

### **Principal Solicitors**

Farrer & Co  
66, Lincolns Inn Fields  
London WC2A 3LH

### **Investment Advisors**

Cambridge Associates Ltd  
4th Floor, Cardinal Place  
80 Victoria Street, London SW1E 5JL  
(to 30th November 2013)

Cazenove Capital Management Limited  
12 Moorgate  
London  
EC2R 6DA  
(from 1st December 2013)

### **Bankers**

Coutts & Co  
440 Strand  
London WC2R 0QS



# The Queen's Trust

## Trustees' Report

### for the year ended 31 March 2014

## Introduction

The Trustees present their report and audited financial statements for the year ended 31 March 2014. The financial statements have been prepared on the basis of the accounting policies set out in note 1 to the financial statements and comply with the applicable law and the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities 2005. The information set out on pages 4 and 5 forms part of this report.

### Public Benefit

In keeping with our definition of “helping young people help others”, we ensure that there is a wide scope of public benefit within our activities.

We have reviewed the objectives, activities, achievements and performance for the year and are satisfied that The Queen's Trust has complied with the requirements of public benefit reporting as set out in the Charity Commission's General Guidance on Public Benefit.

### Objectives

Again this year, The Queen's Trust has helped young people help others in disadvantaged communities in the United Kingdom and the Commonwealth. Disadvantage may be caused through ill-health, socio-economic or domestic circumstances, lack of advice, educational underachievement or long-term unemployment. Our aim is to spend-down the funds in The Queen's Trust by 2020 at the latest through a small number of strategic grants to charities which will provide long term benefit for young people and the communities around them. Given the issues facing young people closest to home, we will complete all existing commitments for our work outside the UK and focus our new giving in the UK from 2015.

There are of course a great many charities that work with young people, across a wide variety of causes and concerns. In order to have a meaningful impact, and given our core purpose, we have chosen to work with a small group of charities that we feel have a compelling case for our support and where our funds will make a material difference to the realisation of key strategic goals. Our aim is to help these organisations achieve more, faster.

### Activities

We have continued to increase the number and the size of awards and to further diversify the causes we support. By March 2014, the grants we paid and committed during the year had more than doubled, from £2.6m to £6.8m.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

Our grants have supported both capital projects and programmes, working across four main themes, as follows:

- Social mobility through education;
- Personal development through employment, self-employment, training and mentoring;
- Peer-to-peer support; and
- Social action and volunteering.

This year, we have helped tried and tested initiatives to grow, supporting projects like Coram's 'The Adoptables' and Camfed's 'Learner Guide' programme. We also enabled other charities to get important things done - such as helping Carers Trust overhaul its website for young carers and produce materials to help schools identify and support young carers more effectively.

We have long had an interest in helping young people develop self-confidence, resilience, motivation and self-esteem, often through or as a result of a shared experience. We have seen how this contributes towards the skills young people need to succeed in life, particularly towards finding work, or achieving all they can in education or training.

Our interest in this area has expanded significantly this year, given the persistently high numbers of young people out of work or education. Unemployment, or fear of unemployment, is one of the biggest concerns for young people<sup>1</sup>. Many young people continue to struggle to secure suitable opportunities, paid or even unpaid, as the jobs market becomes more and more competitive. Long periods of unemployment often lead to on-going problems such as poor mental health and well-being. Those from disadvantaged backgrounds face the biggest difficulties of all – not least in terms of opportunity, aspiration and self-belief. For example, academic qualifications play a vital role in improving life chances yet in 2012–13, only 38% of children eligible for free school meals achieved five GCSE's grade A–C compared to 65% of other children<sup>2</sup>. According to UCAS, this cohort is only half as likely to apply for university<sup>3</sup>. Also, there is a clear link between underachievement at school and on-going difficulties in life – including poor mental and physical health and financial worries<sup>4</sup>.

<sup>1</sup> Introducing Generation Citizen. Demos. 2014

<sup>2</sup> GCSE Attainment Statistics 2012/13. Department for Education, January 2014

<sup>3</sup> Demand for Full-Time Undergraduate Education. UCAS Analysis and Research, July 2013

<sup>4</sup> The Prince's Trust Macquarie Youth Index 2014



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

As a result, in the last two years, we have developed relationships with Teach First, City Year and Into University, all charities that work to address educational underachievement in direct and practical ways that all see young people helping others to progress.

At the same time, businesses express concern that many young people seeking employment, including graduates, lack the essential skills needed for the workplace such as self-management, problem-solving, collaboration, positive attitude and communication skills<sup>5</sup>.



City Year: young people volunteering for a year in local schools

Recent research now bears out what we have seen informally over the years, not only that participation in service to others builds these 'work-ready' skills and provides benefits to communities as a whole, but also that young people are increasingly keen to help others. Indeed, two-thirds of teenagers think that by getting involved and supporting causes they identify with, they can make a positive difference to their local communities<sup>6</sup>. And where young people work on a project or activity of relevance or meaning to them, they are more likely to succeed. Programmes supported by The Queen's Trust, delivered by charities as diverse as The Prince's Trust, Free The Children, Coram, PSBT Fixers, IntoUniversity, Create and Young Enterprise, offer a variety of opportunities like this to thousands of young people from across the United Kingdom.

