



Prince's Trust



The Prince's Trust Group

ANNUAL REPORT AND ACCOUNTS 2019/20

“No matter what has happened in the past, working with a Prince’s Trust mentor is like having a clean slate; there is no judgement, just ways to help you achieve your ambitions.”

–Gideon



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THANK YOU

"I was long-term unemployed for at least seven years due to struggles with my mental health. I couldn't look to the future at all and really thought this was all life had to give me, making it all seem meaningless and painful.

"I was often unable to leave the confines of my bedroom and did not want to engage with society whatsoever.

"When I started the Get into Customer Services programme with The Prince's Trust and Great Western Railway, it felt like finally I could leave some of my baggage behind and just focus on improving myself. I was doing something for me.

"The course helped me get my foot firmly in the door of GWR and gave me much needed stability. Even something as passing my driving test and being able to own my own car now was something I thought I'd never earn enough to do.

"I love working at GWR and am hugely proud to wear the uniform. I've found it to be a very supportive place and has given me amazing opportunities to progress. The Prince's Trust and GWR helped me catapult myself back into society and to live a life that has a sense of purpose and one that I can look forward to.

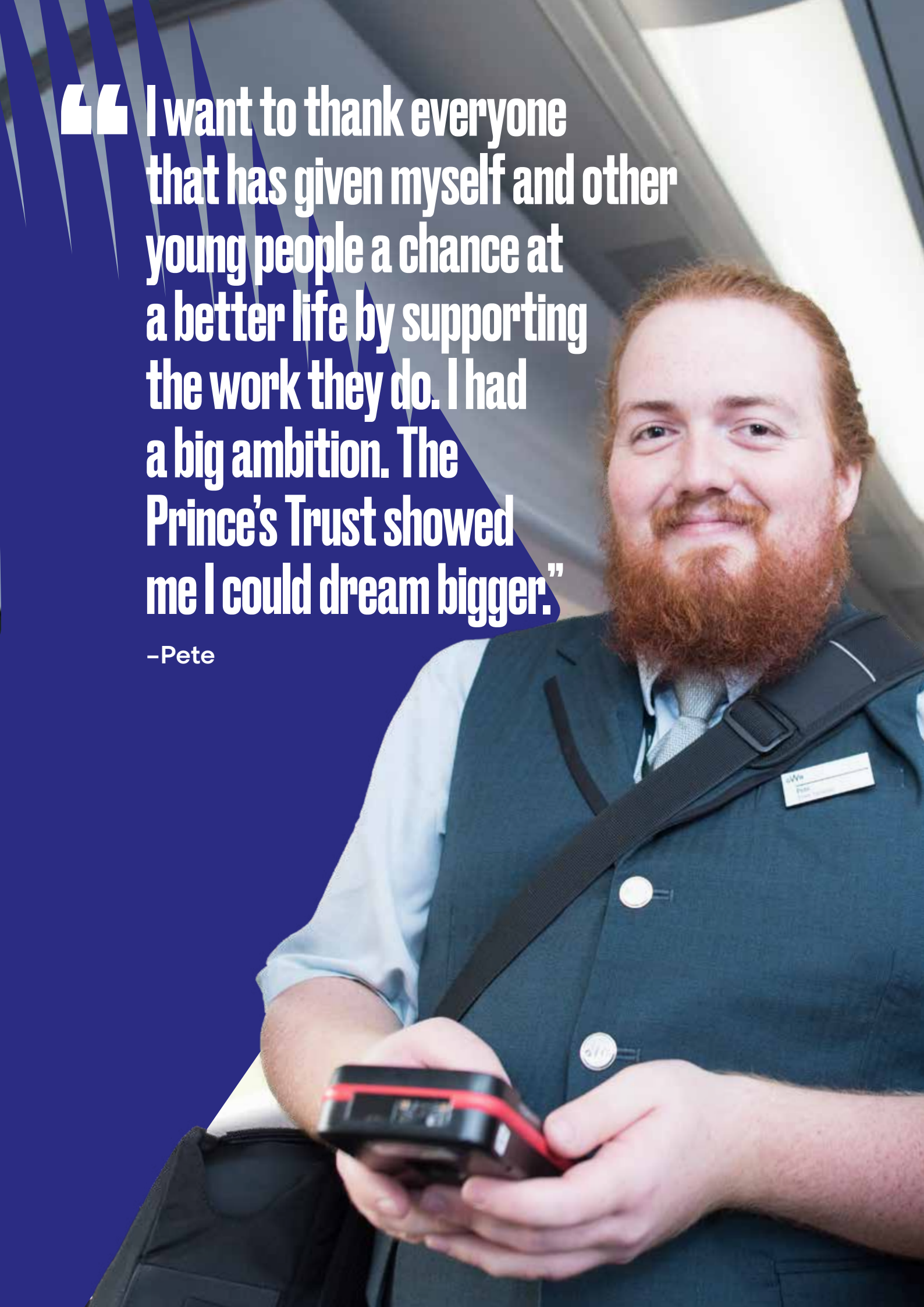
"Being accepted onto the train driver programme with GWR has been a dream come true and I look forward to being a qualified train driver."

In October 2019, Pete won the Young Achiever of the Year Award at The Prince's Trust Awards in the South West of England and was later named 'Railway Person of the Year' by Great Western Railway.

Pete

“I want to thank everyone that has given myself and other young people a chance at a better life by supporting the work they do. I had a big ambition. The Prince's Trust showed me I could dream bigger.”

–Pete



FOREWORD

from John Booth DL, Chairman



In 1976, His Royal Highness The Prince of Wales launched The Prince's Trust at a time of great financial uncertainty.

It was a period that saw the end of secure employment and the collapse of traditional British industries and, as levels of unemployment spiralled, thousands of young people were pushed further towards the margins of society. Today, young people are yet again facing an unemployment crisis. In the face of it all, we continue to be led by the simple belief that inspired His Royal Highness 44 years ago: that every young person should have the chance to succeed.

Given the coronavirus pandemic and the resulting economic crisis, the work of The Prince's Trust has never been more vital. Every day, in our centres, in schools, communities and businesses,

and online, our staff, partners and volunteers are working tirelessly to support young people to become independent and economically active members of society – whether that is through realising their potential in education, securing their first job, or starting a business.

It is our passionate belief in young people and their potential, shared by every member of The Prince's Trust community, that has enabled our organisation to support one million young people in the UK to date – a remarkable achievement that has had a profound impact on our country's society and economy. Each one of these young people has their own story, the impact of which extends beyond themselves to their families and the places they live. We continue to make a huge difference to communities across the UK, and in recent months I have been particularly inspired by the digital support the charity has provided to keep young people connected, learning, and earning during the lockdown.

A global challenge such as Covid-19 demands a global outlook, which is why I am proud of the continued endeavours of The Prince's Trust Group. The challenges of this year have taught us a great deal and sharpened our commitment to preparing young people for the jobs of tomorrow. You can read more about our international operations and sister charities in Canada, the USA, Australia

and New Zealand from Group Chief Executive, Dame Martina Milburn, later in the report.

As a supporter of The Prince's Trust for many years, I have continued to be struck by the countless stories of young people who, against the odds, develop the confidence and skills to transform their lives. I strongly believe that our support of young people is one of the soundest social investments we can make. If much of the burden of our country's recovery from the present crisis is to fall upon young shoulders, it is organisations such as The Prince's Trust that will ensure those shoulders are as strong as they can be.

I would very much like to thank my fellow Trustees and our wonderful team of staff, volunteers and delivery partners who together work so hard to support young people across the UK. Over the coming year, we look forward to giving a voice to even more young people and helping them to realise their potential in life. Together, we must help them survive the challenges of today and strive for the opportunities of tomorrow.

Above all, our thanks go to His Royal Highness The Prince of Wales for his continued inspiration and guidance.

John Booth DL
Chairman
The Prince's Trust

WELCOME

from Jonathan Townsend, UK Chief Executive



Young people are facing one of the most turbulent times in living memory. The coronavirus pandemic has not only disrupted young people's futures, but our research shows it has also led to many abandoning their career hopes and ambitions.

We are incredibly proud that The Prince's Trust has reached the milestone of supporting one million young people since 1976, but we are also highly conscious that young people are going to need our support more than ever in the wake of the pandemic, as youth unemployment rates are soaring.

The stark reality for young people today is that many have missed out on education, training and job opportunities that could have set them up for the rest of their lives.

The journey from education into the workplace is often fraught with challenges for young people, but today's world is presenting a whole new spectrum of difficulties for the younger generation. It is not just their learning and training impacted, but also their mental health and wellbeing and their longer-term prospects.

The danger is that, without the right support, young people will be set back for life.

At this critical time, our partnerships are more crucial than ever – helping us match young people with the job vacancies out there, supporting young people to upskill and retrain, and building self-confidence, motivation and resilience to get through these unprecedented times.

Our success as a charity has been built on long established partnerships which have successfully moved young people into jobs, training and self-employment and, this year, we are delighted to be working in partnership with the Greater Manchester Combined Authority on a ground-breaking initiative called the Future Workforce Fund. We have also continued to expand our employability courses through our partnership with the Department of Health and Social Care.

We are grateful for the support and generosity of many businesses and individuals providing vital funding for our programmes, which help three in four young people into jobs, education or training, and we are fortunate enough to have an army of volunteers helping to make this important work happen.

Over the next year, as the full extent of the repercussions of Covid-19 become clear, The Trust will continue to work with government, employers and communities to help tackle youth unemployment. The Prince's Trust stands ready to support young people through this crisis and, importantly, give them hope for the future.

Jonathan Townsend
UK Chief Executive
The Prince's Trust

THE REALITY FOR YOUNG PEOPLE IN THE UK TODAY

As the coronavirus pandemic continues to affect the whole UK population, it is young people who are often hardest hit.

Official figures show that young people are considerably more likely to be unemployed than the rest of the working age population.¹ Youth unemployment rates are predicted to soar to new heights in the months ahead, as the pandemic continues to take an economic toll on young lives.

Since the outbreak of Covid-19, many young people have already missed out on vital education, training and job opportunities. Recent research commissioned by The Prince's Trust has shown that Covid-19 has also undermined young people's confidence in their future.² For example:

➤ 39 per cent of young people claim to have abandoned their aspirations for the year ahead, increasing significantly among those not in education, employment or training (NEETs).

➤ 44 per cent say their aspirations for the future are now lower due to Covid-19

➤ 36 per cent say they have "lost hope" for the future

➤ 41 per cent believe their future goals now seem "impossible to achieve", with this increasing to half of those from poorer backgrounds

¹ ONS, Employment, unemployment and economic inactivity by age group (seasonally adjusted); ONS, Educational status and labour market status for people aged from 16 to 24 (seasonally adjusted)

² Figures taken from *The Aspiration Gap* (published September 2020) <https://www.princes-trust.org.uk/about-the-trust/news-views/aspiration-gap-research>



"I found myself unemployed when I had to delay starting university. When the coronavirus pandemic hit, I knew I wanted to help and was able to secure a job as a care home assistant through The Prince's Trust.

"My mum works for the NHS so I feel like it's in my nature to want to help people. We need the NHS and I knew that if I could do my bit to help, I would.

"I had been looking for a job for a while but hadn't had any luck. I'd lost hope in ever finding something and was close to giving up – the only reason I didn't was because I knew I had to support my family.

"When I heard about The Prince's Trust, I wanted to get involved but I worried that they wouldn't be able to help me.

"It turns out I had nothing to worry about! My experience with The Trust was amazing,

my mentor helped me every step of the way and I've now got a job with a care home in my local area as a care home assistant.

"I've always been interested in working in healthcare and I think the coronavirus crisis, despite what most people might think, is what really motivated me to apply for my job. Although things are difficult in our industry at the moment, I am committed to being part of a team that helps support my community and the NHS."

Temmy

YOUNG PEOPLE'S TESTIMONIES

OUR RESPONSE TO COVID-19 IN THE UK

The coronavirus pandemic has left young people all over the UK in freefall. For many, the future was already uncertain. But with unemployment rising and the prospects of a job – any job – now much tougher, millions are at risk of being left behind.

For those with little or no experience of the workplace, or few qualifications, this will feel like an impossible job market. For those feeling vulnerable due to a lack of support or challenges at home, they can often see no way out. Hope can easily be extinguished.

The Prince's Trust has responded in times of crisis for young people before, and we recognise it is time to do so again.

Our strategy, as always, has young people and their prospects at its heart.

We exist to help young people into jobs, education and training, and we know from our many interactions with young people that this support – and the related social and financial independence that comes with this – can have a positive impact on overall wellbeing and mental health.

Giving young people opportunities in work, education and training can be completely life changing. It can be the difference between hope and despondency in a young life.

According to our 2020 Youth Index, young people's wellbeing had already hit the lowest point on the index since the study began, and this was before the pandemic hit. We also know from the Youth Index that those young people not in employment, education or training (NEETs) are significantly more likely to feel negative about their lives and their futures.

While finding employment can improve a young person's immediate circumstances, it can also have a wider impact on families, future generations, communities, and society as a whole.

Moreover, an active young workforce can help re-charge the economy for all of us at times like these.

Our goal is to have a meaningful impact on as many young people as possible over the year ahead, and we know we can create the most positive change when we work in partnership.

We are working with employers to match young people to the job vacancies which are out there, and we are continuing to give young people the skills which are going to be most needed in the job market of tomorrow. The need to empower young people with digital skills, for example, has only been accelerated by the pandemic.

Our own delivery is increasingly a blended mix of both digital delivery and face-to-face support, recognising the value that both approaches can have for young people.

All of this work is enabled by support from businesses, government, communities and individuals. Without these vital collaborations, we are in danger of a lost generation which is permanently left behind: young people who do not just become long-term unemployed, but unemployable.

Covid-19 will have profound implications on the life chances of a generation of young people, but it will hit those from the most disadvantaged communities the most. The Prince's Trust, with the support of our partners, is uniquely placed to give these young people a lifeline into work, education and training which will set them up for the rest of their lives.



Kayanne

Our mission

Every young person should have the chance to succeed

Our values

Our values are at the heart of everything we do. We operate in a way which is:

- **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

Our purpose

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.”

Public benefit

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

- Helping young people aged 11 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 CORE PROGRAMMES

There for young people

The Trust exists to support young people aged 11 to 30 to move into work, education or training. Our programmes are designed to help young people raise their aspirations and move forwards with their lives, regardless of any challenges they may be facing.

Our programmes help young people at risk of exclusion to stay in school and continue to learn; they develop the confidence and motivation of unemployed young people to turn their lives around; and they support young people to develop their skills to find work or start their own business.



Achieve

Achieve is our largest programme. Delivered by schools as well as in Prince's Trust youth centres, it helps young people who may be struggling with mainstream education or who may have been excluded. Increasingly schools are using Achieve for a broader range of pupils as part of their life skills curriculum. The fun, informal atmosphere helps young people to engage with learning.



