



The Queen's Trust

helping young people help others



Annual Report and Accounts
for the year ended 31 March 2015



The Queen's Trust

helping young people help others

Helping young people help others

“ Working as a teacher in a challenging school in Manchester, I often worked with children who were struggling in difficult circumstances at home. I discovered there was a real shortage of practice-ready newly qualified social workers and how Local Authorities were experiencing real difficulties finding the right staff. Too often they had to rely on temporary agency workers - which led to lack of continuity of support for families. This national challenge and its effects are felt most acutely by society's most vulnerable children and families. There are lots of outstanding social workers up and down the country – we need more of them.

Drawing on my experience as a Teach First participant, I set up Frontline in 2012 in order to help transform the system. I knew that there were more graduates who like me, want to do something with a social purpose but who might not otherwise think of social work as a potential career. It's early days, but we have had some great initial success. Frontline joined The Times Top 100 Graduate Recruiters in its first year as the highest new entry, and we had over 1,500 applicants for 120 places this year.

This is me with the first cohort of participants at the start of their training in July 2014. Since then they have been working with families across Greater London and Greater Manchester and 100 will qualify this autumn, joining a profession where it is really possible to transform lives. The Queen's Trust's support will help us to help so many other people. Care experienced young people tell us how they remember the positive influence great social workers have had, helping them build the resources and resilience they need to live happier and more fulfilling lives. Nothing could be more rewarding than that. ”

Josh MacAlistair
Chief Executive,
Frontline



Frontline: 2014 cohort



The Queen's Trust

helping young people help others

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The Queen's Trust

Chairman's Introduction

In 1977 the nation came together in support of a public fundraising appeal on the occasion of the Queen's Silver Jubilee. At Her Majesty's express wish, this money was given for one purpose – to help young people help others. Over £14.5m was raised, of which just over £3m was given away in immediate grants. The trustees of The Queen's Trust invested the remaining funds and have been distributing the proceeds ever since. To date, The Queen's Trust has so far distributed £93m to good causes that enable young people to do great things for each other and other people.

Since we started work, The Queen has celebrated both her Golden and Diamond Jubilees. It is time to bring our work to a close and spend out the fund. Over the past three years we have increased the number of charities we support and in doing so built a portfolio of great charities – all working to improve the lot of young people facing disadvantage in some way. Our objective now is to fund those among them that, all being well, can use that funding to grow substantially and sustainably.

We have selected eight organisations that together work in communities that really need our help across the United Kingdom. These charities are *OnSide*, *IntoUniversity*, *Teach First*, *City Year*, *Coram*, *Frontline*, *Prince's Trust* and *Teenage Cancer Trust*. With our core purpose of young people helping others at the heart of their work, all these charities help vulnerable young people overcome significant obstacles to long-term success in life. They have bold, well-considered plans for growth in order to support more young people. We are making a substantial contribution to each in order to help them to make rapid progress towards their strategic objectives and promote their work to other funders.

City Year enables young people to volunteer in schools in low-income communities for an academic year – supporting the whole school with activities before and after school and working one to one with children at risk of falling behind. Its results are impressive and we hope to help this charity expand.



The Queen's Trust

Chairman's Introduction

At an event for City Year UK in June 2015, Former President of the United States, Bill Clinton, one of the founders of the City Year movement in the United States, spoke about how, when people go through difficult times, it is so important to continue to hope that the future can be better. He praised the young City Year UK volunteers for serving as an inspiration to children and said:



City Year: helping young people in schools © Philip Riley Photography

“ You've changed their sense of what is possible. City Year has given you awesome skills and every child you volunteer with can be empowered to live a different tomorrow by you... I hope this is something that will grow and grow. ”

An unshakable belief in the possibility of a 'different tomorrow' with and for disadvantaged young people is something that defines our giving and the work of those we support – as Josh MacAlistair describes in the introduction to this report. The funds from the original Silver Jubilee Appeal remain hard at work through the work of the charities we support, helping some of the United Kingdom's most vulnerable young people believe that their future could be bright. We hope that our donations this year will continue to help these charities offer more encouragement and practical help to those young people who need it most.

