

The Prince's Trust Group

Annual Report

For the year ended 31st March 2018

**Incorporated by Royal Charter
Charity Registration Number 1079675 and SC041198**



Prince's Trust

THE PRINCE'S TRUST

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Chairman's Foreword

This Annual Report for 2017/18 covers the activities of The Prince's Trust Group.

In the UK, The Prince's Trust has been supporting young people for 42 years. In total, since our foundation in 1976, we have helped more than 900,000 young people and our work continues to change lives in communities across the whole of the country.

In recent years, governments and agencies from across the world have contacted The Trust to see if our approach to tackling unemployment and underachievement could be successfully applied in their countries. In response, we launched Prince's Trust International in 2015 and, last year, we delivered support to young people in nine countries: Australia, Barbados, Canada, Greece, India, Jordan, Malta, New Zealand and Pakistan.

During the year, our sister charities in Australia and Canada became part of the Group and we are delighted to be working with Prince's Trust Australia and Prince's Charities Canada to support young people, veterans and indigenous communities.

Work is also underway to establish Prince's Trust New Zealand and Prince's Trust America.

Under the leadership of Dame Martina Milburn, The Prince's Trust Group forms a global network of organisations that is making a tangible - and increasing - difference to people's lives. Together we supported more than 66,000 people in the last financial year.

We should recognise that each member of the Group is at a different stage in its development. There are, therefore, understandable differences in programmes and approaches. In the year ahead we will be working to align priorities to form a coherent Group strategy. Support to young people and communities will be at the heart of this plan.

Given our long-standing history in the UK and the comparative scale of the separate organisations, these accounts will, in large part, reflect our UK activities. We have endeavoured to be clear in each section to specify if the detail relates to the Group, the UK or a subsidiary.

In the UK, we completed delivery of a three year strategy which saw us support an incredible 118,000 new young people. We also delivered a number of infrastructure projects which will transform our ability to grow our delivery in future years.

During 2017/18 we supported 63,486 individual young people in the UK, including 43,732 who were new to The Trust and 19,754 who received ongoing support from previous years. Of those young people who were new to The Trust, 2,392 took part in more than one programme in order to give them the maximum opportunity of a positive outcome. So we had a total of 66,116 programme participations compared to 60,535 the year before, thus representing year-on-year growth of 9%.

Our positive outcomes – the proportion of young people who move into education, employment, training or volunteering on completion of our programmes - have been maintained at 78% and this is a key measure of our success.

In a fiercely competitive fundraising environment, securing the resources to continue our work is an ongoing challenge. We have, however, risen to the challenge. Due to the continued investment of our brilliant partners in both the public and private sector, we generated an income of £72.9 million, representing growth of nearly 3% over the previous year. I would like to offer my personal thanks to every individual and organisation who has

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demonstrated their faith in the work of The Trust and the potential of our young people. Without you, we simply could not achieve so much.

Our expenditure for the year was £71.2m. We have also invested in systems and processes that will ensure the organisation is fit for the future. We successfully completed a major IT project which has delivered a new website, a comprehensive new client database and a reporting system which gives us meaningful data upon which we can make better decisions. We have also made substantial progress on a new HR system which will come online later this year.

Prince's Trust Online is our new digital learning and mentoring platform. Following a successful launch, 1,000 young people have participated in online learning; many of these young people would not have been able to access our traditional support. Moving forward, we are looking at a blended approach where each individual client receives their tailored mix of online and face-to-face support.

It is my great pleasure to welcome Nick Stace as our new UK Chief Executive. Nick has been the driving force behind a dynamic strategy which will see The Trust support a million more young people over the next ten years. In addition to providing individually tailored support to each of these young people, we aim to give them an increasing stake in the economy and society. To do this, we need to be the best organisation and we are determined to enable our colleagues, volunteers and supporters to achieve their goals.

Much of this innovation and development in the UK will inspire our future activities as a global Group. At the same time, there are innovations and insights within our Group charities which could well benefit young people here in the UK.