Mosaic / Enterprise Challenge

Mosaic is a school-based mentoring programme. It gives young people access to inspirational and relatable role-model mentors; and has been proven to boost their confidence, resilience and long-term employability.

Enterprise Challenge (part of Mosaic) is an inter-school competition for young people aged 11-16 who are supported by trained mentors to develop their confidence, team-working skills and understanding of the world of work.

Our current programme mix includes ten core programmes:



Explore

Explore (previously known as 'Fairbridge') is a flexible programme that offers one-to-one support and group activities for young people who need support to bring structure and stability into their lives. The programme is tailored to each individual's needs and can offer long-term support.



Team

Team is a 12-week personal development programme which includes outdoor activities, work experience and a community project. Team aims to develop young people's self-confidence and leadership skills all while making friends.



Get Started

Get Started includes short courses that engage young people through the arts or sport and support them into further education, training or employment. The programme energises young people, helping them gain the confidence and motivation to move forward with their lives.



Get into

Get into gives young people the vital first-hand training and experience they need to secure entry-level roles across a range of employment sectors. The programme is delivered in partnership with employers and training providers. We work with different sectors from hospitality and retail to technology, healthcare, security and logistics, with a focus on ensuring young people have the skills needed for the jobs of the future.



Get Hired

These are short programmes that support young people through the interview and selection process, providing one-to-one coaching and the opportunity to meet employers prior to interview.



Employability Online

Employability Online brings together some of our programme resources including CV writing, interview skills and top tips for preparing for the world of work.



Enterprise

The Enterprise programme helps young entrepreneurs to explore if self-employment could be for them. Enterprise offers training, mentoring and funding to help young people generate and test business ideas, write business plans, and ultimately start their own business.



Development Awards

Development Awards are small grants which help young people gain access to education, training or employment. This includes assistance with course fees, childcare costs and equipment for their job.

Scott and Prince's Trust Executive David



OUR DELIVERY IN 2019/20

The Prince's Trust operated from 16 centres supporting young people across the UK.

The Prince's Trust supported 70,181 young people during 2019/20, operating from 16 Prince's Trust youth centres and working with just over 650 delivery partners (including 290 schools and colleges). This compared with 65,138 young people supported in 2018/19.



³ The locations of these young people were not captured for a variety of reasons. For example, the young person was supported in more than one location, they moved location, or the delivery partner did not share the full data for GDPR reasons.

ACHIEVEMENTS AND PERFORMANCE – UK

At The Prince's Trust, we monitor and evaluate our work, to make sure we are providing the best support we can to young people.

During 2019/20 we supported 70,181 young people, including 44,582 who were new to The Trust and 25,599 who received ongoing support from previous years.

Of those young people who were new to The Trust, 1,612 took part in more than one programme in order to give them the maximum opportunity of a positive outcome. Those who received ongoing support were typically part of our longer-term programmes such as Achieve and Enterprise.

Positive outcomes: Maintaining the quality of our support, to maximise the benefit to young people, remains a priority. Our key measure of success is the proportion of young people who achieve a positive outcome: moving into education, employment, training or volunteering three months after completing a Trust programme.

In 2019/20
78 per cent
 of young people achieved a positive outcome

Here is a breakdown of the 70,181 young people we supported across the UK in 2019/20 and the 72,449 Prince's Trust courses they took part in. Some of the young people we support participate in more than one programme, which is why the number of course places is higher than individual young people:

2019/20	Individual Young people	Course places
Young people who participated in one programme	42,970	n/a
Young people who participated in more than one programme	1,612	n/a
Total new young people/course places	44,582	51,818
Young people receiving ongoing support	25,599	20,631
Grand total	70,181	72,449
Comparative in 2018/19	65,138	68,167
	7.7% growth	6.3% growth

During 2019/20, we provided a total of 72,449 course places compared to 68,167 in 2018/19. The breakdown of Prince's Trust courses is as follows:

Programme	New course places	Ongoing course places	Total course places provided
Achieve	15,652	11,571	27,223
Mosaic	2,327	2,042	4,369
Enterprise Challenge	3,040	0	3,040
Explore	1,662	25	1,687
Team	7,545	2,790	10,335
Get Started	2,797	2	2,799
Get into	4,603	328	4,931
Enterprise	5,271	3,873	9,144
Development Awards	5,093	0	5,093
Health & Social Care	191	0	191
Local & Pilots	3,637	0	3,637
Grand Total in 2019/20	51,818	20,631	72,449

Regional and country breakdown

The Prince's Trust in England

North of England 16,203 young people supported	South of England 12,838 young people supported	Central England 14,427 young people supported
<p>During 2019/20, we opened a new Prince's Trust youth centre in the heart of Manchester. We also launched a new multi-million pound initiative in partnership with the Greater Manchester Combined Authority to deliver the Future Workforce Fund, a skills pilot supported by the Department for Education. This innovative partnership will transform the lives of thousands of young people across Greater Manchester; and influence how we support young people across the UK.</p> <p>Overall, we grew total delivery on last year, increasing our support from 14,134 young people in 2018/19 to 16,203 young people in 2019/20. Partnership delivery continued to be a priority in the region, resulting in a strong year for our Achieve, Mosaic and Team programmes. Just over 2,700 young people achieved a Prince's Trust qualification during the year.</p>	<p>We opened our new South London youth centre in December 2019, strengthening our operational capacity and building stronger partnerships in Southwark and surrounding boroughs. The centre has enabled us to deliver large scale innovative outreach and workshop events with partners, including Adidas and Schuh. We secured a new funding partnership with the Metropolitan Police in London and set up four new youth forums in London, Bristol, Kent and Southampton where young people have helped to shape our recruitment, branding, programme content and strategic planning.</p> <p>We built on last year's delivery, increasing our support from 12,632 young people in 2018/19 to 12,838 young people in 2019/20. Critically, our support increased in disadvantaged communities across London and in Plymouth and rural Kent. Just over 1,300 young people achieved a Prince's Trust qualification during the year.</p>	<p>During 2019/20, we continued to build our partnerships, for example with the West Midlands Combined Authority; and shaped our digital offer for young people interested in developing skills for employment. Our Birmingham youth centre saw many more visitors and increased hours of opening, including Saturday morning events for young people as part of our Community Engagement programme. Some of these young people also visited 10 Downing Street to meet the Prime Minister.</p> <p>We increased our support from 12,995 young people in 2018/19 to 14,427 young people in 2019/20; with 10 per cent additional course places provided for young people compared to 2018/19. The largest growth was in our Achieve programme, with many new schools joining our community. Almost 2,000 young people achieved a Prince's Trust qualification during the year.</p>



The Prince's Trust in Scotland

10,308 young people supported

Our work in Scotland was recognised at the National Youth Work Awards and the Ayrshire Business Awards. Our annual "Lunch With an Old Bag" fundraising event raised £760k and was broadcast by BBC Alba in December 2019. We secured funding to engage our leadership team in the accredited "Dare to Lead" programme – becoming the first in Scotland to complete it. In our Glasgow youth centre we hosted leaders of Vocational Training and Education from 20 countries through the British Council. We shared approaches to engaging young people from marginalised communities and supporting them towards vocational training and employment to transform their lives.

Overall delivery across Scotland remained broadly constant compared to 2018/19.



The Prince's Trust in Wales

4,965 young people supported

We strengthened our links with the Welsh Government during the year, for example with the First Minister of Wales visiting our Cardiff youth centre. We welcomed new Patrons and philanthropic funders and took part in Wales' National Youth Work Conference. Our long-serving volunteer, Pat Grant, won Volunteer of the Year at The Prince's Trust Awards 2020.

We increased our delivery year-on-year, from 3,910 young people supported in 2018/19 to 4,965 young people in 2019/20. This improved performance was due to sustaining and building our Achieve programme, the recruitment of new referral and delivery partners across our programme mix and expanding our community engagement work.



The Prince's Trust in Northern Ireland

9,066 young people supported

During 2019/20, we launched our first cross-border programme supporting young people from Newry and Ballymun in Dublin, in partnership with Innovate Dublin and with the support of the Irish Government. We welcomed our President, HRH The Prince of Wales, to Saint Patrick's Grammar School in Armagh, where His Royal Highness met pupils on our Achieve programme. We appointed Lord Caledon KCVO as our new Chair of The Prince's Trust Northern Ireland Advisory Committee. We partnered with a mental health charity to provide young people with access to a special counselling service throughout Northern Ireland.

Overall, we grew total Northern Ireland delivery year-on-year, increasing our support from 8,435 young people in 2018/19 to 9,066 young people in 2019/20. This growth was achieved through strong relationships and partnerships with schools and local community groups.

Health and safety

In support of our focus on maintaining high safety and quality standards, we continue to be accredited to BS OHSAS 18001:2007 (Occupational Health and Safety Standard) and licensed by the Adventure Activity Licensing Authority (AALA).

People

The Prince's Trust is committed to being a great place to work and we recognise that releasing the potential of each of our talented colleagues and volunteers, means we can be there for young people.

We are committed to equality, diversity and inclusion. Our employee network groups support colleagues to bring their true self to work; and are led by some of our most inspiring and passionate colleagues. These networks focus on cultural awareness; the LGBT+ community; disability; and gender equality. The Trust works to support and amplify their work, to ensure we make progress in providing an inclusive environment where everyone can thrive. Focus areas include reviews of our policies and practices, understanding our data and identifying learning opportunities for colleagues.

We continue to have a strong focus on development and performance. This year we have supported a number of colleagues through "Inspire and Enable", our Leadership and Management programmes, supporting leaders to deliver The Trust's strategic goals. We are also launching a new

approach to performance management, underpinned by a focus on wellbeing, objectives and personal development.

We have further enhanced our people systems – including recruitment, on-boarding and our new learning module – all of which contribute to modernising our approach, streamlining the processes and creating a better experience for our people. Our online learning system is now enabling our colleagues to access a vast amount of development, optimising a blended approach of online and instructor-led learning.

Reputation

The Prince's Trust continues to take great care in the management of its reputation. This begins with effective risk management; taking good decisions around the partners we choose to work with and keeping our promises to young people and partners.

We continue to raise awareness and understanding among the public through regular media campaigns around the issues that affect young people – most recently with our 2020 Prince's Trust Youth Index, supported by L'Oréal. Highlighting the mental health challenges that young people face in an increasingly uncertain world, the Youth Index is gaining a reputation as a key indicator of young people's happiness and confidence.

Demonstrating the outstanding achievements of young people, our annual Prince's Trust Awards share the life-changing stories of inspirational young people and the mentors who support them.

We engage our Prince's Trust community of supporters through social media. Thanks to our network of Young Ambassadors and a growing list of social media influencers, we use digital media to spread positive messages and engage young people who we might struggle to reach through traditional channels.

Through our public affairs activity, we work with Ministers, MPs and representatives of devolved administrations to understand more clearly the real-life experiences of young people. We achieve this through visits to our programmes, targeted focus groups and sharing expertise to support policy development in areas such as youth employment and apprenticeships.

Investment and reserves

Investment Policy and Performance

The Prince's Trust Council is empowered through its Royal Charter to invest funds not immediately required for operational purposes appropriately. The mix of investments is maintained to ensure that there are sufficient liquid funds to cover working capital needs, any future cash calls and to provide capital growth within an agreed risk profile. The investments of The Trust are held in a diversified portfolio for the medium to longer-term, and during the year, The Trust created an additional portfolio for its Endowment Fund.

Cazenove Capital Management acts as investment adviser to The Trust, working with The Trust with the objective of maximising the total return within a given level of risk.

The Trust's portfolio produced a return of -15.2 per cent (2018/19: 4.3 per cent) during the year 2019/20. In the final few weeks of the financial year, the impact of Covid-19 led to sharp declines in the global stock markets, and this resulted in the overall loss for the year. Since March 2020, stock markets have regained much of their losses, as set out in Note 32.

The investment portfolio stood at a value of £21.7m as at 31 March 2020 (2018/19: £13.4m), excluding cash held for investment purposes. The value and composition of investments are summarised in Note 16 to the financial statements.

Reserves Policy

The total funds of The Prince's Trust Group stood at £65.7m as at 31 March 2020 (2018/19: £58.0m). The free reserves of The Prince's Trust Group were £21.6m as at 31 March 2020 (2018/19: £31.1m).

The Trustees review the reserves policy annually and target a level of free reserves of between four to six months

of operational expenditure. Reserves are held to cover for unforeseen circumstances including any unplanned reduction to income.

Included within free reserves are the equity value of freehold land and buildings and the value of programme-related investments net of a discount to estimate realisable value. The land and buildings are realisable to cash as they are held in prime and prominent locations, are kept in good marketable conditions and could be used for multiple purposes. Free reserves are within this target range and The Trust continues to manage its free reserves on a regular basis.

The adjustments to determine the free reserves of The Trust are set out below:

	2020 £m	2019 £m
Total funds of The Prince's Trust Group	65.7	58.0
Deduct:		
Restricted Funds	(13.5)	(12.4)
Endowment Funds	(13.4)	(1.0)
Designated Funds	(6.0)	-
Intangible and Tangible Fixed Assets (excluding Freehold Land and Buildings)	(10.9)	(13.2)
Realisable value discount on programme related investments	(0.3)	(0.3)
Free Reserves	21.6	31.1

An Endowment Fund to support the long-term sustainability of The Prince's Trust was established in 2018/19. Significant donations were made during the year to support the growth of the Endowment Fund. At the year end, the Trustees designated further funds with the intention of contributing to and growing the Endowment Fund.

FUNDRAISING FOR OUR WORK

During 2019/20, The Prince's Trust in the UK raised just over £63 million to ensure 70,181 young people were given the opportunity to develop the skills and confidence they needed to achieve their potential. None of this work would have been possible without the generosity of our valued supporters who believe in young people. Their time, money and energy help transform young lives and make change possible in our economy and society.

We are incredibly lucky to have such a dedicated community of supporters who donate, fund or support our work in a variety of different ways.

Corporate Partnerships

We partner with a broad range of UK businesses who provide funding, work experience, training and job opportunities to help young people succeed. We also engage their workforce to fundraise on our behalf and volunteer their time and expertise.

Public Sector

We work with national and local government to deliver quality-assured, evidence-based interventions for young people in communities across the UK. The extent of our public sector contracts demonstrate that we are trusted to deliver against national policy and local needs and work collaboratively to create long-term impact.

Philanthropy

We are fortunate to work with a network of highly engaged individuals, trusts and foundations who passionately believe in helping young people to transform their lives. They give their time, money

and support generously, to empower young people across the UK to reach their potential.

Individual Supporters and Legacy Giving

We benefit from the generous support of those who support us personally through regular gifts, one-off donations, fundraising on our behalf or leaving a gift in their will. Their support enables us to continue helping even more young people each year through their generous donations and fundraising efforts.