### Social mobility through education

As we noted earlier, nearly 50% of children and young people on free school meals achieve no pass higher than a D at GCSE. Overseas, education serves as a vital route out of poverty, particularly for young women. Given how heavily educational attainment influences possible life chances we extended our support for charities that work in this field.

We helped Teach First expand in Wales, the North-East and East of England and added two other charities into our portfolio, Into University and City Year. In the Commonwealth, we gave one of our final overseas grants to Camfed, to expand its Learner Guide programme.

<sup>5</sup> CBI Pearson Education Survey 2013

<sup>6</sup> Introducing Generation Citizen. Demos. 2014 and Service Generation: A step-change in youth social action. Demos. November 2013





# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

#### **IntoUniversity**

IntoUniversity's mission is to advance the education of children and young people in socially disadvantaged communities. It delivers a structured programme of initiatives in a growing network of centres that together provided the educational and personal support that those from more affluent backgrounds enjoy as a matter of course. The outcome is not simply progression to university but also directly into relevant careers for those for whom university holds less appeal. IntoUniversity's staff is comprised of recent graduates and an increasing army of undergraduate volunteers, all of whom share the same ambition – to use their talents to help as many other children and young people achieve everything they can at schools and afterwards. We awarded IntoUniversity a grant of £130,000 in 2013 to help open two centres in Walworth and Newham. We went on to award a further £220,000 in May 2014 which will help open a further three centres, in Oxford (Blackbird Leys), Leeds (Harehills) and Brighton (Mouselcoomb).

#### **Camfed**

Camfed International was founded in 1993 and supports vulnerable African girls living in poor rural communities by providing bursaries to help them go to school and so become economically independent, active citizens. Over the years, Camfed has supported more than 1,000,000 students.

In 1998 the first graduates of Camfed's secondary school bursary programme set up CAMA – an alumnae network of Camfed-supported young women. CAMA is now 24,000 strong and growing all the time. Its members are very active in supporting their communities, including paying bursaries to enable other young girls to go to school.

We supported Camfed's new Learner Guide Programme in Tanzania and Ghana, because the Learner Guides are all CAMA members, volunteering their time on this programme to help others. The Learner Guides will help girls and boys in poor rural areas with near-peer mentoring to improve their attendance at school. They will also deliver a curriculum over 12–18 months (for which they are trained) which is aimed at boosting children's aptitude for learning and employment prospects. The Learner Guides will benefit too, as the experience will provide educational and work opportunities, enabling them to make a successful transition from school to working life.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

A great example of the potential of the Learner Guide programme can be found in Cheka Ramadhani. Cheka (22) is a Learner Guide in Morogoro, Tanzania. Cheka successfully completed her schooling with financial support from Camfed, a significant achievement when only 26% of girls nationwide complete school, a rate which drops even further in the poorer rural regions. She is now committed to 'paying back' the investment made in her education by helping to give other rural children the same chance to succeed. She applied to join Camfed's Learner Guide Programme and completed an intensive training course. Equipped with the skills, knowledge and confidence necessary to return to her old school, she now leads sessions focusing on life-skills and well-being.



Cheka Ramadhani, a Learner Guide in Tanzania

Cheka volunteers two and a half hours each week, and is delighted to be supporting young people (aged 15–19) in overcoming the obstacles that hinder their well-being in and outside of school:

*“ I feel good working with students in my school, because I feel I am making a difference in someone's life. That makes me proud of my role as a Learner Guide. ”*

*Cheka Ramadhani*

Her first-hand experience of the challenges facing young people in her area makes Cheka a valued role model, particularly for younger girls. She frequently draws on her own experience and understanding to enrich her training sessions, and is encouraged to find that anecdotes and lessons from her own life story enliven and inform peer mentoring and advice to students, helping to boost their attendance, retention and learning.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

### Personal development through employment, self-employment, training and mentoring

As touched on earlier in the report, in recent years in the region of one million young people have been out of work, education or training and the number remains stubbornly consistent. Many young people not only lack qualifications but also sufficient confidence, motivation or self-esteem to believe they have any chance at all. The Prince's Trust is one of the UK's leading youth organisations and has worked with the young unemployed for decades. The Queen's Trust has long supported The Prince's Trust and in 2013 gave a grant for the innovative Job Ambassadors programme and to open a Prince's Trust centre in Stoke, where hundreds more young people will help each other to succeed, while also undertaking projects to benefit the local community.