Sir Alan Reid GCVO, Chairman

19 October 2015



The Queen's Trust

Reference and Administrative Details for the year ended 31 March 2015

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 CBE
Peter Mimpriss CVO
Sandra Roberston
Sir Trevor McDonald OBE

Director

Nicola Brentnall

Administrator

Anne Threlkeld



The Queen's Trust

Reference and Administrative Details (continued)

for the year ended 31 March 2015

Auditors

KPMG LLP
15 Canada Square
London E14 5GL

Principal Solicitors

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

Investment Managers

Cazenove Capital Management Limited
12 Moorgate
London
EC2R 6DA

Bankers

Coutts & Co
440 Strand
London WC2R 0QS



The Queen's Trust

Trustees' Report

for the year ended 31 March 2015

Introduction

The Trustees present their report and audited financial statements for the year ended 31 March 2015. 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 5 and 6 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

The Queen's Trust provides grants to charities that help young people help others in disadvantaged communities in the United Kingdom. Disadvantage may be caused through ill-health, socio-economic or domestic circumstances, lack of advice, educational underachievement or long-term unemployment. The charities we support help young people overcome barriers to long term success in life.

Our aim is to spend down the funds through providing a small number of strategic grants to charities that provide long term and sustainable benefit, both for young people and the communities around them.

Activities

We are spending out at a time when demand for support from charities is increasing and when, in a time of reduced public expenditure, a key concern for the sector is financial sustainability¹. Indeed, this has been a key criterion in our assessment of potential beneficiaries as our aim is to help organisations that align well with our core purpose to develop and grow in order that they are in a strong position to help young people now and in the future.

¹ Social Landscape: The State of Charities and Social Enterprises in 2015. Charities Aid Foundation



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

During the course of 2014 we made ten new grants worth £5.5m while overseeing the results of grants made in previous years. These continued to support projects as varied as enabling more practical help for young carers, the extension of The Duke of Edinburgh's Award to schools in low-income communities in the North-East, and the expansion of the City Year offer to Manchester.

Our focus this year was to select from our portfolio those charities that will receive further support from us as we spend-down. When we decided to bring our work to a close we wanted to focus on a small group of charities, providing substantial support to them to enable them to achieve sustainable growth.

To inform our choice, we undertook a detailed review into the work of all the charities in our portfolio as at May 2014. This involved research, visits and discussions with the charities about their long-term plans. We wanted to identify those where our funds could make a material difference to the realisation of key strategic goals.

Early on in the review, we agreed that given the challenges young people face in our own local communities, particularly outside London, all new grants made by The Queen's Trust would be made to charities working with young people in the United Kingdom only.

By December we had chosen eight charities that we hope to support, depending on year-on-year performance, until we close. We also retained a small reserve list of charities and hope to conclude our selection process by the Spring of 2016.

The eight charities are *IntoUniversity*, *Teach First*, *City Year*, *The Prince's Trust*, *Teenage Cancer Trust*, *OnSide Youth Zones*, *Coram* and *Frontline*. They all help young people overcome major obstacles to long term success in life – challenges caused by underachievement in school, unemployment, lack of confidence or self-belief, illness or problems at home. Charities on the short list include *The Duke of Edinburgh's Award*, *Carers Trust*, *Fixers*, *Free The Children* and *The National Youth Orchestra*.

The trustees may also retain a small fund to support any outstanding new ideas that come to our attention during the course of the next two years.



Frontline: great social workers make all the difference



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Grant themes

We fund charities that support schools in low-income communities, those that develop young people's confidence and skills or provide practical help for vulnerable or troubled families.

Education:

In the United Kingdom, there is a marked gap in the education achievement of children and young people living in the richest and poorest communities. This gap opens early and continues through school, with the result that, in 2013/14, two-thirds of students on free school meals achieved passes at no higher than a D grade at GCSE². These young people are only half as likely to apply for university as the rest of their cohort and may have different expectations of what life might offer as a result. Young people from a looked after background face particular difficulties and only 6% of care leavers go to university and through the doors that higher education can open.

IntoUniversity, **Teach First** and **City Year** are working with schools in low-income communities to help narrow this attainment gap and influence the aspirations of the children and young people they support. The Queen's Trust gave three major grants to these organisations during the year, together worth £2.2m.