Events

We run an exciting range of fundraising and stewardship events across the UK, including our Palace to Palace bike ride and gala events. Our diverse portfolio is designed to appeal to a wide range of audiences, in both a physical and digital capacity, and raise vital funds to support young people.

Prince's Trust Trading and Additional Activities

We deliver income generating activities through our trading subsidiary, Prince's Trust Trading Limited, including ticketed events, sponsorship opportunities and commercial partnerships. We also secure

resources by sourcing gift-in-kind products, services and pro-bono expertise from existing partners and supporters. There are also occasions when we will work with third parties such as event companies and our corporate partners to carry out fundraising activities. Alongside our fundraising activities, we also have some other income sources such as our programme fees and investments.

Raising Funds for International Activities

Prince's Trust America, Prince's Trust Australia, Prince's Trust Canada, Prince's Trust International and Prince's Trust New Zealand each fund their work through their own fundraising efforts, which focus on philanthropy gifts and local corporate investment in their projects. More details on our international work can be found later in this report.

Omar, Taz and Emmanuel



FUNDRAISING GOVERNANCE

Maintaining the highest professional fundraising standards

We strive to achieve the highest possible standards of fundraising and undertake a number of measures to ensure we are accountable for our practices. The Prince's Trust is registered with the Fundraising Regulator who holds the Code of Fundraising Practice for the UK. We endeavour to carry out our fundraising activities in line with the Code of Fundraising Practice and the expectations of our supporters. We are also signed up to the Fundraising Preference Service, which gives the public control over the fundraising communications they receive.

Fundraising on our behalf

We require signed terms and conditions from those who fundraise on our behalf, before being able to use our logo and branding to fundraise. Where we work with third parties, such as event companies, we have agreements in place and regularly monitor their performance in line with these agreements.

Protecting vulnerable people

The Trust is committed to protecting vulnerable people and other members of the general public from unreasonable intrusion on a person's privacy, unreasonably persistent fundraising approaches and placing undue pressure on a person to give money. Our fundraising activities follow both the Code of Fundraising Practice and our own ethical fundraising policy. To help protect vulnerable people, we have a field on our fundraising database which records a potentially vulnerable person, and we exclude anyone flagged on the database as vulnerable from all our fundraising appeals.

Managing our supporters' complaints and communications

The Prince's Trust is committed to providing a high-quality service to all of its service users, partners and supporters. We have a clear complaints policy that instructs us to thoroughly investigate any complaints, communicate results, record results and review our work, enabling improvements to be made, if required. In 2019/20, we received 12 complaints about our fundraising activities, compared to 21 we received in 2018/19.

During the year, we sent one direct mail fundraising appeal and one direct mail impact newsletter to supporters. We continued to engage with all our supporters through communications based their preferences.

Further to our complaints policy, we make a pledge to our generous supporters that:

- You can expect The Trust to use your donations wisely, and to help young people in the most effective and efficient manner.
- You can expect The Trust to hold your information securely and responsibly, and we will not share any of your details for use by any other organisation.
- If you have supplied your name and address, we will send you communications you have asked for, or agreed to receive, so you know how your donation is helping to transform young lives. You can choose the frequency of these communications or opt to stop hearing from us at any time.
- We would love to hear your feedback about any aspect of our work, our fundraising, or your experience as a supporter. Please email getinvolved@princes-trust.org.uk

FUTURE PLANS OF THE PRINCE'S TRUST IN THE UK

Covid-19

The coronavirus pandemic has been instrumental in shaping our future delivery plans. In March 2020, we launched our Young People Action Plan to ensure we continue to be there for young people during the pandemic. Since then our colleagues, delivery partners and volunteers have demonstrated incredible agility in developing and using new virtual methods of working to continue supporting young people.

As we concluded the year 2019/20, Covid-19 was starting to impact our delivery particularly in Health and Social Care. Entry-level vacancies in the health sector remain high and we will work at local and national levels to find innovative ways to help young people start a career in healthcare.

As lockdown restrictions change across the UK during 2020/21, much of our conventional delivery has been constrained. By using a blend of face to face and online delivery, we are aiming to maintain our full suite of programmes. Face to face delivery is restricted by social distancing rules and must meet health & safety best practice, but it is an essential element of our intervention. To support online delivery, we will be investing in safeguarding technology to enable us to scale delivery.

Review of Operating Model

Prior to Covid-19, we had started work with Deloitte to review our operating model. In the months and years ahead, we will implement the outcomes from this review, including to improve our proposition to young people, make best use of our data, enhance our impact measurement and continue to develop and support our staff and volunteers.

We are committed to delivering a robust suite of programmes that support young people effectively and efficiently. We will continue to develop our support for young people who face challenges while in education; those trying to get their life on track and secure a job; and young people who want to explore the potential to work for themselves.

Central to our approach is a consistent, UK-wide delivery model with robust quality assurance. We will continue to innovate and develop our programmes; however, we will stop smaller initiatives that cannot be scaled cost effectively.

Digital Future

In our experience, young people are best supported through a blend of face to face and online delivery. For example, personal social development is embedded in all our programmes; and this is best delivered in a face to face setting. Meanwhile, supporting young people into self-employment more readily lends itself to online engagement.

Our future plans therefore include a combination of face to face engagement with young people, supported by online resources. This will enable us to continue to be there for young people, through and beyond Covid-19.

While not able to deliver conventional programmes, we have demonstrated that we can safely support a significant number of young people using digital and online solutions. This support includes structured one to one sessions and online group sessions focused on wellbeing, employability skills and self-employment. We have also accelerated our digital development work, to identify new ways of engaging young people online in the employability and enterprise space.

As we scale up our online delivery, we will invest in solutions that ensure the well-being and safety of young people through our 'Safeguarding First' approach. These solutions include investing in call recording and moderation platforms alongside our growing online delivery; and developing an online mentoring platform with stringent safeguarding protocols embedded.

Economic Outlook

Youth unemployment is set to increase further in the year ahead. Young people have been hit the hardest by the economic impact of Covid-19, with many entry-level jobs in hospitality and retail disappearing. Several of our established employment partners will not be recruiting at the same level for the foreseeable future and we will be challenged to find employment outcomes for many of the young people we support.

We will continue to work with government and employers to create opportunities for young people, and we will play a key role matching and supporting young people and employers in all sizes of businesses.

Many new jobs with a foundation in technology are being created. One of our key areas of focus in the year ahead is to support young people with the skills, knowledge and attitude to access these exciting new roles. We will work with our Technology Leadership Group, which comprises many of the leading technology companies in the UK, to create pre-employment programmes to support young people into a career in the world of technology.

Mental Wellbeing

While we are not a mental health charity, a high percentage of the young people we work with report mental wellbeing challenges. We will continue to enhance our delivery to ensure we are supporting these young people and develop partnerships at a local and national level to help young people to access the support they need.

Equality, Diversity and Inclusion

The Trust is fully committed to promoting and supporting equality, diversity and inclusion. Building on our established employee network groups, and in response to the Black Lives Matter movement, we have launched a Black Equity Action Group. This group of colleagues is reviewing current recruitment practices and staffing data; and helping us to improve how welcoming and inclusive The Trust is for Black colleagues, particularly as they seek to navigate the senior ranks of The Trust. The group will also review the extent of The Trust's reach into young Black communities across the UK; and make recommendations on how we can enhance our outreach and community engagement activities.

Alan

GOVERNANCE

The following section covers the governance arrangements for The Prince's Trust

TRUSTEES' RISK STATEMENT

Risk management

The Prince's Trust has a duty of care to the young people we support, our staff, our supporters and our partners. To ensure that our work with these groups can effectively improve the outcomes for young people, The Trust has established a formal structure and process to manage our risks.

The Prince's Trust Council (the Council) retains overall responsibility for risk management, and through its committees has oversight of the risk landscape and assurance arrangements. This structure is supported by our colleagues in assurance functions such as Risk, Internal Audit, Legal, Governance, Safeguarding and Health and Safety, who provide the insight required, as well as a broad range of compliance reporting on:

- Safeguarding - young people and children
- Financial management and performance of The Trust
- Significant risks and an evaluation of the steps taken to minimise likelihood and impact
- Internal controls, risk management, regulatory reporting and compliance
- Ethical fundraising
- Health and Safety
- Data Protection and Information Security.

Significant risks are discussed at each Council meeting during which the Trustees seek assurances that they are being adequately controlled and managed. The committees work closely with the Executive Committee to ensure that across the organisation, staff and volunteers feel empowered and encouraged to highlight risks and issues so that appropriate actions are taken and, if significant, reported to the Council.

Principal risks

Prior to the emergence of Covid-19 in early 2020, the risks facing The Prince's Trust in 2019/20 were principally:

- Safeguarding children and young people
- Continued relevance of our programmes and services to young people
- Ensuring adequate financial resources and staffing to deliver the strategy and meet our charitable objectives.

The impact of Covid-19 has challenged our approach to supporting young people and our approach to governance throughout The Trust. As a result, the following risks have emerged for the period ahead:

- Safeguarding children and young people, including for online delivery
- Pressures on our income due to the economic impact of Covid-19
- Challenges to supporting young people due to social distancing and social isolation measures
- The need to develop new digital products to work in a social distanced environment
- The impact of Covid-19 on our delivery and commercial partners and our ability to deliver our charitable purpose through them
- Impacts on our staff, either through being on furlough leave or working in isolation from their teams during the pandemic
- Challenges to finding suitable, secure employment outcomes for young people in an external climate of rising unemployment.

Our response to these issues has led to the rapid development of new processes, methods of working and ways of measuring our risks, including:

- Managing the working patterns of our teams as we move to more remote delivery and adhere to social distancing guidelines
- Developing our forecasting methods, looking at a broader range of scenarios and longer-range cashflow forecasts
- Establishing an Internal Audit function to review internal controls and better manage emerging risks
- Prudent management of our reserves with more effective cost control and alignment of delivery with our funding
- Developing more granular risk monitors to capture the impacts more quickly from a rapidly changing external environment
- Renewing our internal policies to ensure they are robust and comprehensive enough in the new environment.

Fairbridge Society
In 2011, Fairbridge (which had long ceased to have any involvement in child migration programmes) became part of The Prince's Trust. At the time, The Prince's Trust inherited the archives. Fairbridge was subsequently dissolved in 2013.

The Prince's Trust is committed to supporting former child migrants and we will continue to do all we can to enable them to access any information contained in the archives of Fairbridge.

The Prince's Trust is also currently in discussions with the Commonwealth of Australia about redress for a number of former child migrants of Fairbridge. In March 2020, Fairbridge was restored to the register of companies in England & Wales, and can be contacted at 4 Hardman Square, Spinningfields, Manchester, M3 3EB. The company is now in administration.

ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Prince's 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 Executive Committee 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 or more of the committees, to be ready to contribute to the 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 six times a year with occasional additional meetings as needed. The Trustee role is unremunerated, but Trustees are able to claim expenses where relevant.

The Council
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 is a matter for their boards.

Sub Committees

The Prince’s Trust Council has appointed eight 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 2019/20 were:

Finance:
Shabir Randeree CBE (Chair), Sir Nigel Knowles, Tania Slowe, Alistair Summers

Risk and Audit:
Alistair Summers (Chair), Sir Nigel Knowles, Shabir Randeree CBE, Tania Slowe

Investment:
Richard Oldfield OBE DL (Chair), John Booth DL, Ian Mukherjee, Michael Marks CVO CBE, Sandra Robertson

Fundraising Advisory Board:
Ian Mukherjee (Chair), Uzair Bawany, James Bennet MBE, John Booth DL, Jeremy Green, Richard Huntingford, Steve Sealey, Sir James Wates CBE

Nominations and Remuneration Committee:
John Booth DL (Chair), Alison Brittain CBE, Shabir Randeree CBE

Young Persons Committee:
Michelle Pinggera (Chair), Alistair Summers, Blondel Cluff CBE, Sir Nigel Knowles, Kirstie Donnelly MBE

Technology Committee:
Mark Dearnley (Chair), Gavin Cartwright, Ian Mukherjee, Kevin Walsh

Ethical Fundraising & Reputational Risk Committee:

Simon Major (Chair), Tania Slowe

The Prince’s Trust Council appoints Advisory Committees in Wales, Scotland and Northern Ireland, Development Committees in the English regions, Development Committees for our Industry and Leadership Groups and an Advisory Committee for our Mosaic programme. 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 Executive Committee for the day-to-day management of The Trust. The composition of the Executive Committee changed in January 2020 and now comprises the UK Chief Executive, Deputy CEO (Design & Delivery), Director of Fundraising, Group General Counsel & Company Secretary, Director of People & Learning and Chief Financial Officer.

The Executive Committee 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 and Remuneration Committee considered and approved the appointment and remuneration of new roles in the Executive Committee in consideration of good practice in the charity sector.

The Charity Governance Code
The Council fully supports the Charity Governance Code, whilst the Code is voluntary and aspirational the Council recognises its importance in promoting good governance. The Prince’s Trust does, and will continue to, improve its own governance where necessary in accordance with the Code.

Subsidiaries

The Prince’s Trust has the following charitable subsidiaries, being;

Prince’s Trust America
Prince’s Trust Australia
Prince’s Trust Canada
Prince’s Trust International
Prince’s Trust New Zealand

Each charitable subsidiary is registered in its country of incorporation and has its own board of trustees, which is responsible for managing its affairs and appointing its Chief Executive. The Group Chief Executive has delegated authority from the Council of The Prince’s Trust to work with the UK Chief Executive and Chief Executives of the charitable subsidiaries to co-ordinate the activities of the Group.

For more detailed information about the activities, achievements and future plans of The Trust’s charitable subsidiaries, see pages 33–41.

In addition to the charitable subsidiaries listed previously, The Prince’s Trust has a wholly-owned non-charitable subsidiary; **Prince’s Trust Trading Limited**, which undertakes The Prince’s Trust’s commercial activities. 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 2019/20 was £1.5m (2018/19 £2.1m). Prince’s Trust Trading Limited is incorporated in England and Wales (with company number 03161821).

The Group Consolidated Statements include The Trust, the charitable and non-charitable subsidiaries. The financial results for 2019/20 of all subsidiaries are summarised in Note 17 to the Financial Statements.

Participants on a Get into
programme in India with the
Magic Bus Foundation

THE PRINCE'S TRUST FAMILY

INTRODUCTION

from Dame Martina Milburn DCVO CBE, Prince's Trust Group CEO



Now more than ever, young people need our support. Our dedicated staff, volunteers, supporters and partners are all determined to help young people through and beyond this global crisis, so they can survive and thrive in these highly uncertain and challenging times.

The Prince's Trust group of charities includes the work of The Prince's Trust in the UK alongside Prince's Trust International, Prince's Trust Australia, Prince's Trust New Zealand, Prince's Trust Canada and now Prince's Trust America.

Together during 2019/20 we supported 76,328 young people, we helped 620 military veterans to set up in business and we invested in building sustainable communities.