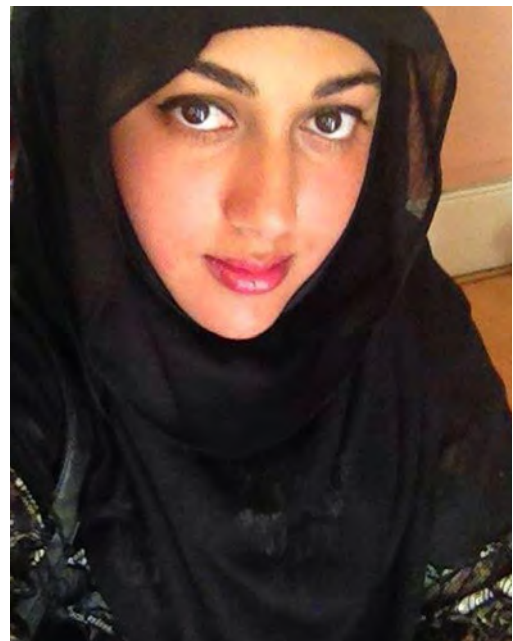
Job Ambassadors are alumni of Prince's Trust programmes who are employed and trained by The Prince's Trust to work in their local communities. Each week, Job Ambassadors visit a range of community venues all around their local area, from Job Centre Plus to youth clubs, cafes and shopping centres to help young people to think about their futures and the options available to them. Job Ambassadors provide the advice and encouragement needed to help vulnerable young people find a way into courses and jobs.

Seema Aswan is a Job Ambassador and her story helps explain the importance of this programme. Seema was unable to complete her degree due to health complications and family problems. As a result, she became caught up in a downward spiral of unemployment. She was supported by The Prince's Trust and, today, in her role as a Job Ambassador, helps young people in a similar situation back into employment.

“ *The Prince's Trust gave me the resilience to break through barriers and change other people's perceptions, as well as my own. I've learnt how to work with people from all backgrounds, be open-minded, and value diversity. The Trust's support has given me the self-belief and courage to grab every opportunity.* ”

*In my work for The Prince's Trust I meet at least 100 young people a month. Each day is a reminder of how far I have come and where they could be.* ”

Seema Aswan



Seema Aswan, Job Ambassador



# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

#### Young Enterprise

As we saw above, in gaining skills to equip them for life, children and young people benefit most from experience with which they feel most closely engaged. Brand research undertaken by Young Enterprise shows that its programmes appear to build a bridge between the classroom and the workplace, enabling young people to feel more connected with their future options at work. What can also be seen is that young people find the unpredictability and challenges of running a real business in the Young Enterprise Company programme stimulating and exciting, often “better than school”. Schools point out that it is often the low achievers in academic disciplines that become the stars in Young Enterprise.



Young Enterprise helps young people set up and run their own businesses © Mark Hills

We gave Young Enterprise an initial grant of £30,000 to deliver the year-long Company programme in schools in Rhondda Cynon Taff which benefitted 217 young people. The Company programme enables young people to open and run a real small business. Our grant meant that the schools could try the programme for free and an increasing number have indicated that they are so convinced of the benefits of the programme that they will pay for it next year, making the future of the programme sustainable.

#### Peer-to-peer support

The special power of peer-to-peer support through a difficult experience is widely recognised. Indeed, we have seen how young people can respond more positively to advice and encouragement from others their own age who have been through a similar situation than they might from a paid professional. The Queen's Trust has long supported charities that encourage this – from The Prince's Trust's programmes for the young unemployed, Sentebale's Mamahato initiative for young people with HIV/Aids, Teenage Cancer Trust's Find Your Sense of Tumour and Create's creative arts workshops for young carers and young offenders. A particularly special peer-to-peer programme is Coram's 'The Adoptables'.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

### Coram

Coram has been hard at work helping vulnerable children and young people since 1739 and is now a leading specialist provider of adoption services and advice, along with other support for vulnerable families, children and young people. It is a leading expert on post-adoption support and the needs of young people who experience adoption and life in a new family. It also really understands the power and influence of peer-to-peer support.

We were delighted to give £300,000 to help Coram extend a pilot programme called 'The Adoptables' this year, an initiative to help young people who are going through, or have experienced, adoption. Adopted young people face a number of difficulties and all too often experience bullying at school.

'The Adoptables' was initiated by a group of young adopted people in the Midlands. These youngsters wanted to create a film that could be shown in schools to show that adopted young people are just like everyone else. This project was so successful that Coram wanted to offer a similar opportunity to others and to take the education element further.

'The Adoptables' will bring 100 young people together over the duration of the grant, to share their experiences, support each other and to develop a toolkit of advice and materials for professionals written from the perspective of young people. At the moment, young people do not contribute to the process of their own adoption and they have told Coram that they want to try and change this. An aim of this project to help young people who have experienced adoption today and enable young people who go through adoption in years to come have a better experience.

“ *In our day to day work with vulnerable young people, we see how they support each other in ways adults and professionals cannot, to navigate an often challenging shared experience. What we also find is their appetite to make things easier for other young people going through similar experiences. The Adoptables addresses our concern that, as the system seeks to ensure the adoption process responds to future children's needs, the views of adopted children and young people themselves are all too often missing. We hope that this project will help the professional services achieve their ambition of providing the very best support for adopted children in the future, through taking into account the voice and views of adopted young people themselves.* ”

*Dr Carol Homden CBE, Chief Executive, Coram*



# The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

## Social action and volunteering

Far too often, young people are portrayed negatively in the media. Terms such as 'yobs' and 'hoodies', create an impression that young people are disengaged and disinterested in their communities and society as a whole. There are, of course, challenging social issues caused by anti-social behaviour and many people are working hard to address the underlying issues that cause these problems.