While the global political, economic and social situation remains unstable and uncertain, there is every reason to be optimistic about the future. If we invest in our young people, then we are investing in the future of our communities and countries. Surely this must be a priority?

I'd like to thank everyone, from our staff and volunteers to our donors and of course the young people we support, all of whom continue to play a part in our growing Prince's Trust community. We are connected by a common belief in the value of human potential. Together we have achieved a great deal, but there is very much more work still to do.



Sir Lloyd Dorfman CBE
Chairman

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The Prince's Trust

Administrative details

Principal Address

Prince's Trust House
9 Eldon Street
London
EC2M 7LS

Telephone: 020 7543 1234

Fax: 020 7543 1200

www.princes-trust.org.uk

Charity Registration Number: England & Wales 1079675, Scotland SC041198

Royal Charter Number: RC000772

Governing Document

The Prince's Trust is a company incorporated by Royal Charter. The Royal Charter is the governing document of The Trust.

President

His Royal Highness The Prince of Wales

Chair of The Prince's Trust Council

Sir Lloyd Dorfman CBE

Trustees and Members of The Prince's Trust Council

Sir Lloyd Dorfman CBE

Wendy Becker (resigned June 2018)

John Booth (appointed March 2018)

Alison Brittain

Blondel Cluff CBE

Thierry Henry

Sir Nigel Knowles

Michael Marks CVO, CBE

Ian Mukherjee

Michelle Pinggera (appointed July 2017)

Shabir Randeree CBE

Alistair Summers (appointed June 2018)

Management

Dame Martina Milburn DCVO CBE

Nick Stace

Paul Brown

Richard Chadwick

Martyn Dicker

Tara Hull

David Ivell

Chief Executive (Group Chief Executive from October 2017)

UK Chief Executive (appointed October 2017)

Director, Marketing and Communications (Chief Marketing Officer- UK and Group, from June 2018)

Director, Programmes and Development (left in June 2018)

Director, People and Learning

Director, Fundraising (Deputy CEO - Income and Innovation, from June 2018)

Chief Information Officer (left in June 2018)

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Ian Jeffers	Director, Operations (Deputy CEO - Design and Delivery, from June 2018)
Simon Major	Company Secretary (Group General Counsel & Company Secretary from October 2017)
Wayne Orr	Director, Finance (Interim, appointed December 2017) (Chief Operating Officer from June 2018)
Jo Passingham	Director, Finance (resigned November 2017)

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place, London WC2N 6RH

Principal Solicitors

McCarthy Denning Limited
49 Queen Victoria Street, London EC4N 4SA

Bankers

National Westminster Bank plc
3rd Floor, 280 Bishopsgate, London EC2M 4RB

Coutts & Co
Villiers Branch, 440 Strand, London WC2R 0QS

Investment Advisers

Cazenove Capital Management Limited
12 Moorgate, London EC2R 6DA

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The Trustees are pleased to present their report and audited financial statements for The Prince's Trust Group (which includes The Prince's Trust and its subsidiaries) for the year ended 31st March 2018.

Organisational Structure, Governance and Management

The Prince's Trust (The Trust) is incorporated by Royal Charter (with Royal Charter number RC000772) and is registered with the Charity Commission for England and Wales (with registered number 1079675) and the Office of the Scottish Charity Regulator (with registered number SC041198). Its objects and powers are set out in the Royal Charter and Byelaws. The Royal Charter, the Byelaws and The Handbook (a document that sets out The Trust's internal governance structure) are the documents that govern The Trust's administration.

Trustee Recruitment, Appointment and Training

Trustees are appointed in accordance with the Byelaws and are collectively known as the Council. On joining the organisation, new Trustees receive a personalised wide-ranging induction which covers the values and purpose of The Trust and includes sections on strategy, finance, fundraising, programmes, operations and governance. During induction, Trustees meet young people and members of The Trust's Senior Management Team to help fully understand their role as a Trustee. In addition, they are invited to attend Trust programmes to see them in action and are asked to take an interest in a particular area of The Trust's work via membership of one of the committees, to be ready to contribute to The Prince's Trust Council as required. Trustees receive ongoing support and up to date guidance to enable them to fulfil their responsibilities to the organisation. They regularly meet with beneficiaries at events and on programme visits. The Council meets bi-monthly with occasional additional meetings as needed. The Trustee role is unremunerated but Trustees are able to claim expenses where relevant.