We are now active in 14 Commonwealth countries including Australia, Barbados, Canada, Ghana, India, Jamaica, Kenya, Malaysia, Malta, New Zealand, Pakistan, Rwanda, Trinidad & Tobago and the United Kingdom plus Greece, Jordan, Serbia and the USA.

Our strategic priorities are: to help young people to respond to the rapidly changing global economy and world of work; to improve their lives by making the successful transition from education to employment; to support people to set up sustainable and green businesses; to increase access to our support through innovative partnerships and digital solutions; and to help build sustainable communities.

We are truly grateful to His Highness The Aga Khan, our Global Founding Patron; and to HSBC, our Global Founding Corporate Partner. Together with these and other committed supporters, we are determined to transform more lives and build sustainable communities in the years to come.

I would also like to thank our wonderful team of staff, volunteers and delivery partners, who together work tirelessly to support people around the globe.

Most of all, our thanks go to His Royal Highness The Prince of Wales for his visionary leadership and inspiration.

Martina

**Dame Martina Milburn
DCVO CBE**

“Coming from the place
I was in and the place
I am now, this is just
the beginning.”

–Akeme, Barbados



PRINCE'S TRUST AMERICA

Prince's Trust America (PTUSA) was established in May 2019 as a 501(c)(3) charitable entity in New York State (EIN number 82-5457122). The board of trustees is chaired by Jeremy Green.

Prince's Trust America is in start-up mode. The initial strategy of PTUSA is focused on raising funds in the United States, to support the charitable work of The Prince's Trust Group of charities across the world.

Financial Performance

Income for the year 1 April 2019 to 31 March 2020 was £6.905m. Of this, PTUSA made a total of £5.024m in programme grants to The Prince's Trust and Prince's Trust International. Total expenditure (including operating costs of £137k) was £5,161k, delivering an operating surplus of £1,744k.

Future Plans

During 2020/21, PTUSA plans to secure £3.23m of income and to deploy £2.98m to other charities within The Prince's Trust Group.

Prince's Trust America aims to appoint an Executive Director by late 2020. Whilst PTUSA has been active since inception, the formal launch event – originally scheduled for April 2020 – was postponed due to Covid-19 restrictions; and has been rescheduled to September 2021.

In due course, PTUSA has future plans to support young people in the United States once it has developed further.

Our key strategic goals for 2020/21 are:

Goal 1: Achieve financial and operational sustainability while maximizing the benefits and opportunities of being a part of The Prince's Trust Group.

Goal 2: Develop an effective strategic plan to engage patrons, stakeholders and the Prince's Trust Group of charities.

Goal 3: Led by the new Executive Director, begin to engage a new audience of US-based patrons supporting PTUSA, to provide a significant year-on-year increase in revenues over the longer term.

PRINCE'S TRUST AUSTRALIA

Prince's Trust Australia (PTA) is a public company limited by guarantee, registered as a charity with the Australian Charities and Not-for-profits Commission (with registered number ABN 73 161 872 993). The Prince's Trust is the sole member of PTA. The board of trustees is chaired by the Hon Julie Bishop. Justin Hewitt was appointed Executive Director in May 2020. At 31 March 2020, the team included eight staff and a number of highly valued volunteers.

During 2019/20, PTA redesigned its 'Enterprise for Veterans' programme, which inspires military veterans into entrepreneurship, developing Enterprise Online as a digital module. PTA engaged 160 Australian Defence Force veterans and family members during 2019/20. In the past few years, PTA has supported 326 veterans and family members.

PTA delivered its first pilot of the Achieve education programme in Victoria, supporting 350 young people to prepare for the rapidly changing world of work by developing their enterprise skills. PTA also provided professional development training for 35 educators. PTA is now developing 'Achieve Fest' as an online engagement opportunity for young people, parents and educators.

PTA continued to develop its Sustainable Communities portfolio, helping to create more sustainable places to live, through new exemplar building projects and education

programmes. During 2019/20, PTA progressed 'The Prince's Quarter', a new mid-rise residential development in Sydney, which will provide new social housing and demonstrate best practice sustainability and design. PTA also delivered a series of Sustainable Urbanism lectures and panel discussions across Australia.

Financial Performance

Income for the year 1 April 2019 to 31 March 2020 was £1.105m (2018/19 income: £973k). Expenditure was £985k (2018/19 expenditure: £954k), resulting in an operating surplus of £121k (2018/19 surplus in the year of £19k).

At 31 March 2020, total reserves were £719k including £101k which was restricted to delivery due to take place in 2020/21. Unrestricted reserves at 31 March 2020 were therefore £617k (2018/19 unrestricted reserves: £228k).

Future Plans

Prince's Trust Australia is responding swiftly to the impact of the Covid-19 pandemic, by switching to online delivery of its programmes. During 2020/21, PTA plans to achieve £932k of income and deploy £709k of expenditure, to deliver an operating surplus of £223k. This will enable the following delivery:

- 200 military veterans and family members to be supported through the 'Enterprise for Veterans' programme and new programmes to assist

Australian Defence Force spouses into business.

- 1,300 young people to be supported through the Achieve programme, with the majority participating through 'Achieve Fest'; and professional learning workshops for 100 secondary school educators.
- PTA to continue to advise on "The Prince's Quarter" in Sydney; begin to rebuild the Stokes Bay Community Hall on Kangaroo Island after the 2020 bushfires; and facilitate the Enduring Design Masterclass in partnership with University of Queensland.

Our key strategic goals for 2020/21 are:

Goal 1: Develop and deliver relevant and responsive programmes and projects across our three portfolios, to broaden our engagement and impact for Australian communities.

Goal 2: Implement the new marketing and communication strategy, while maximising the benefits of The Prince's Trust Group, to expand and engage our patronage and corporate partnerships.

Goal 3: Achieve financial sustainability through fiscal management and operational efficiencies with the introduction of improved systems and processes.

Matt, Australia



Participants on a Get into
Hospitality programme
in Canada with Marriott
International



Prince's Trust Canada
La Fondation du prince au Canada

PRINCE'S TRUST CANADA

Prince's Trust Canada (PTC) is designated a Charitable Organisation under the Canadian Income Tax Act (registered number 83229 5406 RR000). The Prince's Trust is the sole member of PTC. The Board of Directors is chaired by F. Mark M. Fell. Sharon Broughton is the Chief Executive. At 31 March 2020, the team included 17 staff.

In 2019/20, Prince's Trust Canada's programmes helped young people overcome barriers to employment and prepare for the changing world of work; provided entrepreneurship training and support for veterans; and created important language resources for Indigenous children and their families. During 2019/20, PTC supported 633 total participants, including 173 young people and 460 veterans and transitioning military members.

In 2019/20, PTC completed an extensive consultation process to create a five-year strategic plan. This new plan involves a deeper commitment to sustainability and directly references the United Nations Sustainable Development Goals. For example, new programming in 2020/21 will expand on its youth employment work, building from the sectors it has engaged with to date, to include urban forestry and green trades.

Climate action will be directly embedded into all programming and its operations, to reduce its carbon footprint. The Strategic Plan for 2020/25 has five objectives: Preparing young people and veterans for the transforming world of work; Championing sustainable solutions for a green recovery; Empowering our people and our partnerships; Delivering Impact; and Investing in the future.

Financial Performance

Income for the year 1 April 2019 to 31 March 2020 was £1.448m (2018/19 income: £1.288m). Expenditure was £1.448m (2018/19 expenditure: £1.284m), resulting in a balanced budget (2018/19 surplus in the year of £4k).

At 31 March 2020, total reserves were £1.449m including £936k which was restricted to delivery due to take place in 2020/21. Unrestricted reserves at 31 March 2020 were therefore £513k (2018/19 unrestricted reserves: £237k).

Future Plans

During 2020/21, PTC plans to secure £1.371m of income and deploy £1.371m of expenditure. The global Covid-19 pandemic has led to significant adjustments in programme delivery, including the creation of new digital programming. Original plans to support 835 total participants including 245 young people and 590 military veterans through in-person programming may be adjusted given the adaptations required by the changed circumstances.

During 2020/21, PTC will formally launch its new vision: "a sustainable future for Canada, where young people and communities thrive". The new mission is "to empower young people and veterans to build resilient, future-ready communities".

The strategic goals for 2020/21 include the following:

Goal 1: Develop and launch new programming in sustainability, with an initial focus on youth employment in urban forestry and green trades.

Goal 2: Create a new measurement and evaluation framework to capture tangible impact across all programs, integrating the United Nations Sustainable Development Goals.

Goal 3: Develop a new case for support articulating the strategic plan, inspiring new commitments to achieve financial and operational sustainability.

PRINCE'S TRUST INTERNATIONAL

Prince's Trust International (PTI) is a company limited by guarantee (company number 09090276) and is registered with the Charity Commission for England and Wales (registered number 1159815). The Prince's Trust is the sole member of PTI. The board of trustees is chaired by Sir Lloyd Dorfman CBE.

Jonathan Townsend was the Chief Executive until December 2019. Dermot Finch was the Interim CEO until October 2020, when Will Straw CBE started as the new permanent Chief Executive. At 31 March 2020, the team included 44 staff and a number of highly valued volunteers.

Prince's Trust International works with local youth organisations across the Commonwealth and beyond, delivering programmes for young people in education, employability and enterprise. We believe that every young person should have the chance to succeed and to contribute to their local economy, engaging as active members of society. PTI has supported over 16,000 young people during its first few years.

During 2019/20, PTI successfully delivered programmes with partners to support 5,455 young people in their journey from education to employment in 11 countries including Barbados, Ghana, Greece, India, Jamaica, Jordan, Kenya, Malaysia, Malta, Pakistan and Trinidad & Tobago. This delivery was made possible by a range of valued supporters, including His Highness The Aga Khan (Global Founding Patron of The Prince's Trust Group) and HSBC (Global Founding Corporate Partner of The Prince's Trust Group).

Financial Performance

Income for the year 1 April 2019 to 31 March 2020 was £4.160m (2018/19 income: £1.726m) and expenditure was £3.070m (2018/19 expenditure: £1.855m), resulting in an operating surplus of £1.090m (2018/19 deficit for the year of £129k).

At 31 March 2020, total reserves were £1.446m including £723k which were restricted to delivery due to take place in 2020/21. Unrestricted reserves at 31 March 2020 were therefore £723k (2018/19 unrestricted reserves: £252k).

Future Plans

The coronavirus pandemic has generated unprecedented uncertainty and increased demand from young people for our support. Prince's Trust International and its partners are determined to do even more to support young people through and beyond the Covid-19 crisis, while at the same time ensuring that our delivery model and finances are efficient and sustainable.

Our three strategic priorities for 2020/21 are:

Goal 1: Adapt our delivery model, by accelerating the growth of our digital offer and maintaining face-to-face delivery where appropriate, aiming for year-on-year growth in delivery.

Goal 2: Support even more young people through this difficult time, through our colleagues and delivery partners.

Goal 3: Protect PTI's financial sustainability in the short and long term, so we can be there to support young people through and beyond this crisis.

With its delivery partners, PTI aims to support 8,750 young people during 2020/21, especially through digital and online channels, in 13 countries: Barbados, Ghana, Greece, India, Jamaica, Jordan, Kenya, Malaysia, Malta, Pakistan, Rwanda, Serbia and Trinidad & Tobago. We have been encouraged so far by the resilience of our delivery partners and their ability to support young people online; and have launched our own direct digital project, initially in Barbados.

During 2020/21, PTI plans to achieve £4.35m of income (2019/20 income: £4.16m) and deploy £4.6m of expenditure, delivering a planned operating deficit of £250k. We expect to achieve total unrestricted reserves of approximately three months of operating expenditure by 31 March 2021.

PRINCE'S TRUST NEW ZEALAND

Prince's Trust New Zealand (PTNZ) launched in 2018 and is registered as a charity in New Zealand (registered number CC56358). The Prince's Trust is the settlor of PTNZ. The board of Trustees is chaired by Andrew Williams. Anya Satyanand is the Chief Executive. At 31 March 2020, the team included six staff and a number of highly valued volunteers.

The initial strategy of PTNZ was the outcome of an innovative participatory process and was developed with input from young New Zealanders. The mission of PTNZ is to equip and empower young people to live, learn and earn; its priority is to deliver high-quality, impactful programmes with young people.

2019/20 marked a period of sustained growth and development for PTNZ, with a substantial body of work to design and deliver quality, relevant employability and entrepreneurship programmes for young people. During 2019/20, PTNZ engaged with 169 young people through its programmes. PTNZ also launched a programme to catalyse powerful conversations with young people on racism, power and privilege. The PTNZ impact framework holds us accountable to the importance of self-determination for the young people we support; and enables PTNZ to demonstrate its impact in a way that aligns with the wider evaluation processes across The Prince's Trust Group.

A highlight of the year was the visit from our President, His Royal Highness The Prince of Wales, in November 2019. HRH met several young entrepreneurs engaging with our Enterprise programme. It was clear that the environmental vision that His Royal Highness has championed for many decades aligns with the sense of whānau (family) and kaitiakitanga (guardianship – of the natural world) that motivates the young people engaging with our programmes. Sustainability in its broadest sense has been a fundamental design principle in all of our programmes in New Zealand.

Financial Performance

Income for the year 1 April 2019 to 31 March 2020 was £442k (2018/19 income: £183k). Expenditure was £385k (2018/19 expenditure: £158k), delivering an operating surplus of £57k (2018/19 surplus of £25k).

At 31 March 2020, PTNZ's total reserves were £202k including reserves restricted for programme delivery in 2020/21 of £123k. Unrestricted reserves at 31 March 2020 were therefore £80k (2018/19 unrestricted reserves: £23k).

Future Plans

During 2020/21, PTNZ plans to secure £510k of income and deploy £404k of expenditure, to support 400 young people through its employability, entrepreneurship and other programmes.

Our mission is to activate young New Zealanders as the designers, creators and workers of a future economy that is sustainable, equitable and prosperous.

Our key strategic goals for 2020/21 are:

Goal 1: Achieve financial and operational sustainability while maximising the benefits and opportunities of being a part of The Prince's Trust Group.

Goal 2: Deliver tangible social impact through high quality programmes that are relevant and responsive to present day New Zealand.

Goal 3: Use our programme outcomes to inform systems level change.

ACHIEVEMENTS AND PERFORMANCE – GROUP

FINANCIAL REVIEW FOR THE PRINCE'S TRUST GROUP

The results of The Prince's Trust Group for the year are set out in the Consolidated Statement of Financial Activities (SOFA) on page 51. Net incoming resources for the year after gain on investments were £7.7m (2019: £1.5m). The free reserves at the end of the financial year were £21.6m (2019: £31.1m) as analysed on page 20.

Income and Endowments

Total income was **£88.3m** in 2019/20 (2019: £67.4m), an increase of £20.9m from the prior year. The increase came from individual donations and legacies, which increased from £19.9m in 2018/19 to £42.2m in 2019/20 – including £12.4m of endowment funds.