Teach First: great teachers make all the difference

The good news is that movements such as Free The Children, Teach First, Frontline, City Year, Youth United and the Campaign For Youth Social Action, and reports such as Demos' *Introducing Generation Citizen* show that young people in their hundreds of thousands have a real appetite to do positive things for others, as volunteers, social activists and entrepreneurs. We again expanded our work in this area this year, through increasing funding to Teach First and others and through introducing a charity to our portfolio that enables young people to help others in a striking way. This charity is the Public Service Broadcasting Trust (PSBT) and its programme, Fixers.

### Fixers

PSBT's mission is to help people help themselves and others. It does this by supporting thousands of young people to take positive social action about issues which concern them, often using mass broadcasting and publishing to open discussion and to endeavour to effect change at local and national level. It offers young people the chance to tackle issues which matter to them provided that in so doing they make a difference to at least one person. These campaigns often help many more.

The Queen's Trust awarded £154,000 on a matched funding basis to support and grow the Fixers programme. This grant will enable 245 young people aged 16–25 from diverse backgrounds to develop 35 individually tailored 'Fixer' campaigns to address social issues such as abuse, employability, gang culture, crime, health conditions, personal and road safety, prejudice and more. These 'fixes' will enable young people to resolve personal issues, improve their skills and confidence while contributing positively to the wider community and challenging negative stereotypes about young people.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

This is all probably best explained by a Fixer, who said:

“ *Being a Fixer has given me a real sense of purpose. It has been amazing to have my voice heard on a subject that really matters to me, and to inspire other young people to learn from my experiences. I've seen first-hand the difference that my campaign is making and it is a great feeling.* ”



Fixers: using their experience to help other people

### Matched funding

It was our aspiration last year that our funds might unlock funding from other organisations and over £1m was raised in this way – making our money go much further and bringing new donors forward to help boost the charities we support. Two great examples of charities that operated in this way are Create and OnSide Youth Zones.

#### OnSide Youth Zones

OnSide Youth Zones enable communities in disadvantaged areas to develop, open and run state of the art youth centres that provide the three things that young people want – somewhere to go, something to do and someone to talk to. It is this combination which is Onside's particular strength, great places, positive activities and peer-to-peer support, along with volunteers on-hand to listen to troubles and provide encouragement. Far too many young people feel worthless that they have nothing to contribute and no-one to confide in<sup>7</sup>. Onside's aim is to open centres like this up and down the country, with an ambitious target of twenty by 2020.

In 2012, we gave an award to OnSide to contribute to the capital cost of a new Youth Zone for Preston. Such is the strength of the OnSide model, trustees agreed in 2013 to provide a further £1m to support openings in Birkenhead and Wolverhampton. We introduced the St James's Place Foundation to OnSide, and our grant was matched by this Foundation. We celebrated this gift in November 2013, when The Queen visited the Youth Zone in Manchester to see its work and to meet the young people and the team behind OnSide.

<sup>7</sup> The Prince's Trust Macquarie Youth Index 2014



# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

#### **Small Grants**

Our small grants programme continued this year. These grants are usually a maximum of £30,000 a year and are given at the Trustees' discretion. This year, grants included support for The Windsor Festival, The Campaign for Youth Social Action and The Royal Commonwealth Society.

#### **Future Plans**

In line with our aim to spend down the fund by latest, 2020, we will review and evaluate our major grants portfolio in 2014 and from within it identify the recipients of the balance of the fund.

#### **Measurement of Impact**

All the grants we make are paid out against the performance of defined objectives. We hope that our funds might add to the growing body of evidence of the value of soft skills in enhancing future opportunities for young people and of the double benefit to the individual and the community, of youth social action and volunteering. In addition, we will consider how our final grants programme might contribute something new to the understanding of voluntary sector organisations – what makes them grow, flourish and provide the very best services for their beneficiaries and society as a whole.

## **Structure, governance and management**

The governing body is the Board of Trustees. Trustees are appointed by HRH The Prince of Wales and the Chairman of the Board by HM The Queen. There are seven Trustees who meet regularly. The trustees are actively involved in discussions with, and visits to, the charities supported by The Queen's Trust, particularly with a view to assessing which charities will receive further funding from us. In order to ensure the Trustees are able to fulfil their responsibilities, they seek and receive professional advice as required and an induction programme is offered to new Trustees to ensure they are appropriately briefed on the charity's aims and objectives. Alongside the Trust Deed, a set of rules agreed by the Board determine the governance of the Trust. These rules include matters such as division of responsibilities, delegated authorities and the management of conflicts of interest.