Teach First: all children deserve a good education

² Service Nation 2020. Demos. 2015



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Each of these charities has an excellent track record in giving schools a helping hand to improve results through providing new teachers for schools that struggle to recruit great staff, or providing in-school learning mentors and near-peer role models and enhanced curriculum and homework support. All of these charities began their work in London and they are now expanding with our help. With this funding, these charities will support nearly 50,000 children and young people in 2015. The double benefit provided by these organisations, to the community and individual alike, is now widely accepted³.



IntoUniversity: local learning centres where young people are inspired to achieve

One of them, IntoUniversity, received £1.2m from The Queen's Trust, in support of its growth plan to 2020. IntoUniversity has large numbers of undergraduate volunteers in its centres, alongside a young staff team, all focused on helping more children get better results at school and, if they want a place, to proceed to higher education – so often the gateway to better paid jobs in the long-term. In 2014, 79% of young people who attended an IntoUniversity centre won a place at university, in comparison for 21% in their peer group. This partnership has at its heart an unwavering belief in the potential of all children and young people – just given the right support, as **Hugh Rayment-Pickard**, Co-Founder, IntoUniversity, explains:

“*IntoUniversity is in its third year of support from The Queen's Trust, which has given substantial backing to the charity so that it can extend its work into new communities. Over this time IntoUniversity has been able to launch six new centres with three more due to open this year, allowing us to serve an additional 5400 students in some of the UK's most challenging neighbourhoods. The Trust's staff and trustees take a genuine interest in the detail of our work and make regular visits to centres in order to meet staff and young people at first hand. This has created a strong and well-informed partnership that is having a transformative impact on the lives of disadvantaged young people.*”

³ Ibid



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Another charity at work in supporting education is the **National Youth Orchestra of Great Britain** (NYO), a charity that The Queen's Trust supported for the first time during 2014.

The NYO is helping to raise the aspiration of hundreds of children and has the potential to do so for thousands more. While retaining orchestral excellence at the heart of its work, it has expanded its role to respond to what the Orchestra sees as unfairness in music education. This is because too many young people lack opportunities to advance their ensemble playing skills to the levels that they would otherwise attain were their circumstances different. Many thousands more, particularly in disadvantaged communities, may not have the opportunity to experience a live performance from a full symphony orchestra and may think as a result that classical music is not for them. NYO's teenagers are stepping up to help in a direct and practical way, by sharing their skills and passion for classical music with others in order to pass on the confidence, motivation and inspiration to achieve more and to show how exciting live performances of classical music can be.





The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Working in partnership with schools and Music Hubs, NYO members help tutor groups of high potential youngsters who need extra help on technique and ensemble playing (most of whom are in state education) and go into schools in low-income communities to provide the same support to music students there, culminating with a performance of the NYO to the whole school.

“ There is no substitute for young people working alongside great role models who are close to them in age. ...our students got a real buzz from the whole experience and it was truly inspirational. ”

Anthony Wilson, Headteacher, Lister Community School

The response from participants, schools and the music community has been enormously positive. It is highly likely that youngsters that encounter this opportunity will win places in the NYO, even as early as next year – something that many of them would never have thought would ever happen before. Or, to put it another way, the NYO is offering young people the belief in the possibility of a different tomorrow.

NYO is keen for this to grow and in May 2014, The Queen's Trust gave a grant of £250,000 over two years to help them make this happen.

Personal development:

Numbers of young people not in education, employment or training remains stubbornly high. These young people are less likely to gain the skills and experience they need to get a job – such as confidence, motivation, communication, teamwork and using initiative to get things done. Those who have struggled at school or face challenging circumstances can face the biggest obstacles to success.

Last year, The Queen's Trust approved a grant of £1.5m to enable **The Prince's Trust** to support more young people's move in to work, education or training. This funding went towards opening a new centre in Burnley where The Prince's Trust hopes to triple the numbers of young people it can help. It will also help The Prince's Trust support 1,000 more young people in Wales.

A recent poll by AXA PPP found that 18–24 year olds are four times more likely than those aged over 70 to feel lonely 'most of the time'. Sadly, research also shows 16–25 year olds struggle with anxiety – with 35% of young people outside work, education or training often unable to leave the house and 52% feeling anxious about everyday situations. 56% prefer to avoid meeting new people and avoid eye contact with others⁴.