Where our Group funds of £88.3m came from:

Group income	2020 £'000	2019 £'000
Corporates	16,068	14,255
Charitable Trusts	7,900	9,236
Individuals & Legacies	42,190	19,940
Gifts in Kind	3,744	3,690
Trading Income	5,121	5,939
Investment Income	779	255
Public Sector contracts	10,883	11,849
Programme fees	1,500	1,606
Other Income	155	637
Total	88,340	67,407

Expenditure

Total Group expenditure increased 10.6 per cent to £77.3m in 2019/20 (2018/19: £69.9m) in line with the increase in income.

The Group expenditure on raising funds increased by 13.4 per cent, to £15.2m (2018/19: £13.4m). This was driven by the increased fundraising activities of our international operations.

The total cost of charitable activities increased by 9.7 per cent to £62.1m (2018/19: £56.6m) in line with the increase in income.

Group expenditure	2020 £'000	2019 £'000
Total	77,302	69,922
Less trading costs	(3,608)	(3,750)
Less expenditure on raising funds	(11,493)	(9,522)
Total expenditure to meet our objectives	62,201	56,650

Where our Group expenditure of £77.3m was used:

Group expenditure	2020 £'000	2019 £'000
Enterprise	9,878	10,010
Team	4,718	4,962
Development Awards	2,878	1,858
Achieve	8,465	5,147
Get into	11,224	8,255
Get Started	5,125	3,463
Local programmes & pilots	7,210	5,441
Adventurous Activities	-	3,665
Explore	7,680	8,005
Prince's Trust Online	-	2,235
The Prince's Trust – Charitable Activities	57,178	53,041

Subsidiaries – Charitable Activities		
Prince's Trust America	2,551	-
Prince's Trust International	362	1,381
Prince's Trust Australia	882	931
Prince's Trust Canada	1,155	1,060
Prince's Trust New Zealand	-	142
Charitable Activities Total	62,128	56,555

Expenditure on raising funds	15,174	13,367
The Prince's Trust Group – Total	77,302	69,922

The Prince's Trust charitable subsidiaries raise and spend their own funds and are included in restricted funds in the Group Consolidated Financial Statements. Funds raised for UK activity are spent in the UK and split between restricted, unrestricted and endowment depending upon conditions specified by the donor.

Notes 7, 8 and 9 to the financial statements provide a detailed analysis of expenditure by the Group.

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 31 March 2020.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, 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 in business.

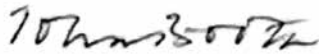
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors

In so far as the Trustees are aware,

- there is no relevant audit information of which the Charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.



John Booth DL
Chairman
25 November 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Principal Address

8 Glade Path
London
SE1 8EG

Telephone: 0800 842 842
info@princes-trust.org.uk
www.princes-trust.org.uk

Charity Registration Number:

England and 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

Global Founding Patron

His Highness The Aga Khan

Chairman of The Prince's Trust Council

John Booth DL

Vice President

Michael Marks CVO, CBE
(appointed July 2019)

Trustees and Members of The Prince's Trust Council

John Booth DL (Chairman)
Joan Armatrading CBE
(appointed September 2020)
Alison Brittain CBE
Blondel Cluff CBE (retired
August 2019)
Mark Dearnley (appointed
September 2019)
Kirstie Donnelly MBE (appointed
September 2019)
Sir Nigel Knowles (retired
September 2020)
Michael Marks CVO, CBE
(retired July 2019)
Ian Mukherjee
Richard Oldfield OBE, DL
Michelle Pinggera
Shabir Randeree CBE
Tania Slowe (appointed
September 2019)
Ramneek Sohal (appointed
September 2019)
Alistair Summers

Management

Jonathan Townsend, UK Chief
Executive (appointed January
2020)
Ian Jeffers, Deputy CEO (Design
and Delivery)
Kimberley Cleland, Director
of People and Learning
(appointed January 2020)
Saras Seth, Chief Financial
Officer (appointed February
2020)
Frances Milner, Director of
Fundraising (appointed July
2020)
Dame Martina Milburn DCVO
CBE, Group Chief Executive
Simon Major, Group General
Counsel and Company
Secretary
Nick Stace, UK Chief Executive
(left December 2019)
Wayne Orr, Chief Operating
Officer (left December 2019)
Tara Hull (Leathers), Deputy
CEO (Income and Innovation)
(left May 2020)

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place,
London WC2N 6RH

Principal Solicitors

Farrer and Co
66 Lincoln's Inn Fields
London WC2A 3LH

Bankers

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

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

Investment Advisers

Cazenove Capital
Management Ltd
12 Moorgate,
London EC2R 6DA

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE PRINCE'S TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, The Prince's Trust's Group financial statements and parent charity financial statements ("the financial statements"):

- Give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2020 and of the group's and parent charity's incoming resources and application of resources, and of the group's cash flows, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- Have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within The Prince's Trust Group Annual Report and accounts (the "Annual Report"), which comprise: the group consolidated and charity balance sheets as at 31 March 2020; the group consolidated statement of financial activities and The Prince's Trust statement of financial activities for the year then ended, the group consolidated cash flow statement for the year then ended; and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charity's ability to continue as a going concern.

Independent auditors' report to the Trustees of The Prince's Trust (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion the information given in the Trustees' Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit Responsibilities of the trustees for the financial statements

As explained more fully in the statement of trustees' responsibilities set out on page 44, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed auditors under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

Independent auditors' report to the Trustees of The Prince's Trust (continued)

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and regulations made under those Acts (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

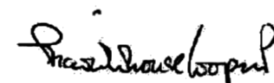
OTHER REQUIRED REPORTING

Charities Accounts (Scotland) Regulations 2006 (as amended) and Charities (Accounts and Reports) Regulations 2008 exception reporting

Under the Charities Accounts (Scotland) Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
London

25 November 2020

“Those dark times were a few chapters, not my whole story. If a select few people at the Prince's Trust hadn't saw what they did in me, I'm not sure I'd be here today.”

–Fiona



Aisa

FINANCIAL STATEMENTS

Group consolidated statement of financial activities for the year ended 31 March 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2019 £'000
Income and endowments from:									
Donations and legacies	3	22,827	34,681	12,394	69,902	14,921	31,200	1,000	47,121
Charitable activities	4	1,459	10,924	-	12,383	1,544	11,911	-	13,455
Other trading activities	5	5,100	21	-	5,121	5,903	36	-	5,939
Investments	6	771	8	-	779	242	13	-	255
Other		142	13	-	155	602	35	-	637
Total		30,299	45,647	12,394	88,340	23,212	43,195	1,000	67,407
Expenditure on:									
Raising funds	7	15,174	-	-	15,174	12,604	763	-	13,367
Charitable activities	8	22,838	39,290	-	62,128	13,422	43,133	-	56,555
Total		38,012	39,290	-	77,302	26,026	43,896	-	69,922
Net (losses)/gains on investments	16	(3,331)	-	-	(3,331)	514	20	-	534
Gain on disposal of Prince's Trust House	30	-	-	-	-	3,443	-	-	3,443
Net movement in funds/net (expenditure)/income for the year		(11,044)	6,357	12,394	7,707	1,143	(681)	1,000	1,462
Total funds brought forward at the beginning of the year		44,660	12,353	1,000	58,013	43,908	12,643	-	56,551
Movement of funds within the year		5,230	(5,230)	-	-	(391)	391	-	-
Total funds carried forward at the end of the year	30	38,846	13,480	13,394	65,720	44,660	12,353	1,000	58,013

Note 1 gives details of the basis of reporting for the financial statements.

The Notes on pages 55–88 form part of the financial statements.

There are no recognised gains and/or losses other than those passing through the consolidated statement of financial activities. All of the operations are continuing in the Group.

The Prince’s Trust statement of financial activities for the year ended 31 March 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2019 £'000
Income and endowments from:									
Donations and legacies	3	19,978	31,114	12,394	63,486	14,922	27,535	1,000	43,457
Charitable activities	4	1,459	10,754	-	12,213	1,545	11,644	-	13,189
Other trading activities	5	1,499	-	-	1,499	2,154	-	-	2,154
Investments	6	749	-	-	749	240	-	-	240
Other		-	-	-	-	602	-	-	602
Total		23,685	41,868	12,394	77,947	19,463	39,179	1,000	59,642
Expenditure on:									
Raising funds	7	10,492	-	-	10,492	8,854	-	-	8,854
Charitable activities	8	16,872	42,753	-	59,625	13,422	39,619	-	53,041
Total		27,364	42,753	-	70,117	22,276	39,619	-	61,895
Net movement in funds/net (expenditure)/income for the year									
Net (losses)/gains on investments	16	(3,331)	-	-	(3,331)	543	-	-	543
Gain on disposal of Prince's Trust House	30	-	-	-	-	3,443	-	-	3,443
Total funds brought forward at the beginning of the year									
		44,692	9,664	1,000	55,356	43,519	10,104	-	53,623
Total funds carried forward at the end of the year									
	30	37,682	8,779	13,394	59,855	44,692	9,664	1,000	55,356

Note 1 gives details of the basis of reporting for the financial statements.

The Notes on pages 55–88 form part of the financial statements.

There are no recognised gains and/or losses other than those passing through the consolidated statement of financial activities. All of the operations are continuing in the Group.

Group consolidated and Charity balance sheets as at 31 March 2020

	Note	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed assets					
Intangible assets	14	3,946	7,182	3,944	7,181
Tangible assets	15	22,129	18,905	22,077	18,875
Investments - Fixed Asset	16	21,691	13,399	21,691	13,399
Investments – Property	16	296	319	296	319
Investments in subsidiaries		-	-	-	-
Programme Related Investments - loans to supported businesses (net of provisions):					
Amounts recoverable within one year	18	499	1,394	499	1,394
Total fixed assets		48,561	41,199	48,507	41,168
Current assets					
Stocks	19	-	47	-	-
Debtors	20	10,732	8,046	10,516	9,978
Cash held for investment purposes	21	1,772	2,015	1,303	1,470
Cash at bank and in hand	21	30,236	28,978	23,462	24,804
Total current assets		42,740	39,086	35,281	36,252
Creditors: amounts falling due within one year					
	22	23,750	21,042	22,125	20,823
Net current assets		18,990	18,044	13,156	15,429
Total assets less current liabilities					
		67,551	59,243	61,663	56,597
Creditors: amounts falling due after one year					
	23	206	249	206	249
Provisions for liabilities and charges	24	1,625	981	1,602	992
Net assets		65,720	58,013	59,855	55,356
The Funds of the Group/Charity					
Restricted income funds	28	13,480	12,353	8,779	9,664
Endowment funds		13,394	1,000	13,394	1,000
Unrestricted income funds		38,846	44,660	37,682	44,692
Total Group/Charity funds	29	65,720	58,013	59,855	55,356

The Notes on pages 55–88 form part of the financial statements. The financial statements on pages 51–54 were approved by the Trustees on 25 November 2020 and were signed on their behalf by:

John Booth DL

John Booth DL
Chairman
25 November 2020

Group consolidated cash flow statement for the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities:			
Net cash generated from operating activities	A	10,708	14,242
Cash flows from investing activities:			
Investment income		705	247
Net proceeds from the sale of Prince's Trust House (PTH)		-	25,196
Proceeds from the sale of property, plant and equipment		235	-
Purchase of property, plant and equipment		(5,718)	(11,862)
Proceeds from the sale of investments (excluding PTH)		29,886	5,881
Purchase of investments		(34,936)	(4,596)
Decrease in cash and deposits (investment assets)		111	576
Net cash (used in)/generated from investing activities		(9,717)	15,442
Cash flows from financing activities:			
Repayments of borrowings		(43)	(9,828)
Cash inflows from new borrowing		73	17
Net cash generated form/(used in) financing activities		30	(9,811)
Change in cash and cash equivalents in year		1,021	19,873
Cash and cash equivalents at the beginning of the year		30,993	11,120
Change in cash and cash equivalents due to exchange rate movements		(6)	-
Cash and cash equivalents at the end of the year	B	32,008	30,993

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Note A: Reconciliation of net income to net cash inflow from operating activities

	2020 £'000	2019 £'000
Net income for the year (as per the statement of financial activities)	7,707	1,462
Adjustments for:		
Depreciation charge	5,499	2,292
Loss on investments	(3,331)	(3,977)
Dividends, interest and rents from investments	(778)	(255)
Loss on sale of fixed assets	-	-
Decrease in stocks	47	6
(Increase)/decrease in debtors	(2,685)	2,697
Increase in creditors	3,353	11,349
Decrease in programme investments	377	1,442
Provision for (write off of) loans	519	(774)
Cash flows from operating activities:	10,708	14,242

Note B: Analysis of cash and cash equivalents

	2020 £'000	2019 £'000
Cash held for investment purposes	1,772	2,015
Cash at bank and in hand	30,236	28,978
Total cash and cash equivalents	32,008	30,993

NOTES TO THE ACCOUNTS

1 PRINCIPAL ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared on the going concern basis. There are no material uncertainties about The Prince's Trust (Charity) or its subsidiaries' ability to continue. The Charity is a public benefit entity.

Estimates and underlying assumptions are subject to constant assessment. Changes in estimates and assumptions are recognised in the period in which the estimates are revised.

The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.

The accounting policies have been applied consistently throughout the financial statements in both the current year and the prior year.

Basis of Accounting

The Charities Act 2011 requires financial statements to be prepared in accordance with Charities (Accounts and Reports) Regulations 2008. These financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The consolidated financial statements have been prepared in accordance with the following:

Financial Reporting Standards 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102')

The Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2019 ('the SORP 2019').

The Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005.

The historical cost convention, with the exception of investments which are included at fair value.

Basis of Consolidation

'Group' refers to The Prince's Trust and all its subsidiary undertakings. For the year ended 31 March 2020, the results, assets and liabilities of the following subsidiaries have been included in the financial statements:

Prince's Trust America
Prince's Trust Australia
Prince's Trust Canada
Prince's Trust International
Prince's Trust New Zealand
Prince's Trust Trading Limited

Amounts were consolidated on a line by line basis.

Income and expenditure relating to subsidiaries have been included in the consolidated Financial Statements from the date at which each entity became part of the Prince's Trust Group. Where, upon joining the group, the fair value of assets exceeded the fair value of liabilities in an entity, the resulting gain has been recognised separately within income from donations (see note 3). All inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated.

Transactions in local currency have been converted to GBP in the Statement of Financial Activities (SOFA) using an average exchange rate between the point of joining the group and the end of the financial year. Balances have been converted using the exchange rate at 31 March 2020 and a foreign exchange gain/loss adjustment has been posted to account for the difference between the opening and closing balance sheet rates.

There were no differences in accounting policies between the subsidiaries and The Prince's Trust Group policies which would result in a material misstatement.