The Board appoints representatives to the Investment Committee, which oversees the investment activities of The Queen's Trust. The Investment Committee meets four times a year and was advised by Cambridge Associates until November 2013 and subsequently and to date by Cazenove Capital Management. During the year the members of the Investment Committee were: Michael Marks (Chairman), Peter Mimpriss and Sandra Robertson.





# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

#### **Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements**

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the Trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are required to act in accordance with the governing document of the charity, within the framework of Trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.



# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

#### Reserves policy

The only source of income continues to be investment income. As a purely grant-making body with a small overhead, only minimal reserves are required. As at 31 March 2014 we had net assets of £30.48m in the form of managed investments (31 March 2013: £34.42m), including cash, which generates income and capital gains to support our charitable objectives.

In order to protect long-term commitments for grants approved to be paid in future years but that do not create a contingent liability at the year end, funds may be designated out of unrestricted funds. As at 31 March 2014, The Queen's Trust had designated funds of £1.16 million, full details of which can be seen in note 12 on page 33.

The Trustees review the reserves policy on an annual basis.

#### Financial review

The Trust's income in 2013–14 included investment income of £243,000 (2012–13: £195,000). The Trust's expenditure in 2013–14 was £5,690,000 (2012–13: £2,639,000). Net outgoing resources for the year were £5,447,000 (2012–13: £2,444,000). There were net gains on revaluation and sale of investments of £1,510,000 (2012–13: £1,195,000).

#### Investment policy and performance

Given the decision to spend down over the next six years or so, our asset allocation has been substantially redesigned from one which delivered strong returns over the long-term (and therefore had significant exposure to equities and other risk assets), to a more conservative stance which places greater emphasis on limiting volatility (and potential losses) over the medium term. To ensure certainty as grant commitments are made, an increasing percentage will be held in cash.

As at 31 March 2014 the investment portfolio totalled £34.19m including cash held for investment purposes (31 March 2013: £35.07m).



# The Queen's Trust

## Trustees' Report (continued)

### for the year ended 31 March 2014

Where we hold funds in cash, either in advance of making grants for the year or to cover ongoing running costs, the investment policy is as follows:

- the overriding factor is that the funds should not be placed at risk and should therefore be invested in bank deposits with leading UK banks
- interest rates should be maximised but deposits should be placed for no longer than one year.

At 31 March 2014, £1.5m was invested with Coutts & Co in a call deposit account, £3.7m was invested with Scottish Widows and £2.0m was invested with Close Brothers in a fixed term deposit account. Interest income of £66,000 (2012–13: £22,000) has been generated during the year.

## Risk review

The Trustees keep risk management under review. The Trustees consider that The Queen's Trust is operating a reasonable and effective system of risk management and internal control that identifies and addresses the major risks facing the Trust.

## Related parties / Connected charities

The administration of The Queen's Trust requires the co-operation and support of various departments within the Royal Household. These departments are represented on the Board of Trustees by Sir Alan Reid GCVO.

In addition, during the year to 31 March 2014, Michael Marks CVO CBE was a trustee of The Queen's Trust and The Prince's Trust.

Details of material transactions during the year with other entities controlled by officials or Trustees on behalf of The Queen are set out in note 13 to the financial statements.

## Independent auditors

A resolution to re-appoint KPMG LLP as auditors to The Queen's Trust was passed at a meeting of the Trustees on October 23rd 2013.



## The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2014

### And finally

We wanted Issac Hamid, a volunteer for City Year UK in Birmingham last year to have the last word. City Year works in schools in disadvantaged areas in London and Birmingham and be launching in Manchester in 2015. Team members like Issac volunteer full-time, helping with activities and supporting those children that are struggling. Issac's reflections of his experience at City Year UK express the 'coolness' in caring that Prince Harry describes and sum up what The Queen's Trust is all about.

“ I didn't have a good experience of school so I knew what it felt like to be ostracised and cut out. When I joined City Year, I wanted to be there to help children that were feeling this same way, so that I could help them be more confident.

*It feels great to know that you have the power to make a difference. You always think that other people can change society, but I have the capability to do so as well. Even in the classroom, inspiring kids to ask, "sir, can I do what you're doing?". Many have the talent within them, and organisations like City Year help to bring this out.*

*Before City Year, I didn't know what I wanted to do, but now I know that I want to work with young people, and help them to know that they are a part of society. I want to go into social work, and work one to one with young people to give them the second chance that I feel City Year has given me. ”*

*Issac Hamid*

**Signed on behalf of the Trustees:**

**Sir Alan Reid** GCVO

Chairman

*25 November* 2014



City Year: young people helping others in local schools



# The Queen's Trust

## Independent Auditor's Report to the Trustees of The Queen's Trust

We have audited the financial statements of The Queen's Trust (formerly known as The Queen's Silver Jubilee Trust) for the year ended 31 March 2014 set out on pages 23 to 34. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at: [www.frc.org.co.uk/auditscopeukprivate](http://www.frc.org.co.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2014, and of its incoming resources and application of resources and cash flows, 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.