⁴ The Prince's Trust Macquarie Youth Index 2015



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

OnSide Youth Zones are helping young people to gain the confidence they need to overcome problems like this – through providing young people with somewhere safe to go, something to do and most importantly, someone to talk to.

Independent evaluation⁵ of the work of OnSide shows powerful results, with members of Youth Zones more likely to feel more self-confident and happier at home. They exercise more regularly, get better results at school and think more positively about the future. At the Youth Zones they find an environment where young people are welcomed, accepted, encouraged and understood, with facilities that provide a welcome diversion from boredom and are leading to reductions in anti-social behaviour and low level crime in neighbouring areas.

OnSide made great progress towards opening Youth Zones in Wolverhampton and Birkenhead following the receipt of a commitment from us for £1m for this purpose in October 2013. Both sites are now on-schedule to open during 2016.

We are keen to help OnSide open four more centres before we close and are working closely with them to do so in London and the North-East.

Likewise during 2014, **Teenage Cancer Trust** used funds given by The Queen's Trust to expand its support for young people with experience of cancer. These young people face significant challenges, even after treatment is complete. Indeed, when young people move beyond active treatment, facing what has become a 'new normal' can be a difficult and lonely experience. They often continue to have lots of questions about what has happened and might happen again. They also struggle with self-confidence, anxiety, guilt and the stress of moving back into education or employment, often at a time when former friends have fallen away or when others they met during treatment have died.

The Queen's Trust gave £300,000 to Teenage Cancer Trust to develop its peer-to-peer support programme, known as Peer Power during 2013. The programme enables young people who have experienced the disease to



Teenage Cancer Trust: young people with cancer supporting each other

⁵ Amion Consulting Ltd: Defining The Impact of a Youth Zone. May 2015



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

come together and discuss the issues that matter to them, while making new friends and extending their network of people who understand what they are going through. For mental as well as physical health, opportunities for face-to-face peer support like this can be seen as invaluable⁶.

Siobhan Dunn, Chief Executive of Teenage Cancer Trust, describes the evolution of this programme:

“ Our partnership with The Queen's Trust is just that – a partnership – where we work together to help young people support each other. It is powerful for an organisation of our size to have the support, encouragement and belief of a funder who deeply believes in the power of young people – just like we do. The support of The Queen's Trust means several things to Teenage Cancer Trust. Firstly, they have helped us develop our Peer Power Programme by providing essential funding for our flagship event for young people with cancer – Find Your Sense of Tumour. When they came on board in 2012 we'd had to delay the previously annual event due to uncertain income streams. Their support has been essential in securing our ability to commit to delivering the only event of its kind for young people with cancer in the UK.

Secondly, their belief in us and guarantee of funding for two years also means we've been able to explore the potential of the event and develop it further. This support has allowed us to trial other similar but smaller events throughout the year, across the UK so that young people can also get support from each other when they need it, not just at an annual conference. The Queen's Trust is helping us ensure our sustainability so that we can help all young people with cancer who need us and we are enormously grateful. ”

Most important of all, young people who have taken part in these events have commented how helpful they have found them. Following one event in April 2015, Teenage Cancer Trust received tweets, news of blogs and thank you cards. The sentiment can be summed up in these great comments from Amy and Alex:



Amy Webb @amyjanewebb

Thank you very much, came away feeling 100x more positive and inspired! X

Alex George @alexgeorge19

Thank you so much for these couple of days literally means the world to me and to everyone too! X



Teenage Cancer Trust: bringing together young people with cancer

⁶ The Daily Telegraph 28th December 2014: Generation Lonely. Radhika Sanghani



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Troubled and vulnerable families:

For many children and young people, day to day life can be hard to navigate because of problems at home. These difficulties can be caused by such things as the breakdown in relationships, poverty or health problems. Together, all these things can lead to underachievement at school, homelessness, depression, problems with the police, drug or alcohol addiction. Those children with experience of life in and around the care system often face real challenges, with looked-after children twice as likely to be outside education, employment or training and drawn into the criminal justice system. Extra help, encouragement and practical support can make a big difference to families and individuals alike.

