

The Prince's Trust

Annual Report

For the year ended 31 March 2016

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



Prince's Trust

THE PRINCE'S TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

Chairman's Foreword

2016 is a very special year for The Prince's Trust as we celebrate our 40th anniversary. It has been a year for looking back not only at all that we have accomplished to date, but also for looking ahead to future opportunities and challenges.

In 2015/16, we supported 58,554 young people, just short of our target of 59,000. Of these 78% achieved a positive outcome and this was very nearly our best result ever. It is a testament to the strength of the organisation as it heads into its fifth decade supporting disadvantaged and vulnerable young people to transform their lives.

We also raised a record amount of funding – £70.0m – in the year. Much of this is due to the enlightened support of the business community and philanthropists, who continue to show belief in our work. Indeed, given the continuing pressure on the public purse, the private sector should be applauded for its ongoing commitment to The Prince's Trust and its work supporting future generations. We are, in fact, indebted to every individual donor, supporter and funder who has kept faith with our work. Likewise, around 6,000 volunteers who give their time freely to nurture and develop our young people.

All of these remarkable people form The Prince's Trust community, which has been the focus of our celebrations during this anniversary year. Our regional tour in April covered 17 locations in three weeks, and showed the reach of our work. Up and down the country, we took a moment to thank every individual and organisation who help to make our work possible - and not least, the man whose vision and determination saw the foundation of this fledgling organisation way back in 1976. HRH The Prince of Wales founded The Trust in order that the most marginalised and disadvantaged young people should have an opportunity to succeed. This vision is still at the heart of the organisation today. Indeed we are fortunate that HRH remains as committed to the cause as ever, giving generously of his time and showing a keen interest in all that we achieve together.

2015/16 saw us deliver the first period of our new three year strategy. It is an ambitious plan to grow the scale and impact of our work, addressing the 21st century issues of young people in a country which has also experienced significant economic difficulties in the past few years. To achieve this, we have been focusing on those young people who require our help the most; those with significant and varied needs who often find themselves furthest from the jobs market. The Prince's Trust's 40th anniversary "One Million Young Lives" campaign aims to reach a million young people over the next 10 years, compared with 825,000 in its first 40 years.

At the same time, we have been investing in new technology to enhance our systems and processes, to increase efficiency and effectiveness. The first stage of a digital transformation project was successfully delivered, with a new user-friendly website linked to a client database and reporting system. The next stage of this project will provide young people with a seamless journey onto, through and beyond our programmes. Ultimately, we believe it will enable us to change more young lives.

We have also been expanding in exciting new ways. Prince's Trust International was officially launched at the Commonwealth Heads of Government Meeting in Malta in November 2015. As a start-up sister charity within The Prince's Trust Group, it is HRH's newest initiative and is aimed at helping unemployed young people around the world into some form of education, training or employment. It began with pilot projects in Malta, Jordan and Oman, and, in the initial wave, is looking to develop new projects in countries as far afield as Australia, Barbados, Canada, India and New Zealand.

During the year, significant progress was also made to bring Mosaic – an initiative of Business in the Community – into The Prince's Trust. Mosaic runs mentoring programmes to inspire young people from deprived communities to realise their potential. With a particular focus on young Muslims, we believe it will

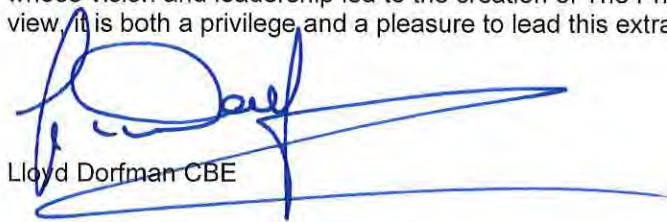
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complement our current delivery and flourish within its new home. We see it as a natural fit since we both deal with disadvantaged young people, and look forward to developing our programmes together.

All of these initiatives will help us to expand our impact and benefit greater numbers of young people. It is an exciting time of growth for the organisation, which is as relevant to the world today as it was 40 years ago.

Of course, none of this would be possible without the fantastic people who support our work. Our staff, under the leadership of CEO Martina Milburn, do an amazing job. To every volunteer, ambassador, funder, trustee, delivery partner and supporter, I offer my heartfelt thanks. And, of course, we thank HRH The Prince of Wales, whose vision and leadership led to the creation of The Prince's Trust 40 years ago. From a personal point of view, it is both a privilege and a pleasure to lead this extraordinary charity at such an exciting time.