# The Queen's Trust

## Independent Auditor's Report to the Trustees of The Queen's Trust (continued)

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

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the 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.

**Marianne Fallon (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

27 November 2014

**KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.**



# The Queen's Trust

## Statement of Financial Activities

### for the year ended 31 March 2014

	Notes	Unrestricted Fund £'000	Designated Fund £'000	2014 Total £'000	2013 Total £'000
<b>Incoming resources</b>					
Incoming resources from Generated Funds					
Investment income	2	243	-	243	195
<b>Total incoming resources</b>		243	-	243	195
<b>Resources expended</b>					
Cost of generating funds					
Investment manager's fees	3	48	-	48	44
Charitable activities					
Grants payable	4	5,635	-	5,635	2,588
Governance costs	5	7	-	7	7
<b>Total resources expended</b>		5,690	-	5,690	2,639
<b>Net outgoing resources before transfers</b>		(5,447)	-	(5,447)	(2,444)
<b>Transfers</b>					
Gross Transfers between funds	11	(1,164)	1,164	-	-
Net (outgoing)/incoming resources before other recognised gains		(6,611)	1,164	(5,447)	(2,444)
Net gains on revaluation of investments	6	1,510	-	1,510	1,195
<b>Net Movement In Funds</b>		(5,101)	1,164	(3,937)	(1,249)
<b>Reconciliation of Funds</b>					
Funds brought forward at 1 April 2013/2012		34,421	-	34,421	35,670
<b>Funds carried forward at 31 March 2014/2013</b>		29,320	1,164	30,484	34,421

All funds are unrestricted.

All operations of the Trust are continuing.

There are no gains and losses other than the net movement in funds shown above and therefore no separate statement of total recognised gains and losses has been prepared.

The notes on pages 26 to 34 form part of these financial statements.



# The Queen's Trust

## Balance Sheet

### at 31 March 2014

	Notes	2014 £'000	2013 £'000
<b>Fixed Assets</b>			
Investments	6	26,989	26,432
		<u>26,989</u>	<u>26,432</u>
<b>Current assets</b>			
Debtors	7	25	81
Cash held for investment purposes	8	7,201	8,640
		<u>7,226</u>	<u>8,721</u>
<b>Current liabilities: amounts falling due within one year</b>	9	(2,542)	(732)
		<u>4,684</u>	<u>7,989</u>
<b>Net current assets</b>			
		<u>31,673</u>	<u>34,421</u>
<b>Total assets less current liabilities</b>			
		<u>31,673</u>	<u>34,421</u>
<b>Creditors and provisions: amounts falling due after more than one year</b>	10	(1,189)	-
		<u>30,484</u>	<u>34,421</u>
<b>Net assets</b>			
		<u>30,484</u>	<u>34,421</u>
<b>Funds</b>			
General fund	11	29,320	34,421
Designated fund	11	1,164	-
		<u>30,484</u>	<u>34,421</u>

The notes on pages 26 to 34 form part of these financial statements.

The financial statements on pages 23 to 34 were approved by the Trustees and were signed on their behalf by:

Sir Alan Reid GCVO  
Chairman

25 November 2014





# The Queen's Trust

## Cashflow Statement

### for the year ended 31 March 2014

	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Net outgoing resources</b>	<b>(5,447)</b>	(2,444)
Investment income receivable	(243)	(195)
	<u>(5,690)</u>	<u>(2,639)</u>
Decrease / (increase) in debtors	<b>56</b>	(63)
Increase / (decrease) in creditors	<b>2,999</b>	(65)
	<u>(2,635)</u>	<u>(2,767)</u>
<b>Returns on investments and servicing of finance:</b>		
Investment income received	<b>243</b>	195
	<u>(2,392)</u>	<u>(2,572)</u>
<b>Capital expenditure and financial investment:</b>		
Purchase of investments	<b>(3,677)</b>	(10,173)
Sale of investments	<b>4,630</b>	19,746
	<u>953</u>	<u>9,573</u>
<b>Net cash (outflow) /inflow from operating activities</b>	<b>(1,439)</b>	7,001
<b>Reconciliation of net cash inflow to movement in cash</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
Net cash as at 1 April 2013/2012	<b>8,640</b>	1,639
Net cash (outflow) / inflow from operating activities	<b>(1,439)</b>	7,001
	<u>7,201</u>	<u>8,640</u>



# The Queen's Trust

## Notes to the Financial Statements for the year ended 31 March 2014

### 1 Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's accounts.

#### ***Basis of Preparation***

The financial statements have been prepared in accordance with the Charities Act, the Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2005) and applicable United Kingdom accounting standards.

#### ***Investments***

Fixed asset investments are included in the accounts at market value as at the balance sheet date. Realised and unrealised gains/losses are credited/debited to the Statement of Financial Activities in the year in which they arise. Realised and unrealised investment gains and losses are included in the Statement of Financial Activities.

#### ***Income***

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- **Investment income**

Dividends and interest are credited to income on the basis of the due date for payment and are recorded in the Unrestricted Fund.