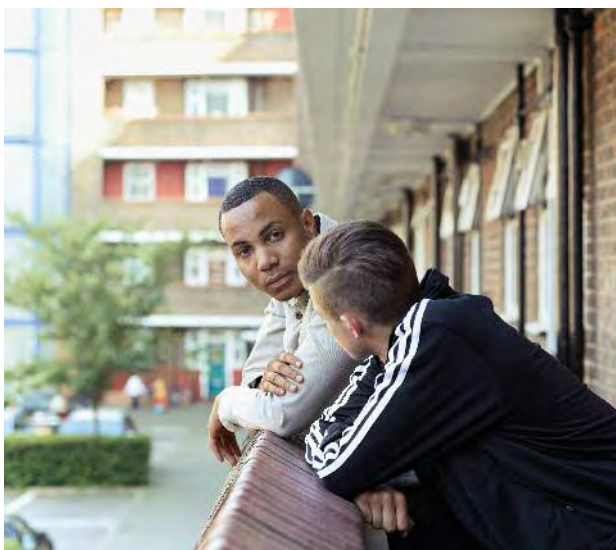
The Queen's Trust is working with three charities that offer practical help and support to young people and families facing these problems. Along with **Coram**, The Queen's Trust is supporting **Frontline** and **Carers Trust**.

Frontline

There are thousands of social workers hard at work supporting vulnerable children and families up and down the country every day. Many more are needed and, all too often, Local Authorities struggle to recruit practice ready, qualified staff for frontline children's social work.

Frontline was established in 2012 to play a part in addressing this problem and in the summer of 2014, the first cohort of participants were placed in Local Authorities across Greater London and Greater Manchester. Under the close supervision of an experienced Consultant Social Worker, they have been learning on the job, working in often challenging circumstances and gaining first-hand experience. They

will qualify as social workers in the autumn of 2015 ready to work independently, while continuing on Frontline's leadership development programme, with further coaching and further study towards a Masters degree. In September 2015, 120 more will join them.



In May 2014, The Queen's Trust gave a grant of £200,000 to help Frontline evaluate the difference its social workers might make in the lives of the families they support. Frontline was also selected to be become one of the eight charities that The Queen's Trust hopes to support until it closes in 2019.

Frontline: young social workers supporting vulnerable children and families



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

Nathan Sansom, Frontline's Operations Director describes how this first grant is being put to great use:

“ One of Frontline's values is 'curiosity'. Curiosity in social work practice means keeping an open mind about families and not getting wedded to particular ideas. Curiosity within Frontline means learning from past experience and always searching for ways to improve. All too often social programmes are set up and aren't able to demonstrate whether they are having an impact, and if so, how they achieved this so that others might learn too.

That is why Frontline is proud to be supported by the Queen's Trust in evaluating the impact our participants are making to the lives of the families who need their support.

With the grant from The Queen's Trust, we have commissioned an impact evaluation from the Dartington Social Research Unit. This is a bold and ambitious study to understand the changes social work can facilitate for children and families – improving the quality of relationships, family resilience, and supporting children's development. Social work practice is not measured like this at the moment.

Dartington is developing an app through which social workers will invite families (including children where possible) to record their perspectives on their own lives. This is an innovative approach in a field where assessing impact is hugely challenging. We are grateful to the Queen's Trust for supporting such an innovative approach and enabling us to develop novel way of drawing in the perspectives of families. The study will not only help Frontline to understand its impact, and how this is being achieved, but will generate wider insights for the profession as a whole. A number of Local Authorities are interested in exploring how this method could be used to understand impact and improve their services on an on-going basis. ”

Carers Trust

Young carers are possibly among the most vulnerable young people in the United Kingdom. Their caring responsibilities at home can lead to social isolation and difficulties in school. In 2014, The Queen's Trust extended its support for Carers Trust and **Andrew Cozens CBE**, former Chairman of Carers Trust, explains why this has been so useful:

“ The Queen's Trust has given us nearly £700,000 over three years to help us deliver two key strategic projects. The first is 'Babble' a new on-line community dedicated to young carers and the second has helped us to provide simple, practical tools to enable schools to identify, understand and support young carers more effectively. This funding enabled us to work in a strategic



Carers Trust: new on-line community dedicated to young carers



The Queen's Trust Trustees' Report (continued) for the year ended 31 March 2015

partnership with The Children's Society in order to pool ideas and resources so that together we could reach more young carers faster and more effectively.