The Prince's Trust Council is accountable for the work of The Trust. The matters reserved for The Prince's Trust Council include the approval of strategy, the budget and business plan and the Annual Report and Accounts. The Prince's Trust Council also retains oversight of management controls and corporate governance, along with the appointment of Trustees, the Group Chief Executive, the UK Chief Executive and senior volunteers. Appointment of directors/trustees of The Prince's Trust subsidiaries are a matter for their boards with Council retaining the right of ratification.

The Advisory Board meets up to twice a year with the Council and contributes ideas to help inform strategy and organisational development. Members of the Advisory Board have an advisory role only and have no legal obligations. The members of the Advisory Board, in addition to the members of Council, during 2017/18 were:

Richard Huntingford
Duane Jackson
Sir Derek Jones KCB, CMG
Margaret McPherson
Patrick Passley LVO
Steve Sealey
Rose Mary Stalker (appointed June 2017)
Ursula Morgenstern (appointed August 2017)

The Prince's Trust Council has appointed six committees to help with the execution of its responsibilities. Members are appointed by The Prince's Trust Council. The committees meet regularly and members during 2017/18 were:

- ➔ **Audit:** Shabir Randeree CBE, Sir Nigel Knowles, Blondel Cluff CBE (appointed July 2017)
- ➔ **Investment:** Michael Marks CVO, CBE (Chair), Sandra Robertson, Ian Mukherjee, John Booth (appointed March 2018)

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- **Fundraising Advisory Board:** Ian Mukherjee (Chair), Richard Huntingford, Steve Sealey, Jeremy Green, James Bennet MBE, James Wates CBE (appointed June 2017), Uzair Bawany (appointed June 2017), John Booth (appointed November 2017)
- **Nominations & Remuneration Committee:** Sir Lloyd Dorfman CBE (Chair), Wendy Becker, Michael Marks CVO, CBE
- **Young Persons Committee (formerly the Programmes & Operations Committee):** Wendy Becker (Chair), Alison Brittain, Michelle Pinggera (appointed July 2017), Emily Cherrington (resigned May 2017)
- **Mosaic:** Shabir Randeree CBE (Chair), Yasmin Waljee OBE (Vice-Chair), Saker Nusseibeh (Vice-Chair (from November 2017), Harris Bokhari OBE, Professor Farida Fortune CBE, Bushra Nasir CBE, Mohamed Amersi, Tariq Shah, Farouq Sheikh, Professor Aaqil Ahmed, Sarah Khan-Bashir MBE, Uzair Bawany, Varinder Dhaliwal (appointed January 2018), Dr Haseena Lockat (appointed January 2018), Wakkas Khan (appointed January 2018), Atif Bashir (appointed January 2018), Farida Gibbs (resigned November 2017), HE Sheikh Mohammed bin Nahyan bin Mubarak Al Nahyan (resigned November 2017)

The Prince's Trust Council appoints Advisory Councils in Wales, Scotland and Northern Ireland, Development Committees in the English regions and Development Committees for our Industry and Leadership Groups. These are composed of senior volunteers, whose role is to provide fundraising support and guidance.

The Prince's Trust Council has delegated authority to the Group Chief Executive for oversight of The Prince's Trust and its subsidiaries. The Council has also delegated authority to the UK Chief Executive and a Senior Management Team for the day-to-day management of The Trust. The Senior Management Team comprises the UK Chief Executive, the Finance Director, the Chief Information Officer and the Directors for Operations, People and Learning, Marketing and Communications, Fundraising, Programmes and Development, and the Group General Counsel & Company Secretary.