- **Voluntary income**

This is included in the Statement of Financial Activities during the year in which it is received, together with any income tax reclaimable thereon.

#### ***Liabilities***

Liabilities are recognised when a constructive obligation falls due. Grants payable are recognised when the Trustees enter into an unconditional commitment to pay the grant.

#### ***Taxation***

Under Section 505 ICTA 1988 the Charity is exempt from certain taxes. The charity is not registered for Value Added Tax. Irrecoverable Value Added Tax is aggregated along with the expenditure to which it relates.

#### ***Expenditure***

Expenditure (including irrecoverable VAT) is charged to the Statement of Financial Activities (SOFA). Costs of generating funds comprise the expenditure incurred in managing the investment portfolio. Charitable activities include all direct and indirect costs incurred by the Charity in meeting its charitable objectives.



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

Governance costs comprise the expenditure incurred in meeting statutory requirements, including the audit fee. Grants payable is the total sum, once approved by the Trustees, awarded during the year. The amount is expensed in the SOFA, where a constructive obligation exists notwithstanding that a proportion will be disbursed in subsequent accounting periods.

#### **Funds**

Funds are split between unrestricted and designated. Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objectives of the Trust.

#### **Trustees' Remuneration**

The Trustees of the Charity have received no remuneration, benefits or expenses.

<b>2 Investment income</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Income from listed investments	177	173
Interest receivable	66	22
	<u>243</u>	<u>195</u>
<b>3 Investment manager's fees</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Investment manager's fees	48	44
	<u>48</u>	<u>44</u>



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

#### 4 Grants payable

Grants totalling £5,348,922 were made to 13 charity institutions (2012–13: £2,412,025 to 13 charity institutions)

	Charitable distributions	Support costs	Total 2014	Total 2013
	£'000	£'000	£'000	£'000
<b>Unrestricted fund</b>				
OnSide North West	1,010	54	1,064	215
The Prince's Trust	1,000	54	1,054	1,610
Camfed	1,000	54	1,054	-
Create Arts Limited	480	26	506	-
Carers Trust	400	21	421	-
Youth United	300	16	316	-
Sentebale	300	16	316	-
Teenage Cancer Trust	300	16	316	-
City Year	274	15	289	-
IntoUni	130	7	137	-
Prince's Charities Canada	75	4	79	80
Campaign for Youth Social Action	50	2	52	-
Windsor Festival	30	1	31	-
UK Community Foundations	-	-	-	187
Beat Bullying	-	-	-	134
Teach First	-	-	-	97
Free The Children	-	-	-	57
Downside Fisher Youth Club	-	-	-	32
Young Enterprise	-	-	-	32
Dance United Northern Ireland	-	-	-	16
Cameron Youth Centre	-	-	-	16
Mobile Art School Kenya	-	-	-	5
	<u>5,349</u>	<u>286</u>	<u>5,635</u>	<u>2,481</u>
<b>Designated fund</b>				
Youth United	-	-	-	107
	<u>-</u>	<u>-</u>	<u>-</u>	<u>107</u>
	<u><b>5,349</b></u>	<u><b>286</b></u>	<u><b>5,635</b></u>	<u><b>2,588</b></u>

Support costs have been allocated to each grant on a pro-rata basis.



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

<b>4 Grants payable (cont)</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Grant commitments:</b>		
Commitments at 1 April 2013/2012	<b>696</b>	430
Charged to Statement of Financial activities	<b>5,349</b>	2,412
Paid in the year	<b>(2,370)</b>	(2,146)
	<hr/>	<hr/>
<b>Commitments at 31 March 2014/2013</b>	<b>3,675</b>	696
	<hr/>	<hr/>
	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Grants Commitments due:</b>		
Within one year	<b>2,486</b>	473
After more than one year	<b>1,189</b>	223
	<hr/>	<hr/>
	<b>3,675</b>	696
	<hr/>	<hr/>
 <b>5 Support costs and Governance costs</b>	 <b>2014</b>	 2013
	<b>£'000</b>	£'000
<b>Support costs</b>		
Accounting	<b>13</b>	13
Professional	<b>6</b>	9
Consultancy	<b>10</b>	10
Salaries	<b>211</b>	117
Office expenses	<b>35</b>	19
Miscellaneous	<b>11</b>	8
	<hr/>	<hr/>
	<b>286</b>	176
	<hr/>	<hr/>
<b>Governance costs</b>		
Internal audit fees	<b>3</b>	3
External audit fees	<b>4</b>	4
	<hr/>	<hr/>
	<b>7</b>	7
	<hr/>	<hr/>



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

#### 5 Governance costs (cont)

Staff costs are made up as follows:

	<b>2014</b>	2013
	<b>£'000</b>	£'000
Gross salaries and wages	<b>169</b>	97
Employer's national insurance	<b>20</b>	12
Pensions	<b>22</b>	8
	<hr/> <b>211</b> <hr/>	<hr/> 117 <hr/>