The Queen's Trust has provided far more than just money. It remains keenly interested in our work and we have benefited from helpful observations on a number of areas, including strategy, ambition, communications, evaluation and reporting. We are looking forward to continuing our partnership with The Queen's Trust this year. ”

Measuring success

All grants that we make have outcomes that we expect the benefiting charities to achieve for those they help. These results will vary with regard to the specific programme of activity, but include numbers of young people supported, destinations they achieved – such entry into employment, education or training, improved results and/or improved attendance at school, improved confidence, buildings opened and so on.

We are interested to see whether 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 assess 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.

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 conflict 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 is advised 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 2015

Reserves policy

As a purely grant-making body with a small overhead, only minimal reserves are required. We currently have net assets of £26.1m and are moving our investments into cash or near cash in order to be sure we have the resources available to meet our commitments as we spend-out.

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 2015 The Queen's Trust had designated funds of £nil (2013–14 £1.2m), 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 2014–15 included investment income of £0.5m (2013–14: £0.2m) and capital gains of £1.7m (2013–14: £1.5 m). The Trust's expenditure in 2014–15 was £6.6m (2013–14: £5.7m). Net outgoing resources for the year were £6.1m (2013–14: £5.4m).

Investment policy and performance

Given the decision to spend down, the Board agreed that the investment portfolio be liquidated to cash by the end of 2015 to ensure certainty that funds will be available as payments to charities fall due, accepting that returns will be lower in future in exchange for such certainty. The process to liquidate is well underway and, to minimise risk in the current interest rate environment, the investment policy forwards is to own short-dated UK Government Treasury Bills. All cash held will be invested in bank deposits with leading UK banks.

As at 31 March 2015 the investment portfolio totalled £32.5m including cash held for investment purposes (31 March 2014: £34.2m).

During the year, the investment portfolio produced income of £0.5m (2013–14: £0.2m) and capital gains of £1.7m (2013–14: £1.5m)

At 31 March 2015, £1.7m was invested with Coutts & Co in a call deposit account, £1.9m was invested with Scottish Widows



The Queen's Trust

Trustees' Report (continued)

for the year ended 31 March 2015

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.

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

Under the trust deed of the charity and charity law, the Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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 trust deed 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 2015

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 2015, 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 8th October 2015.

Signed on behalf of the Trustees:

Sir Alan Reid, GCVO
Chairman

19 October 2015



IntoUniversity: FOCUS week on Maths and Business



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 2015 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 15, 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.

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 2015, 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

19 October 2015

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 2015

	Notes	General Fund £'000	Designated Fund £'000	2015 Total £'000	2014 Total £'000
Incoming resources					
Incoming resources from Generated Funds					
Investment income	2	536	-	536	243
Total incoming resources		536	-	536	243
Resources expended					
Cost of generating funds					
Investment manager's fees	3	120	-	120	48
Charitable activities					
Grants payable	4	5,316	1,164	6,480	5,635
Governance costs	5	5	-	5	7
Total resources expended		5,441	1,164	6,605	5,690
Net outgoing resources		(4,905)	(1,164)	(6,069)	(5,447)
Recognised gains and losses					
Net gains on revaluation of investments	6	1,676	-	1,676	1,510
Net Movement In Funds		(3,229)	(1,164)	(4,393)	(3,937)
Reconciliation of Funds					
Funds brought forward at 1 April		29,320	1,164	30,484	34,421
Funds carried forward at 31 March		26,091	-	26,091	30,484

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 2015

	Notes	2015 £'000	2014 £'000
Fixed Assets			
Investments	6	25,478	26,989
		<u>25,478</u>	<u>26,989</u>
Current assets			
Debtors	7	1	25
Cash held for investment purposes	8	7,061	7,201
		<u>7,062</u>	<u>7,226</u>
Current liabilities: amounts falling due within one year	9	(5,583)	(2,542)
		<u>1,479</u>	<u>4,684</u>
Net current assets			
		26,957	31,673
Creditors and provisions: amounts falling due after more than one year	10	(866)	(1,189)
		<u>26,091</u>	<u>30,484</u>
Net assets			
Funds			
General fund	11	26,091	29,320
Designated fund	12	-	1,164
		<u>26,091</u>	<u>30,484</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