The Charity prepares a consolidated cash flow statement and has therefore taken advantage of the exemption conferred by FRS 102 Section 1 not to prepare a cash flow statement for the Charity.

Income

Income is accrued and included in the SOFA when the Group is entitled to the income, receipts can be quantified, and the receipt is probable.

Grants receivable and legacies are included in the SOFA when The Trust believes it has entitlement, receipt is probable, and the amount can be measured reliably. Donations are accounted for when received, except sponsorships from events which is recognised when the event takes place and major gifts which are recognised on a receivable basis where receipt is probable, there is entitlement to the income, and this can be measured reliably.

Grants from government and income from other public sector contracts have been recorded as income from charitable activities. All income is shown gross of related expenditure. Tax credits receivable from gift aid donations are recognised at the time of the donation.

Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period. Income is also deferred when the conditions applying to the grant are not wholly within the control of The Trust.

Retail income is accounted for when the sale takes place.

Donations in kind comprise goods, services and facilities donated to The Trust which would otherwise have had to be purchased. They are valued at the amount that The Trust would have paid in order to obtain them and are included both in income and expenditure.

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

The expenditure on raising funds includes the salaries and overheads costs of the staff who undertake fundraising activities and the marketing and publicity costs associated with raising the profile of The Trust (but not those which are used in an educational manner in furtherance of the charity's objects).

Grants payable, including multi-year grants, are recognised in the SOFA when awarded and the recipient has the control of meeting the conditions that have been communicated.

Expenditure on charitable activity includes the write off and movement in provision of loans to supported businesses. Other direct costs included within charitable activity expenditure comprise costs generated centrally and locally, identifiable as arising directly from the delivery of The Trust's programmes of charitable work.

Support costs include the salaries of those managerial staff which are not directly attributable to a particular programme of charitable work, governance costs, and of finance, IT, HR and other administrative staff and all office running costs and consumables and other overheads not specifically attributable to a particular programme of charitable work. Support costs are allocated to costs of generating funds and charitable activities on the basis of the relative size of the business units involved with fundraising and charitable work. The size of these functions is determined by reference to the number of staff (full time equivalents) in each business unit. Irrecoverable VAT is included with the item of expense to which it relates.

Intangible Assets

Intangible fixed assets costing more than £500 are capitalised and are valued at their purchase cost, including any incidental expenses of acquisition.

Acquired software is capitalised on the basis of the costs incurred to acquire and to bring to use the specific software. Software is amortised when the product is put in operation using the straight-line method, based on an estimated useful life of eight years.

Costs incurred on development projects (i.e. internally developed software) are recognised as an intangible asset when the product is technically feasible, can be demonstrated to enable delivery of our programmes and the expenditure attributable to the development can be measured reliably. The expenditure that is capitalised includes purchases and the directly attributable employee costs. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Developed software is

amortised when the product is put in operation using the straight-line method, based on an estimated useful life of five years.

The useful economic life applied to each asset category is reviewed annually to ensure this is appropriate and any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

Tangible Assets

Tangible fixed assets costing more than £500 are capitalised and are valued at their purchase cost, including any incidental expenses of acquisition. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category. Donated assets are capitalised at a value equivalent to their notional cost at the time of acquisition. Depreciation is provided on all tangible fixed assets (excluding land but including donated assets) at rates calculated to write off the cost, less estimated residual values, on a straight-line basis over their expected useful economic lives as follows:

	Useful economic life as at 31 March 2019	Useful economic life as at 31 March 2020
Freehold Buildings	50 years	50 years
Plant and Equipment	5 years	5 years
Computer Equipment	6-15 years	3 years
Servers and communications equipment	10 years	5 years
Fixtures and fittings	10 years	10 years
Leasehold improvements	Over the lease	Over the lease

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

During 2019/20, the Charity undertook a review of its tangible and intangible assets, which resulted in some changes to the useful economic life of certain asset categories, as set out above.

Fixed Asset Investments

Listed investments are valued at bid-market value at the balance sheet date. Gains and losses on sales of investments and unrealised revaluation surpluses or deficits are calculated by reference to the opening carrying amount and are shown on the face of the SOFA. Donated investment assets are valued at fair market value. Investments in subsidiaries are held at cost but, where necessary, impairment reviews have been conducted and reflected in the valuation stated.

Investment Properties

The investment properties are shown at the fair value in the balance sheet and the valuation has been provided by the independent, external surveyors. For the London and Glasgow properties, the investment method of valuation was adopted.

The portion of properties that is used by The Trust's own use is held at historical cost within tangible assets.

Programme Related Investments

Programme-related investments are held to further the charitable purposes of the Charity. They are held at cost less any provision for impairment. They are public benefit concessionary loans, which are arrangements entered into below the prevailing rate of interest, are not repayable on demand and are for the purposes of furthering the objectives of the Charity. Where a concessionary loan arrangement is entered into, the loan paid is retained on the balance sheet at the loan amount less an appropriate provision made for impairment.

Loans are made to individuals to start-up businesses and are repayable over periods up to five years. Young people are eligible to apply for a loan if they are participating on the Enterprise programme with limited access to other funding.

Applicants must present a business plan to a panel that makes a recommendation to The Trust for each applicant regarding the suitability of the young person to run a business and the likelihood of the business's survival. A senior staff member with delegated authority makes the final decision on the loan application, based on affordability and viability of the business.

In prior years, loans awarded in the year include loans issued and outstanding loan commitments. Outstanding loan commitments were those successful loan applications where a loan was not yet issued however a constructive obligation exists between The Prince's Trust and the young person.

The Trust is authorised by the Financial Conduct Authority (FCA); we submitted financial information to them in May 2020 based on loan book data at the end of March 2020. The review of loan balances at that stage confirmed consistency to the values reported at Note 18 to the financial statements.

Repayments are normally collected by direct debits or standing orders from the bank accounts of the businesses on a monthly basis. A specific provision is made against the aggregate value of loans issued, based on past experience and on management's current expectations. Loans are only written off when there is no realistic prospect of recovering any further repayments. Interest is charged at 3% of the total loan amount for each year of the agreed term except for all loans provided by Start-Up Loan Company where interest is charged at 6.2% APR. Interest charged on loans represents a management fee and is recognised as the loan is repaid and not at the point of loan award.

Impairment of Fixed Assets and Investments

Fixed assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs in the corresponding SOFA category.

Stocks

Stocks consist of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stock.

Discounting

The long-term loans included in creditors falling due after one year have been discounted to the present value by using the effective interest rate. Pensions

The Prince's Trust has arranged a defined contribution pension scheme for its staff. The assets of the scheme are not owned by The Trust. Pension contributions charged in the SOFA represent the contributions payable by The Trust in the year.

Operating Leases

Rentals payable under operating leases are charged to the SOFA on an accruals basis.

Contractual Liabilities

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Foreign Currencies

Items in the financial statements of the subsidiaries are measured in their primary operating currency. The consolidated financial statements are presented in sterling (£).

Transactions in foreign currencies during the year are translated at the rate ruling at the transaction date. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date.

Foreign currency gains/(losses) are calculated as the difference between the book value of an asset at the balance sheet date less the sterling equivalent at the transaction date of disposal of that asset or the subsequent balance sheet date.

1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Foreign currency exchange gains and losses are presented in the SOFA either in the operating result if foreign currency transactions relate to operational activities, assets and liabilities, or within the financial result for non-operating financial assets and liabilities.

Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The Charity has only taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

Financial Assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the SOFA.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the SOFA, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset, and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a basis or to realise the asset and settle the liability simultaneously.

Volunteers

The Trust is grateful to the thousands of volunteers give their time freely to nurture and develop our young people. The value of this is not recognised in the Financial Statements.

Funds

The funds of The Trust have been segregated as follows:

Restricted Funds consist of donations, legacies and grants received, for which the donor or grant giver has specified the purposes for which the resources can be utilised. Outgoing resources on restricted funds reflect the appropriate expenditure that has been charged to those funds. Restricted funds are disclosed by programme in the notes to the financial statements. Individual restricted funds are disclosed where these are material in value.

Endowment Funds: An Endowment Fund to support the long-term sustainability of The Prince's Trust was established in 2018/19. Significant donations were made during the year to support the growth of the Endowment Fund.

Designated Funds: At the year end, the Trustees designated further funds with the intention of contributing to and growing the Endowment Fund.

Unrestricted Funds consist of all other income that has not been restricted. They are expendable at the discretion of the Trustees in furtherance of the objects of The Trust.

Transfers are made between funds where there is a release of restricted funds to unrestricted funds or charges are made between funds.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY ESTIMATES AND ASSUMPTIONS

Estimates and assumptions are continually evaluated and are based on historical evidence and other factors, including expectations of future events that are believed to be reasonable under the circumstances have been made by The Trust in recognising investment property and long-term liabilities and assets.

a) Critical judgements in applying the entity's accounting policies

(i) Exemptions on transition to FRS 102

The Charity has elected to use the exemption provided in FRS 102 regarding the restatement of lease incentives entered into before the date of transition.

(ii) Grant income recognition

The majority of grant income is recognised in line with expenditure against the grant contract, as this is deemed the most accurate proxy for the performance conditions within the grant being met. Where such grants are received in advance of delivering the goods or services required, the income is not recognised. Instead it is recognised as a liability until performance can be measured.

b) Key estimates and assumptions

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Support costs

The cost allocation methodology requires judgement as to what are the most appropriate bases to use to apportion support costs; these are reviewed annually for reasonableness. Support costs, and other expenditure judgements, are detailed in note 1.

(ii) Provisions for liabilities and charges

Provisions for liabilities and charges (see note 24) represents the best estimate of the liability at the balance sheet date of future unavoidable costs in respect of any legal disputes and an estimate of the probable future costs and an estimate of the probable future costs of settling these. The actual liability will be dependent on future events including whether a settlement is reached with the relevant parties.

The calculation of the value of amounts payable in dilapidation costs as at the reporting date includes an assumption this would be payable to the landlord where the planned exit is confirmed.

(iii) Fixed Assets

Management carried out a review of the useful life of each category of fixed asset during the year and further details can be found in notes 1, 14 and 15.

3 INCOME AND ENDOWMENTS FROM DONATIONS AND LEGACIES

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Total 2019 £'000
Corporate donations	2,669	13,399	-	16,068	14,255
Grant from The Queen's Trust	-	-	-	-	495
Grant from The Prince of Wales's Charitable Foundation	380	570	-	950	405
Charitable Trusts	1,512	5,438	-	6,950	8,336
Individual donations	13,987	14,774	10,554	39,315	19,116
Legacies	1,035	-	1,840	2,875	824
Donations in kind	3,244	500	-	3,744	3,690
	22,827	34,681	12,394	69,902	47,121

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Total 2019 £'000
Corporate donations	2,492	9,863	-	12,355	13,082
Grant from The Queen's Trust	-	-	-	-	495
Grant from The Prince of Wales's Charitable Foundation	-	950	-	950	50
Charitable Trusts	613	9,588	-	10,201	6,994
Individual donations	12,786	10,160	10,554	33,500	18,460
Legacies	1,035	-	1,840	2,875	824
Donations in kind	3,052	553	-	3,605	3,552
	19,978	31,114	12,394	63,486	43,457

At 31 March 2020, in addition to legacy income that has been included in the financial statements, The Prince's Trust Charity expected to benefit from a number of legacies from estates for which the administration had yet to be finalised. The Trust's future income from these legacies is estimated at £1,083k (2019: £2,356k). Accrued legacy income included within the financial statements amounts to £801k (2019: £92k).

Donations in kind represent the estimated cost of services donated to the Group and Charity, at the value at which The Trust would have paid.

These amounts are included as costs in the appropriate expenditure category and consist of:

Group	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Advertising and publicity	1,412	1,434	1,412	1,434
Charitable programme facilities	1,680	1,288	1,680	1,288
Other Professional Fees	121	72	29	24
Seconded staff	215	340	215	340
Other	132	302	119	299
Audit Fees	150	167	150	144
Office and occupation costs	34	87	0	23
	3,744	3,690	3,605	3,552

4 INCOME AND ENDOWMENTS FROM CHARITABLE ACTIVITIES

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Public sector contracts for operational programmes				
Income from local and national government	5	4,151	4,156	2,675
Other public sector sources	1	1,407	1,408	2,062
European Union income	-	4,580	4,580	4,297
Big Lottery Fund	20	719	739	2,815
	26	10,857	10,883	11,849
Fees from programme attendance				
School fees – Explore	-	-	-	4
Qualifications income	508	-	508	627
Employers' fees – Team	108	-	108	153
Training fees	745	-	745	759
Other income from charitable activities	72	67	139	63
	1,433	67	1,500	1,606
	1,459	10,924	12,383	13,455

Income in the form of government grants from local and national government support the Group's charitable activities and can be further analysed as follows:

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Department for Business, Energy and Industrial Strategy	5	1,106	1,111	130
England	-	1,140	1,140	558
Northern Ireland	-	120	120	106
Scotland	-	1,640	1,640	1,677
Wales	-	-	-	-
Canadian government	-	111	111	204
Australian government	-	34	34	-
	5	4,151	4,156	2,675

4 INCOME AND ENDOWMENTS FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Charity				
Public sector contracts for operational programmes				
Income from local and national government	5	4,006	4,011	2,471
Other public sector sources	1	1,407	1,408	2,062
European Union income	-	4,580	4,580	4,297
Big Lottery Fund	20	720	740	2,815
	26	10,713	10,739	11,645
Fees from programme attendance				
School fees – Explore	-	-	-	4
Qualifications income	508	-	508	628
Employers' fees – Team	108	-	108	153
Training fees	745	-	745	759
Other income from charitable activities	72	41	113	0
	1,433	41	1,474	1,544
	1,459	10,754	12,213	13,189

Income in the form of government grants from local and national government support the Group's charitable activities and can be further analysed as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Charity				
Department for Business, Energy and Industrial Strategy	5	1,106	1,111	130
England	-	1,140	1,140	558
Northern Ireland	-	120	120	106
Scotland	-	1,640	1,640	1,677
Wales	-	-	-	-
	5	4,006	4,011	2,471

5 INCOME AND ENDOWMENTS FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Group				
Income from fundraising events	2,397	-	2,397	2,661
Sponsorship	1,296	-	1,296	1,474
Sale of goods	1,266	-	1,266	1,632
Income from training	50	-	50	53
Rental	80	-	80	75
Other	11	21	32	44
	5,100	21	5,121	5,939
	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Charity				
Other	1,499	-	1,499	2,154
	1,499	-	1,499	2,154

The unrestricted income is generated by the subsidiary Prince's Trust Trading Limited, the results of which are shown in Note 17.