The Queen's Trust has three employees (2012–13: three). Gross salaries and wages increased by 74% in the year due to the full year impact of an employee who joined in March 2013. The numbers of employees whose emoluments for the year were over £60,000 (including taxable benefits in kind but not employer pension contributions) fell in the following bands:

	<b>2014</b>	2013
	<b>£'000</b>	£'000
£80,000–£89,999	<b>1</b>	1
	<hr/> <b>1</b> <hr/>	<hr/> 1 <hr/>



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

<b>6 Investments</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Listed investments at market value</b>		
Open Ended Investment Companies	<b>18,590</b>	17,790
Common Investment Funds	<b>3,354</b>	2,054
Unit Trusts	<b>1,723</b>	1,480
Other Managed Funds	<b>3,322</b>	5,108
	<b>26,989</b>	26,432
UK investment assets	<b>11,916</b>	10,674
Global investment assets	<b>15,073</b>	15,758
	<b>26,989</b>	26,432
<b>Total Fixed Asset Investments</b>	<b>26,989</b>	26,432
<b>Analysis of investment movement</b>		
Balance at beginning of year	<b>26,432</b>	34,810
Additions at cost	<b>3,677</b>	10,173
Disposals, net proceeds	<b>(4,630)</b>	(19,746)
Net gains on revaluation of investments	<b>1,510</b>	1,195
	<b>26,989</b>	26,432

The Trustees consider the value of the investments to be supported by their underlying assets.

The following investments are greater than 5% of the investment portfolio:

<b>Investment</b>	<b>%</b>	<b>Fund</b>
Comgest	6.39	Growth Emerging Market
Harding Loevner	7.41	Global Equity Fund
Charity Fund	12.43	Charities Property
Standard Life	13.54	Mutual Funds
Axa Framlington	6.38	UK Select Opportunities
Overstone	9.35	Global Equity Fund
Babson Capital	12.31	Global Loan
M & G Investments	11.81	Corporate Bond Fund
Neuberger Berman	12.55	High Yield Bond
Veritas	7.83	Global Focus Fund



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

<b>7 Debtors</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Amounts falling due within one year</b>		
Other debtors	-	58
Accrued income	<b>25</b>	4
Prepayments	-	19
	<u><b>25</b></u>	<u>81</u>

#### **8 Cash held for investment purposes**

At 31 March 2014, cash of £7,200,779 (2012–13: £8,639,971) was held for investment purposes. It has been treated as a current asset because the Trustees can draw from it on demand. The cash was held with the following counterparties:

	<b>Rate</b>	<b>2014</b>	<b>2013</b>
	%	£'000	£'000
Coutts – 30 day notice account	0.63	-	378
Coutts – 90 day notice account	1.13	-	4,005
Scottish Widows – 7 day notice account	1.35	-	3,642
Scottish Widows – 7 day notice account	0.40	<b>3,667</b>	-
Close Brothers 1 Year fixed deposit	1.50	<b>2,000</b>	-
Coutts call deposit account	0.25	<b>1,534</b>	615
		<u><b>7,201</b></u>	<u>8,640</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
Other creditors	<b>25</b>	-
Grants payable	<b>2,486</b>	710
Accruals and deferred income	<b>31</b>	22
	<u><b>2,542</b></u>	<u>732</u>





# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

<b>10 Creditors: amounts falling due after more than one year</b>	<b>2014</b>	2013
	<b>£'000</b>	£'000
Grants payable	1,189	-
	<u>1,189</u>	<u>-</u>

#### 11 Fund balances

Fund balances at 31 March 2014 are represented by:

	General Fund	Designated Fund	Total Funds 2014	Total Funds 2013
	£'000	£'000	£'000	£'000
Investments	26,989	-	26,989	26,432
Current assets	6,062	1,164	7,226	8,721
Liabilities	(3,731)	-	(3,731)	(732)
	<u>29,320</u>	<u>1,164</u>	<u>30,484</u>	<u>34,421</u>

#### 12 Designated fund

The Designated fund is in relation to grants approved to be paid in future years which do not create a contingent liability.

	<b>2014</b>	2013
	<b>£'000</b>	£'000
<b>Designated Fund</b>		
Duke of Edinburgh's Award	399	-
Coram	300	-
Teach First	266	-
PSBT (Fixers)	154	-
Royal Commonwealth Society	45	-
	<u>1,164</u>	<u>-</u>



# The Queen's Trust

## Notes to the Financial Statements (continued)

### for the year ended 31 March 2014

#### 13 Related party transactions

The following material transactions with other entities in which trustees have executive responsibilities occurred during the year:

An amount of £13,481 (2013: £12,900), to the Royal Household for accountancy fees for time spent in the preparation of the monthly management accounts and the financial statements during the year. The balance owing at the end of the year is £3,370 (2013: £12,900).

In the year, a grant of £1m was awarded to The Prince's Trust. At 31 March 2014, the balance due to The Prince's Trust at the end of the year was £nil (2013: £nil).

There were no other related party transactions during the year.