19 October 2015



The Queen's Trust

Cash Flow Statement

for the year ended 31 March 2015

	2015	2014
	£'000	£'000
Net outgoing resources	(6,069)	(5,447)
Investment income receivable	(536)	(243)
	<u>(6,605)</u>	<u>(5,690)</u>
Decrease / (increase) in debtors	24	(56)
Increase / (decrease) in creditors	2,718	(2,999)
	<u>(3,863)</u>	<u>(2,635)</u>
Returns on investments and servicing of finance:		
Investment income received	536	243
Net cash outflow after returns on investments and servicing of finance	<u>(3,327)</u>	<u>(2,392)</u>
Capital expenditure and financial investment:		
Purchase of investments	(23,270)	(3,677)
Sale of investments	26,457	4,630
Net cash from capital expenditure and financial investment	<u>3,187</u>	<u>953</u>
Net cash (outflow) / inflow from operating activities	<u>(140)</u>	<u>(1,439)</u>
Reconciliation of net cash inflow to movement in cash	2015	2014
	£'000	£'000
Net cash as at 1 April	7,201	8,640
Net cash (outflow) / inflow from operating activities	(140)	(1,439)
Net cash as at 31 March	<u>7,061</u>	<u>7,201</u>



The Queen's Trust

Notes to the Financial Statements for the year ended 31 March 2015

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 2015

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.

2 Investment income	2015	2014
	£'000	£'000
Income from listed investments	506	177
Interest receivable	30	66
	536	243
	=====	=====
3 Investment manager's fees	2015	2014
	£'000	£'000
Investment manager's fees	120	48
	120	48
	=====	=====



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

4 Grants payable

Grants totalling £6,185,856 were made to 15 charity institutions (2013–14: £5,348,922 to 13 charity institutions)

	Charitable distributions	Support costs	Total 2015	Total 2014
	£'000	£'000	£'000	£'000
Unrestricted fund				
The Prince's Trust	1,500	71	1,571	1,054
IntoUniversity	1,220	58	1,278	137
Teach First	766	37	803	-
City Year	500	24	524	289
Duke of Edinburgh's Award	399	19	418	-
Free The Children	304	14	318	-
Coram	300	14	314	-
Carers Trust	273	13	286	421
National Youth Orchestra	250	12	262	-
Frontline	200	10	210	-
PSBT (Fixers)	154	7	161	-
Young Enterprise	125	6	131	-
LEAP	90	4	94	-
The Orpheus Centre	60	3	63	-
Royal Commonwealth Society	45	2	47	-
Teenage Cancer Trust	-	-	-	316
OnSide North West	-	-	-	1,064
Camfed	-	-	-	1,054
Create Arts Limited	-	-	-	506
Youth United	-	-	-	316
Sentebale	-	-	-	316
Prince's Charities Canada	-	-	-	79
Campaign for Youth Social Action	-	-	-	52
Windsor Festival	-	-	-	31
	<u>6,186</u>	<u>294</u>	<u>6,480</u>	<u>5,635</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 2015

4 Grants payable (cont)	2015	2014
	£'000	£'000
Grant commitments:		
Commitments at 1 April	3,675	696
Charged to Statement of Financial activities	6,186	5,349
Paid in the year	(3,493)	(2,370)
	<hr/>	<hr/>
Commitments at 31 March	6,368	3,675
	<hr/> <hr/>	<hr/> <hr/>
	2015	2014
	£'000	£'000
Grants Commitments due:		
Within one year	5,502	2,486
After more than one year	866	1,189
	<hr/>	<hr/>
	6,368	3,675
	<hr/> <hr/>	<hr/> <hr/>
5 Support costs and Governance costs	2015	2014
	£'000	£'000
Support costs		
Accounting	14	13
Professional	1	6
Consultancy	23	10
Salaries	233	211
Office expenses	12	35
Miscellaneous	11	11
	<hr/>	<hr/>
	294	286
	<hr/>	<hr/>
Governance costs		
Internal audit fees	1	3
External audit fees	4	4
	<hr/>	<hr/>
	5	7
	<hr/>	<hr/>
	299	293
	<hr/> <hr/>	<hr/> <hr/>



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

5 Governance costs (cont)

Staff costs are made up as follows:

	2015	2014
	£'000	£'000
Gross salaries and wages	184	169
Employer's national insurance	22	20
Pensions	27	22
	<u>233</u>	<u>211</u>

The Queen's Trust has two employees (2013–14: three).