The Senior Management Team has delegated authority from the Council for the design and delivery of programmes and income generation, along with the administrative functions of finance, people and learning, health and safety, internal audit, evaluation, management information systems, marketing and communications. Designated staff may commit The Trust to expenditure within defined limits.

During the financial year Council reviewed and agreed organisational pay and the Nominations & Remuneration Committee considered and approved the appointment and remuneration of new roles in the Senior Management Team in consideration of good practice in the charity sector.

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The Prince's Trust Subsidiaries

Prince's Trust International

The Prince's Trust is the sole member of Prince's Trust International. Prince's Trust International is a company limited by guarantee (with company number 09090276) and is registered with the Charity Commission for England and Wales (with registered number 1159815). The vision of Prince's Trust International is to help unemployed young people around the globe into education, training and work by partnering with governments, NGOs and corporations to implement The Prince's Trust programmes. Prince's Trust International aims to provide opportunities for unemployed and disengaged young people to gain the skills, motivation and self-confidence to contribute to their local economy and engage as active members of society. The primary objective of Prince's Trust International, to promote by all charitable means throughout the world the mental, spiritual, moral and physical development and improvement of young people, and to provide opportunities for them to develop to their full capacities and enable them to become responsible members of society so that their conditions of life may be improved, is similar to The Prince's Trust. Jonathan Townsend is the Chief Executive. The Prince's Trust Chairman is also Chairman of the Prince's Trust International Board and the Group Chief Executive sits on the board of Prince's Trust International as a Trustee. The Prince's Trust and Prince's Trust International each have an independent Deputy Chairman who is solely focused on the one charity.

Prince's Trust Australia

The Prince's Trust became the sole member of Prince's Charities Australia in July 2017, which subsequently changed its name to Prince's Trust Australia. Prince's Trust Australia is a public limited company also registered as a charity with the Australian Charities and Not-for-profits Commission (with registered number ABN 73 161 872 993). Prince's Trust Australia carries out, and supports, charitable projects in Australia which are similar to those of The Prince's Trust in the United Kingdom including working in consultation and partnership with other charitable bodies. It also carries out charitable projects in other areas. Janine Kirk is the Chief Executive and the Group Chief Executive sits on the board of Prince's Trust Australia as a Trustee.

Prince's Charities Canada

The Prince's Trust became the sole member of Prince's Charities Canada in February 2018, and it is currently in the process of changing its name to Prince's Trust Canada. Prince's Charities Canada is designated a Charitable Organization under the Canadian Income Tax Act and has registered number 83229 5406 RR000. Prince's Charities Canada funds and carries out activities and programmes in Canada that are beneficial to the community as a whole, in a way which the law in Canada regards as charitable. Sharon Broughton is the Chief Executive and the Group Chief Executive sits on the board of Prince's Charities Canada as a Trustee.

For more detailed information about the activities, achievements and future plans of The Trust's programming subsidiaries, being Prince's Trust International, Prince's Trust Australia and Prince's Charities Canada, see page 22.

Prince's Trust Trading Limited

The Prince's Trust's commercial activities are undertaken by its wholly-owned trading subsidiary, Prince's Trust Trading Limited. Prince's Trust Trading Limited is incorporated as a company to conduct trading activities to support The Prince's Trust's charitable objectives. It passes all of its taxable profits to The Trust via gift aid. The payment under deed of covenant from Prince's Trust Trading Limited to The Trust in 2017/18 was £1.8m (2016/17 £2.5m). Prince's Trust Trading Limited is incorporated in England and Wales (with company number 03161821).

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Futures Charitable Trust

The Prince's Trust was the sole member of Futures Charitable Trust. Futures Charitable Trust was a company limited by guarantee (with company number 03075475) and registered with the Charity Commission for England and Wales (with registered number 1080195). During 2011/12 Futures Charitable Trust wound up its activities and was dormant from that date until it was dissolved in October 2017.

The financial results for 2017/18 of all subsidiaries are summarised in Note 18 to the Financial Statements.