6 INCOME AND ENDOWMENTS FROM INVESTMENTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Group				
Income from fixed asset investments	624	-	624	216
Interest received on programme related investments	60	-	60	8
Bank interest receivable	87	8	95	31
	771	8	779	255
	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Charity				
Income from fixed asset investments	624	-	624	215
Interest received on programme related investments	60	-	60	8
Bank interest receivable	65	-	65	17
	749	-	749	240

7 EXPENDITURE ON RAISING FUNDS

Group	Direct staff costs £'000	Other direct costs £'000	Allocated support Costs £'000	Total 2020 £'000	Total 2019 £'000
Cost of raising funds	5,175	989	5329	11,493	9,522
Fundraising through trading	929	2,157	522	3,608	3,750
Investment management costs	-	73	-	73	95
	6,104	3,219	5,851	15,174	13,367

Charity	Direct staff costs £'000	Other direct costs £'000	Allocated support Costs £'000	Total 2020 £'000	Total 2019 £'000
Cost of raising funds	4,771	821	4,828	10,420	8,759
Fundraising through trading	-	-	-	-	-
Investment management costs	-	72	-	72	95
	4,771	893	4,828	10,492	8,854

The costs for fundraising through trading are analysed further in Note 17 showing the results of The Prince's Trust Trading Limited subsidiary.

8 EXPENDITURE ON CHARITABLE ACTIVITIES

Group	Grant Funding (see Note 10) £'000	Direct staff costs £'000	Other direct costs £'000	Allocated Support costs £'000	Total 2020 £'000	Total 2019 £'000
Enterprise	398	4,153	395	4,932	9,878	10,010
Team	-	1,770	888	2,060	4,718	4,962
Development Awards	870	891	84	1,033	2,878	1,858
Achieve	-	3,654	445	4,366	8,465	5,147
Get into	3	3,805	2,907	4,509	11,224	8,255
Get Started	-	1,907	968	2,250	5,125	3,463
Local programmes & pilots	101	3,119	490	3,500	7,210	5,441
Adventurous Activities	-	-	-	-	-	3,665
Explore	-	2,751	1,521	3,408	7,680	8,005
Prince's Trust Online	-	-	-	-	-	2,235
Prince's Trust America	-	647	1,076	828	2,551	-
Prince's Trust Australia	-	259	198	425	882	931
Prince's Trust Canada	-	735	326	94	1,155	1,060
Prince's Trust International	-	-	58	304	362	1,381
Prince's Trust New Zealand	-	-	-	-	-	142
	1,372	23,691	9,356	27,709	62,128	56,555

Charity	Grant Funding (see Note 10) £'000	Direct staff costs £'000	Other direct costs £'000	Allocated Support costs £'000	Total 2020 £'000	Total 2019 £'000
Enterprise	398	4,153	395	4,932	9,878	10,010
Team	-	1,770	888	2,060	4,718	4,962
Development Awards	870	891	84	1,033	2,878	1,858
Achieve	0	3,654	445	4,366	8,465	5,147
Get into	3	3,805	2,907	4,509	11,224	8,255
Get Started	-	1,907	968	2,250	5,125	3,463
Local programmes & pilots	101	3,117	2,940	3,500	9,658	5,441
Adventurous Activities	-	-	-	-	-	3,665
Explore	-	2,751	1,520	3,408	7,679	8,005
Prince's Trust Online	-	-	-	-	-	2,235
	1,372	22,048	10,147	26,058	59,625	53,041

9 SUPPORT COSTS

Group	Expenditure on raising funds £'000	Charitable expenditure £'000	Total 2020 £'000	Total 2019 £'000
Staff costs:				
Managerial staff	374	1,652	2,026	1,893
Communications and marketing	391	796	1,187	825
Finance, IT, HR, H&S & administration	1,100	4,746	5,846	7,283
Recruitment, secondment & other costs	227	1,230	1,457	1,631
	2,092	8,424	10,516	11,632
Other expenditure:				
Office rents, maintenance & consumables	1,377	7,219	8,596	6,625
Staff travel and vehicle costs	378	1,988	2,366	2,129
Sundry other fees and costs	2,004	10,078	12,082	9,087
	3,759	19,285	23,044	17,841
	5,851	27,709	33,560	29,473

Charity	Expenditure on raising funds £'000	Charitable expenditure £'000	Total 2020 £'000	Total 2019 £'000
Staff costs:				
Managerial staff	226	1,218	1,444	1,268
Communications and marketing	135	728	863	632
Finance, IT, HR, H&S & administration	784	4,232	5,016	6,670
Recruitment, secondment & other costs	226	1,224	1,450	1,541
	1,371	7,402	8,773	10,111
Other expenditure:				
Office rents, maintenance & consumables	1,330	7,178	8,508	6,258
Staff travel and vehicle costs	342	1,844	2,186	1,951
Sundry other fees and costs	1,785	9,634	11,419	8,597
	3,457	18,656	22,113	16,806
	4,828	26,058	30,886	26,917

10 GRANTS PAYABLE

Group and Charity	2020 £'000	2020 number of awards	2019 £'000	2019 number of awards
Grants to individual beneficiaries:				
Enterprise grants	398	793	385	1,075
Development Awards	870	5,093	722	3,507
	1,268	5,886	1,107	4,582
Other grants:				
Get into programmes	3		13	
Local programmes & pilots	101		22	
	1,372		1,142	

Grants to individual beneficiaries

The Prince's Trust Charity awards Enterprise grants to individuals, for test marketing projects or to start up new businesses. Development Awards are described in more detail in the Trustees' Report.

Other grants

Grant-making activities occur under the charitable activities undertaken within the Enterprise, Awards and Get into programmes, and within local programmes and pilots.

11 GROUP EMPLOYEE INFORMATION AND TRUSTEES’ EMOLUMENTS

Staff members	2020 No.	2019 No.
Average headcount of employees analysed by function:		
Charitable purposes and support staff	1,499	1,106
Fundraising	169	135
	1,668	1,241
	2020 No.	2019 No.
Average monthly number of employees analysed by function:		
Charitable purposes and support staff	976	977
Fundraising	163	130
	1,139	1,107
	2020 No.	2019 No.
Staff costs for the above employees were:		
Wages and salaries	34,863	32,580
Social security costs	3,462	3,265
Pensions and post-retirement benefits	1,605	1,717
	39,930	37,562

For The Prince's Trust Charity, the increase in the delivery of Government funded public sector contracts, both nationally and locally, as well as the overall increase in the level of funding during the year, allowed us to deliver programmes to a greater number of young people in the UK. This necessitated the overall increase of our headcount during the year.

The Prince’s Trust Charity paid £403k (2019: £1,502k) in redundancy costs during the year. Of this, £94k (2019: £7k) was related to ex-gratia payments. The nature of the payments was due to restructuring and has been accounted for on accrual basis. This was funded by unrestricted income.

The Prince’s Trust Charity received donations in kind for the services of seconded staff valued at £215k (2019: £340k).

11 GROUP EMPLOYEE INFORMATION AND TRUSTEES’ EMOLUMENTS (CONTINUED)

Employee emoluments (Group)

The following number of employees earned emoluments in respect of the year in excess of £60,000 within the bands shown below. This represents Group employees, including all Prince's Trust subsidiary entities. Emoluments include taxable benefits but exclude employer pension costs.

	2020 £'000	2019 £'000
£60,001 - £70,000	32	22
£70,001 - £80,000	15	10
£80,001 - £90,000	5	8
£90,001 - £100,000 *	3	4
£100,001 - £110,000	-	-
£110,001 - £120,000	3	-
£120,001 - £130,000	2	4
£130,001 - £140,000	-	1
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1
£160,001 - £170,000	-	-
£170,001 - £180,000 *	2	1

*In addition to the staff emoluments, £129k was paid out in severance payments for employees who left The Prince's Trust Charity during 2019/20.

The Prince's Trust Charity paid £218k (2019: £123k) into defined contribution schemes for 35 (2019: 27) higher paid employees. Total aggregate emoluments for Key Management Personnel of the Group were as follows:

Group	2020 £'000	2019 £'000
Key Management Personnel	2,089	1,615

Key Management Personnel include the senior leadership of The Prince’s Trust Charity, the Group Chief Executive and Chief Executives of each of Prince's Trust Australia, Prince's Trust Canada, Prince's Trust International and Prince’s Trust New Zealand.

Trustee Emoluments

No trustee received salaries, fees, reimbursement of travel expenses or other benefits from the Group during the year (2019: £nil). Total donations from trustees are disclosed in Note 31.

12 TAXATION

The Charity was a registered charity throughout the year. As such it is not liable to corporation tax on the surplus of income over expenditure for the year (s478 CTA 2010) or gains arising from the disposal of assets (s256 TCGA 1992) so far as the proceeds are used for charitable purposes only.

The Charity is registered for VAT and, where applicable, expenditure is recorded net of recoverable VAT.

13 NET INCOME FOR THE YEAR

	2020 £'000	2019 £'000
Net income for the year is stated after charging:		
Depreciation of intangible and tangible fixed assets	5,499	2,289
Operating lease rentals:		
–Land and buildings	1,326	2,828
–Other	194	140
Auditors’ remuneration:		
–For external audit only – Group and Charity	217	184
–For external audit only – UK subsidiaries	21	22
–For external audit only – Overseas subsidiaries	34	23
–Other services	3	7

All numbers exclude VAT.

The auditors’ remuneration for the Group and Charity was £217k (2019: £184k), of which £150k (2019: £139k) represents donated services. The auditors made no charge for the audit of Prince’s Trust Trading Limited (2019: £nil), where the value of the donated services was £11k (2019: £10k). The auditors’ remuneration for Prince’s Trust International was £13k (2019: £12k). The audit of Prince’s Trust Canada was undertaken by PWC in Canada (£5k, 2019: £3k), PT Australia was undertaken as donated services by EY in Australia (£26k, 2019: £20k), PT New Zealand was undertaken by a local firm (£2k, 2019: £1k) and PT America was undertaken by PKF O’Connor Davies (£14k, 2019:£nil).

14 INTANGIBLE ASSETS

Group	Databases and Software £'000	Assets under construction £'000	Total £'000
Cost or valuation on transfer			
At 1 April 2019	9,823	167	9,990
Additions	58	-	58
Disposals	-	(167)	(167)
Reclassification	-	-	-
At 31 March 2020	9,881	-	9,881
Accumulated Amortisation			
At 1 April 2019	2,808	-	2,808
Charge for year	3,127	-	3,127
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2020	5,935	-	5,935
Net book value			
At 31 March 2020	3,946	-	3,946
At 31 March 2019	7,015	167	7,182

Charity	Databases and Software £'000	Assets under construction £'000	Total £'000
Cost or valuation on transfer			
At 1 April 2019	9,809	167	9,976
Additions	56	-	56
Disposals	-	(167)	(167)
Reclassification	-	-	-
At 31 March 2020	9,865	-	9,865
Accumulated Amortisation			
At 1 April 2019	2,795	-	2,795
Charge for year	3,126	-	3,126
Disposals	-	-	-
Reclassification	-	-	-
At 31 March 2020	5,921	-	5,921
Net book value			
At 31 March 2020	3,944	-	3,944
At 31 March 2019	7,014	167	7,181

See Note 1 regarding the review of the useful economic lives that was carried out in 2019/20.

15 TANGIBLE ASSETS

Group	Freehold Land & Buildings £'000	Fixtures & Fittings £'000	Computer Equipment £'000	Plant & Equipment £'000	Leasehold Improvements £'000	Assets under construction £'000	Total £'000
Cost or valuation on transfer							
At 1 April 2019	2,140	837	3,686	115	4,572	10,945	22,295
Additions	2,397	361	979	-	1,583	341	5,661
Disposals	-	-	-	-	(65)	-	(65)
Reclassification	10,490	(1)	1	-	523	(11,013)	-
At 31 March 2020	15,027	1,197	4,666	115	6,613	273	27,891
Accumulated Depreciation							
At 1 April 2019	159	225	1,815	92	1,099	-	3,390
Charge for year	106	109	1,727	18	499	-	2,459
Disposals	-	-	-	-	(87)	-	(87)
Reclassification	-	-	-	-	-	-	-
At 31 March 2020	265	334	3,542	110	1,511	-	5,762
Net book value							
At 31 March 2020	14,762	863	1,124	5	5,102	273	22,129
At 31 March 2019	1,981	612	1,871	23	3,473	10,945	18,905

Charity	Freehold Land & Buildings £'000	Fixtures & Fittings £'000	Computer Equipment £'000	Plant & Equipment £'000	Leasehold Improvements £'000	Assets under construction £'000	Total £'000
Cost or valuation on transfer							
At 1 April 2019	2,140	816	3,650	115	4,572	10,945	22,238
Additions	2,397	353	958	-	1,575	341	5,624
Disposals	-	(0)	(2)	-	(65)	-	(67)
Reclassification	10,490	-	-	-	523	(11,013)	-
At 31 March 2020	15,027	1,169	4,606	115	6,605	273	27,795
Accumulated Depreciation							
At 1 April 2019	159	218	1,795	92	1,099	-	3,363
Charge for year	106	103	1,716	18	499	-	2,442
Disposals	-	-	-	-	(87)	-	(87)
Reclassification	-	-	-	-	-	-	-
At 31 March 2020	265	321	3,511	110	1,511	-	5,718
Net book value							
At 31 March 2020	14,762	848	1,095	5	5,094	273	22,077
At 31 March 2019	1,981	598	1,855	23	3,473	10,945	18,875

During the year, The Prince's Trust Charity undertook an internal review of its fixed assets' useful economic lives and the outcome of this review resulted in a change of useful economic lives as shown in Note 1. This change resulted in an additional £1m amortisation charge for intangible assets and £2m depreciation charge for tangible assets, all of which was charged in the 2019/20 financial year.

16 INVESTMENTS

Group and Charity	2020 £'000	2019 £'000
Listed investments at market value:		
Open Ended Investment Companies	-	5,873
Common Investment Funds	20,328	2,894
Unit Trusts	-	133
Other managed funds	-	2,660
UK equities	-	70
Fixed interest investments	-	288
Gilts and cash	1,363	1,481
Total fixed asset investments	21,691	13,399

Wolfson House, Glasgow	296	319
Total property investments	296	319

Group and Charity	2020 £'000	2019 £'000
Investment assets in the UK		
Investment assets outside the UK	-	7,116
Total fixed asset investments	21,987	13,718

Balance brought forward	13,718	22,487
Acquisitions at cost	38,266	4,596
Proceeds of disposals	(26,555)	(5,881)
Cash held for investment	(111)	(576)
Disposal of PT House (Investment property)	-	(7,450)
Net (losses)/gains in value of investments	(3,331)	542
Write down of investment	-	-
Transfer from tangible assets to investment properties	-	-
Balance carried forward	21,987	13,718

The increase in the fixed asset investments year on year primarily relates to the endowment income that has been received in year. The trustees believe that the carrying value of the investments is supported by their underlying net assets.

The following investments are considered significant and contribute more than 5 per cent of the total investment value:

2020: Investment	% Proportion of Total Investments
HSBC FTSE All-World Index Fund	47%
Xtrackers MSCI World UCITS ETF	46%

The investment properties are shown at the fair value in the balance sheet and the valuation has been provided by the external surveyors. The properties portion that is used by The Trust for its own use is held at historical cost within tangible assets.