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:

	2015	2014
	£'000	£'000
£80,000–£89,999	1	1
	<u>1</u>	<u>1</u>



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

6 Investments	2015	2014
	£'000	£'000
Listed investments at market value		
Open Ended Investment Companies	11,284	18,590
Common Investment Funds	3,696	3,354
Unit Trusts	2,547	1,723
Government/Corporate Bond	4,769	-
UK Equity	2,828	-
Other Managed Funds	354	3,322
	<u>25,478</u>	<u>26,989</u>
	<u>25,478</u>	<u>26,989</u>
UK investment assets	17,699	11,916
Global investment assets	7,779	15,073
	<u>25,478</u>	<u>26,989</u>
	<u>25,478</u>	<u>26,989</u>
Analysis of investment movement		
Balance at beginning of year	26,989	26,432
Additions at cost	23,270	3,677
Disposals, net proceeds	(26,457)	(4,630)
Net gains on revaluation of investments	1,676	1,510
	<u>25,478</u>	<u>26,989</u>
	<u>25,478</u>	<u>26,989</u>

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:

Investment	%	Fund
Schroder Strategic Credit Fund	6.4	Fixed Income
M&G Optimal Income Fund	6.0	Fixed Income
Standard Life	8.8	Absolute Return Hedge Funds
Trojan Fund	5.0	Absolute Return Hedge Funds
Charity Property Fund	12.8	Real Assets
0% UK and NI Treasury Bill	5.2	Gilts



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

7 Debtors	2015	2014
	£'000	£'000
Amounts falling due within one year		
Accrued income	1	25
	<u>1</u>	<u>25</u>
	<u><u>1</u></u>	<u><u>25</u></u>

8 Cash held for investment purposes

At 31 March 2015, cash of £7,060,562 (2013–14: £7,200,779) 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:

	Rate	2015	2014
	%	£'000	£'000
Cazenove cash investment account	0.11	3,479	-
Scottish Widows – 7 day notice account	0.40	1,882	3,667
Close Brothers 1 Year fixed deposit	1.50	-	2,000
Coutts call deposit account	0.25	1,700	1,534
		<u>7,061</u>	<u>7,021</u>
		<u><u>7,061</u></u>	<u><u>7,021</u></u>

9 Creditors: amounts falling due within one year	2015	2014
	£'000	£'000
Other creditors	43	25
Grants payable	5,502	2,486
Accruals and deferred income	38	31
	<u>5,583</u>	<u>2,542</u>
	<u><u>5,583</u></u>	<u><u>2,542</u></u>



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

10 Creditors: amounts falling due after more than one year	2015	2014
	£'000	£'000
Grants payable	866	1,189
	<u>866</u>	<u>1,189</u>

11 Fund balances

Fund balances at 31 March 2015 are represented by:

	Total Funds 2015	Total Funds 2014
	£'000	£'000
Investments	25,478	26,989
Current assets	7,062	7,226
Liabilities	(6,449)	(3,731)
	<u>26,091</u>	<u>30,484</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.

	2015	2014
	£'000	£'000
Designated Fund		
Duke of Edinburgh's Award	-	399
Coram	-	300
Teach First	-	266
PSBT (Fixers)	-	154
Royal Commonwealth Society	-	45
	<u>-</u>	<u>1,164</u>



The Queen's Trust

Notes to the Financial Statements (continued)

for the year ended 31 March 2015

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 (2013–14: £13,481), 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 (2013–14: £12,900).

In the year, a grant of £1.5m was awarded to The Prince's Trust. At 31 March 2015, the balance due to The Prince's Trust at the end of the year was £1 million (2013–14: £nil).

There were no other related party transactions during the year.