Lloyd Dorfman CBE

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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 registered charity, incorporated by Royal Charter, in England and Wales (1079675) and Scotland (SC041198).

President

His Royal Highness The Prince of Wales KG KT GCB AK QSO ADC

Chairman of The Prince's Trust Council

Sir Charles Dunstone CVO (resigned July 2015)

Lloyd Dorfman CBE (appointed Aug 2015)

Members of The Prince's Trust Council

Wendy Becker

Sir Damon Buffini (resigned Dec 2015)

William Eccles

Thierry Henry (appointed Jan 2016)

Sir Nigel Knowles

Michael Marks CVO, CBE

Ian Mukherjee (appointed Dec 2015)

Amy Stirling

Management

Martina Milburn CBE

Chief Executive

Paul Brown

Director, Marketing and Communications

Richard Chadwick

Director, Programmes and Development

Sarah Haidry

Secretary (resigned Sep 2016)

Tara Hull

Director, Fundraising

David Ivell

Chief Information Officer (appointed Feb 2016)

Alan Kennedy

Director, Operations (transferred to Prince's Trust International Nov 2015)

Jo Passingham

Director, Finance

Steve Wiggins

Director, Resources (resigned Dec 2015)

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Independent Auditors

PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors
1 Embankment Place, London, WC2N 6RH

Principal Solicitors

Linklaters
1 Silk Street, London EC2Y 8HQ

Reed Smith
The Broadgate Tower, 20 Primrose Street, London EC2A 2RS

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 Ltd
12 Moorgate, London EC2R 6DA

The trustees are pleased to present their report and audited financial statements for The Prince's Trust (The Trust) and its subsidiaries (the Group) for the year ended 31 March 2016.

Structure, Governance and Management

The Trust is a charity incorporated by Royal Charter. The Royal Charter forms the governing document and, together with the Bye-laws 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 Bye-laws 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 sub-committees, to be ready to advise 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 meet bi-monthly with occasional additional meetings as needed. The trustee role is unremunerated but trustees are able to claim expenses where relevant.

Organisational Structure

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 Financial

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Statements. The Prince's Trust Council also retains oversight of management controls and corporate governance, along with the appointment of trustees, the Chief Executive and senior volunteers.

The Advisory Board meets 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 during 2015/16 were:

- Wendy Becker, Lloyd Dorfman CBE, Sir Charles Dunstone CVO (until July 2015), William Eccles, Sir Nigel Hamilton KCB, Richard Holway MBE, Richard Huntingford, Michael Marks CVO, CBE, Andrew McLaughlin, Patrick Passley LVO, Sir Damon Buffini (until December 2015), Steve Sealey, Cilla Davies CBE, Simon Patterson (until March 2016), Sir Nigel Knowles, Amy Stirling, Duane Jackson (from Nov 2015), Ian Mukherjee (from December 2015), Thierry Henry (from January 2016).

The Prince's Trust Council has appointed five 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 2015/16 were:

- **Audit:** Wendy Becker (Chairman until December 2015, member until March 2016), Amy Stirling (Chairman) (from January 2016), Peter Hickman (until December 2015), Peter Weiss (until December 2015), Andrew Wright (until December 2015), Alistair Hamilton (until December 2015), William Eccles (from January 2016).
- **Investment:** Michael Marks CVO, CBE (Chairman), Sandra Robertson, Sir Damon Buffini (until December 2015), Ian Mukherjee (from December 2015), William Eccles (from December 2015).
- **Trading:** Richard Huntingford (Chairman), Martina Milburn CBE, Steve Parkinson, Tara Hull, Paul Brown, Danielle Alexandra (until December 2015).
- **Development:** Lloyd Dorfman CBE (Chairman), Richard Holway MBE, Richard Huntingford, Steve Sealey, Jeremy Green (from November 2015).
- **Nominations & Remuneration Committee:** Lloyd Dorfman CBE (Chair) (from August 2015), Wendy Becker, Michael Marks CVO, CBE, Martina Milburn CBE.

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 Chief Executive and a Senior Management Team for the day to day management of the organisation. The Senior Management Team comprises the 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 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, human resources, health

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and safety, internal audit, evaluation, management information systems, marketing and communications. Designated staff may commit The Trust to expenditure within defined limits.

The Nominations and Remuneration Committee, who report in to Council, establish and annually review the remuneration of the Senior Management Team in consideration of individual contribution and good practice in the charity sector.

Values

The Senior Management Team ensures that The Trust is influenced, both in the way it operates internally and how it engages with its beneficiaries and supporters, by the following values:

Approachable - We are open minded and value diversity

Non-judgemental - We focus on the potential not the past

Inspiring - We lead by example

Empowering - We enable positive change

Passionate - We are absolutely committed to supporting young people

Subsidiaries

The Trust has a subsidiary company called Prince's Trust Trading Ltd, which is its trading company. Wholly owned, it passes all of its taxable profits to The Trust via gift aid. The payment under deed of covenant from Prince's Trust Trading Ltd to The Trust in 2015/16 was £2.7m (2014/15 £3.2m).

The vision of Prince's Trust International is to help unemployed young people around the globe into education, training and work. The Charity's mission is to make a significant contribution to improving the lives of young people, by partnering with governments, NGOs and corporations to implement Prince's Trust Programmes. The Charity 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.

Prince's Trust International has successfully run pilot programmes in Malta and Jordan as well as advisory work in Oman. Pilot programmes are planned over the course of 2016 in Australia, Barbados, Canada, India and New Zealand. Funding has been received from a number of corporate companies and Founding Patrons.

Fairbridge Garden Centre Ltd ceased trading in August 2014. The company made a loss of £32,230 in the year and a loss of £56,472 in 2014/15.

Futures Charitable Trust is a charitable company in which The Prince's Trust is the sole shareholder. During 2011/12 Futures Charitable Trust wound up its activities and has been dormant since then.

The financial results for 2015/16 of all trading subsidiaries are summarised in note 18 to the Financial Statements.

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Objectives and Activities

Our vision is that every young person should have the chance to succeed.

Our mission is to help disadvantaged young people in the UK to change their lives and get into work, education, training or volunteering.

The primary objective of The Prince's Trust (The Trust), as defined by its Royal Charter, is:

To promote by all charitable means 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.

In accordance with Charity Commission guidance on public benefit (section 17 of Charities Act 2011) The Trust achieves this by:

- helping young people aged 13 to 30 who are unemployed and those at risk of unemployment because they have struggled at school.
- bringing young people together from different backgrounds, cultures and faiths, so that they can make a positive difference in their communities.
- providing practical support, enabling them to overcome their problems and get their lives on track.
- delivering proven, high quality programmes and basic financial support, which help young people to develop the confidence and skills they need to get a job or start a business.

Our Programmes

During 2015/16 The Prince's Trust supported young people through seven core programmes that helped them overcome their barriers and move forward with their lives.

The Prince's Trust **xl clubs** provide a personal development programme aimed at young people aged 13 to 19 at risk of underachievement or exclusion from school. Using an informal approach to learning, the clubs provide young people with the space and attention they need to develop confidence as well as to form a sense of ownership over their work and own development. The programme can work flexibly both in schools and outside the mainstream centres. Guided by an Adviser, xl clubs work towards a Prince's Trust Qualification in Personal Development and Employability.

From August 2016 the xl programme will be significantly enhanced and re-branded as the **Achieve programme**. The Prince's Trust Achieve programme helps young people to re-engage in education or improve their engagement through a personalised support programme. The Achieve programme is run as a club in schools and alternative education settings, and in Prince's Trust centres across the UK. All young people accessing the Achieve programme, regardless of whether this is as part of a club or in a Prince's Trust centre will:

- Access the Achieve programme curriculum, including: Personal and Social Development; Life Skills; Active Citizenship; Enterprise and Preparation for Work
- Participate in enrichment opportunities where they can succeed, realise their potential and raise aspirations
- Be supported to engage and succeed in education
- Have their progress measured in attainment, attendance, engagement and personal and social skills

The **Team programme** provides 12 weeks of personal development training designed to increase confidence, motivation and self-esteem through teamwork. The programme leads to an accredited qualification in Employment, Teamwork and Community Skills. The Team programme aims to bring together unemployed and