A valuation has been prepared for Wolfson House on the basis of the market value, which is defined as the estimated amount for which an asset or liability should be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

16 INVESTMENTS (CONTINUED)

The valuation reports for both properties were prepared by CBRE Limited, independent property valuer, who is qualified for purpose of valuation as per the Red Book.

CBRE Limited confirms that “Fair Value reported is effectively the market value of the properties and does not have any restrictions on the realisability of the investment property”.

The Prince’s Trust does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

17 INVESTMENT IN SUBSIDIARIES

Name		Control	Interest	Activity
Prince's Trust America	Registered as a Not-for-Profit EIN: 82-5457122	Deemed Control	Sole Member	Charitable activities in USA
Prince's Trust Australia	Prince's Trust Australia is a public limited company and registered as a charity with the Australian Charities and Not-for-profits Commission no. ABN 73 161 872 993	Deemed Control	Sole Member	Charitable activities in Australia
Prince's Trust Canada	Designated as a Charitable Organisation in Canada with the registered number 83229 5406 RR0001	Deemed Control	Sole Member	Charitable activities in Canada
Prince's Trust International	Company Registration No. 9090276 Charity No. 1159815	Deemed Control	Sole Member	Charitable activities in the international sector
Prince's Trust New Zealand	Registered as a charity with registered number CC56358	Deemed Control	Settlor	Charitable activities in New Zealand
Prince's Trust Trading Limited	Company Registration No. 3161821	100% share capital	2 ordinary £1 shares	Fundraising activities and operation of Tomorrow's Store

17 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The Prince’s Trust Charity made a working capital facility of up to £1.2m available to Prince’s Trust International during 2019/20. There was no drawdown of this facility (2019: £nil) and it expired in July 2020.

The Prince’s Trust Charity supports Prince's Trust America, Prince's Trust Australia, Prince's Trust Canada, Prince's Trust International and Prince's Trust New Zealand with the provision of advice on fundraising, operations and events. The Prince's Trust also provides administrative support to Prince’s Trust International.

The shares in Prince's Trust Trading Limited are ordinary shares at par. Where the Charity has ‘deemed control’ this is by virtue of it having the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The control is achieved through sole membership or the power to remove and appoint trustees from the board.

All of the above entities’ financial statements are subject to audit. All entities work to a 31 March year end. PTI and PT Australia are audited by PwC; PT Australia is audited by EY; and PT New Zealand and PT America each use a local firm.

The summarised financial information of subsidiary undertakings from their local statutory accounts is provided below:

	Prince's Trust America £'000	Prince's Trust Australia £'000	Prince's Trust Canada £'000	Prince's Trust International £'000	Prince's Trust New Zealand £'000	Prince's Trust Trading Limited £'000
2020						
Income	6,905	1,106	1,448	4,160	442	5,107
Expenditure	(5,161)	(985)	(1,448)	(3,070)	(385)	(3,608)
Amount paid under deed of covenant to The Trust	-	-	-	-	-	(1,499)
Retained profit for the year	1,744	121	-	1,090	57	-
Assets	2,055	994	875	2,449	239	2,540
Liabilities	(311)	(251)	(199)	(1,002)	(159)	(4,672)
Net assets/(liabilities)	1,744	743	676	1,447	80	(2,132)
2019						
Income	-	973	1,288	1,726	183	5,904
Expenditure	-	(954)	(1,284)	(1,855)	(158)	(3,750)
Amount paid under deed of covenant to The Trust	-	-	-	-	-	(2,154)
Retained profit/(loss) for the year	-	19	4	(129)	25	-
Assets	-	864	859	619	47	3,441
Liabilities	-	(215)	(218)	(263)	(21)	(3,441)
Net assets/(liabilities)	-	649	641	356	26	-

18 PROGRAMME RELATED INVESTMENTS: LOANS TO SUPPORTED BUSINESSES

Charity and Group	Total 2020 £'000	Total 2019 £'000
Loan reconciliation		
Loans at the beginning of the year	2,866	4,308
Loans awarded in the year	4	35
Loans repaid in the year	(379)	(630)
Loans written off in the year	-	(847)
Loans at the end of the year	2,491	2,866
Provision reconciliation		
Provision at the beginning of the year	1,472	2,246
Movement on loans provision during the year	520	73
Remove Write off	-	(847)
Provision at the end of the year	1,992	1,472
Net loan balance at the beginning of the year	1,394	2,062
Net loan balance at the end of the year	499	1,394

	Total 2020 £'000	Total 2019 £'000
Charity and Group		
Disclosed as:		
Amounts recoverable within one year	499	1,394
Amounts recoverable in more than one year	-	-

The Prince's Trust Charity provides loans to young people who are being supported to start up their own business. The average loan size during the year was £3,740. In exceptional circumstances, the loan size can be up to a maximum of £5,000. The loans are normally repayable over three years (up to a maximum of five years). An interest rate of 6.2 per cent is charged on new loans provided by Start Up Loans Company (SULCo).

The historic SULCo loan book was assigned to finance partner, The Enterprise Fund (trading as Growth Company Business Finance), during the year 2019/20. All new loans were also provided by the finance partner, essentially putting The Prince's Trust in the position of a broker for which appropriate Financial Conduct Authority (FCA) permissions were issued.

All remaining loans that The Prince's Trust issued have been assigned to the same finance partner, as well as new loans funded by The Prince's Trust. This now means that The Prince's Trust is a broker for all new financing activity, while remaining as a funder of these loans.

The carrying amount of the concessionary loans at the year-end was £2.5m (2019 £2.9m).

There are no loans committed but not taken up at 31 March 2020 (2019: £nil).

19 STOCKS

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Goods for resale	-	47	-	-

20 DEBTORS

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Amounts falling due within one year				
Trade debtors	2,560	1,269	258	495
Gift aid recoverable	68	268	68	247
Amounts owed by Group undertakings	-	-	2,382	2,970
Central Government & European grants receivable	6,265	3,820	6,265	3,820
Taxation and social security	76	71	39	-
Other debtors	107	41	56	38
Prepayments	1,462	1,294	1,316	1,158
Accrued income	194	1,283	132	1,250
	10,732	8,046	10,516	9,978

The Prince's Trust Charity played the role of lead charity in a consortium, administering contractual arrangements on behalf of other members with the donor, Skills Development Scotland (SDS). At 31 March 2020, the total balance outstanding from SDS and due to other consortium members was £357k (2019: £348k) and the balance received from SDS but not yet paid out to other consortium members was £nil (2019: £nil).

21 CASH AT BANK AND IN HAND

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Cash held for investment purposes	1,772	2,015	1,303	1,470
Cash at bank and in hand	30,236	28,978	23,462	24,804
	32,008	30,993	24,765	26,274

Cash held by The Prince's Trust Charity for investment purposes represents cash under the management of the Investment Committee and cash held on deposit.

£5m of the cash may be repayable to a funder, which is therefore recognised as a creditor. See Note 22.

22 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Trade creditors	1,228	1,052	1,022	814
Enterprise loans awarded but not yet paid	-	-	-	-
Amounts owed to group undertakings	-	-	-	963
Taxation and social security	946	808	916	754
Other creditors	5,877	12,602	7,030	12,560
Accruals	4,183	3,738	4,038	3,371
Deferred income	11,471	2,797	9,074	2,316
Mortgage	45	45	45	45
	23,750	21,042	22,125	20,823

Accruals for The Prince's Trust Charity include a holiday accrual as at 31 March 2020 of £715k (2019: £741k).

	Group £'000	Charity £'000
Reconciliation of Deferred Income		
Brought forward at April 1 2019		
Contract and conditional Income	2,526	10,316
Income for events	271	-
Total brought forward at April 1 2019	2,797	10,316
Deferred income released during year		
Contract and conditional Income	3,025	10,316
Income for events	271	-
Total deferred income released during year	3,296	10,316
Incoming resources deferred during year		
Contract and conditional Income	11,679	9,074
Income from events	291	-
Total incoming resources deferred during year	11,970	9,074
Deferred income carried forward at 31 March 2020		
Contract and Conditional Income	11,180	9,074
Income for Events	291	-
Total carried forward at 31 March 2020	11,471	9,074

23 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Mortgage – Wolfson House				
Between one and five years	206	182	206	182
Over five years	-	67	-	67
	206	249	206	249

The outstanding mortgage was taken out in 2014 by The Prince's Trust Charity for the purchase of Wolfson House, 15 Carlton Court, Glasgow.

24 PROVISIONS FOR LIABILITIES AND CHARGES

Group	Dilapidations £'000	Other £'000	Total £'000
As at 1 April 2019	614	367	981
Charged to the SOFA	62	579	641
Amount utilised	-	3	3
As at 31 March 2020	676	949	1,625

Charity	Dilapidations £'000	Other £'000	Total £'000
As at 1 April 2019	614	378	992
Charged to the SOFA	62	548	610
Amount utilised	-	-	-
As at 31 March 2020	676	926	1,602

In 2011, Fairbridge (which had long ceased to have any involvement in child migration programmes) became part of The Prince's Trust. At the time, The Prince's Trust inherited the archives. Fairbridge was subsequently dissolved in 2013.

In March 2020, Fairbridge was restored to the register of companies in England & Wales. Fairbridge (Restored) Limited was then placed into administration with the appointment of administrators on 25 March 2020.

There are ongoing discussions with the Commonwealth of Australia about redress for a number of former child migrants of Fairbridge. A provision has been recognised of £700k in relation to this matter, representing an offer made in August 2019. As no subsequent counteroffer has been made this represents The Prince's Trust's best estimate.

25 FINANCIAL INSTRUMENTS

The Group has the following financial instruments:

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Financial assets measured at amortised cost:				
Trade debtors	2,560	1,269	258	495
Cash	32,008	30,993	23,462	26,274
Other debtor transactions	10,347	6,777	10,258	9,483
	44,915	39,039	33,978	36,252
Financial assets that are equity investments measured at cost less impairment:				
Programme-related investments	499	1,394	499	1,394
Financial assets measured at fair value through income and expenditure				
Investments	21,987	13,399	21,987	13,399
Financial liabilities measured at amortised cost				
Trade creditors	(1,228)	(1,052)	(1,022)	(814)
Other creditor transactions	(6,823)	(20,239)	(7,945)	(20,258)
	(8,051)	(21,291)	(8,967)	(21,072)
	59,350	32,541	47,497	29,973

The amortised mortgage interest expense for The Prince's Trust Charity for the year was £6k (2019: £318k).

26 PENSION SCHEMES

The Trust provides defined contribution pension schemes that are available to all UK-based eligible employees. During the year, the Trust contributed 5 per cent of gross salary of employees subject to a minimum of 3 per cent from the employee.

The Trust contributes a minimum of 5 per cent from the employee, for those employees who were auto enrolled into The Trust's work-based pension scheme. There are a number of employees whereby The Trust contributes 7.5 per cent of gross salary subject to a minimum of 2.5 per cent from the employee. This scheme is now closed for new employees.

There are a number of employees whereby The Trust contributes into a scheme as a result of the Prince's Trust Youth Business Scotland merger. The contribution rate of 10 per cent from the employer for existing and eligible members is paid into this scheme.

The assets of all of the schemes are held separately from The Trust. The pension cost of these schemes in the year was £1,469k (2019: £1,631k). The contributions outstanding as at 31 March 2020 were £212k (2019: £151k). Pension costs are allocated to unrestricted funds.

27 FINANCIAL COMMITMENTS

At 31 March 2020, as lessee, the Group and Charity had total commitments under non-cancellable operating leases for land and buildings, vehicles and photocopiers as follows:

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Land and Buildings				
Operating leases which expire:				
Within one year	1,252	2,322	1,252	2,322
Between one and five years	3,874	4,249	3,596	3,923
Over five years	3,192	4,123	3,192	4,123
	8,318	10,694	8,040	10,368
Vehicles – operating leases which expire:				
Within one year	138	34	138	34
Between one and five years	264	-	264	-
	402	34	402	34
Office machinery – operating leases which expire:				
Within one year	2	4	2	4
Between one and five years	-	6	-	5
	2	10	2	9
	8,722	10,738	8,444	10,411
At 31 March 2020, as lessor, the Group and Charity was due total commitments under non-cancellable operating leases for land and buildings as follows:				
	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Land and Buildings				
Operating leases which expire:				
Within one year	52	52	52	52
Between one and five years	-	-	-	-
	52	52	52	52

28 RESTRICTED INCOME FUNDS

Group	Balance 1 April 2019 £'000	Income in year £'000	Expenditure in year £'000	Transferred from unrestricted £'000	Balance 31 March 2020 £'000
Enterprise	1,935	5,554	5,200	-	2,289
Team	-	812	809	-	3
Awards	58	601	582	-	77
Achieve	39	2,540	2,226	-	353
Get into	841	5,876	5,252	-	1,465
Get Started	305	1,595	1,766	-	134
Pilots and local programmes	1,265	3,933	4,061	-	1,137
Regional & other restrictions	6,274	11,855	13,654	-	4,475
Explore	249	1,627	1,728	-	148
Prince's Trust America	-	6,568	5,024	-	1,544
Prince's Trust Australia	446	441	414	-	473
Prince's Trust Canada	359	1,103	1,155	-	307
Prince's Trust International	357	3,062	2,443	-	976
Prince's Trust New Zealand	225	79	205	-	99
	12,353	45,646	44,519	-	13,480

Restricted funds relating to Prince’s Trust International were historically included in the programmatic categories above. However, The Trust has decided to treat all of Prince's Trust International's income as restricted and show it as a separate line.

Charity	Balance 1 April 2019 £'000	Income in year £'000	Expenditure in year £'000	Transferred from unrestricted £'000	Balance 31 March 2020 £'000
Enterprise	1,935	5,554	5,200	-	2,289
Team	-	812	809	-	3
Awards	58	601	582	-	77
Achieve	39	2,540	2,225	-	354
Get into	960	5,876	5,252	-	1,584
Get Started	305	1,595	1,766	-	134
Pilots and local programmes	1,205	3,933	4,062	-	1,076
Regional & other restrictions	4,913	19,329	21,128	-	3,114
Explore	249	1,627	1,728	-	148
	9,664	41,867	42,752	-	8,779

All the funds disclosed above are restricted in so far as the funders have specified that the income can only be expended on particular programmes and activities.

Due to the additional requirements of the funder, the income, expenditure and restricted fund balances of the following grants are disclosed below:

28 RESTRICTED INCOME FUNDS (CONTINUED)

	Opening balance 1 April 2019 £'000	Income in year £'000	Expenditure in year £'000	Closing balance 31 March 2020 £'000
The Big Lottery (BLF)				
Big Lottery Fund & ESF Building Better Opportunities - West of England Works	-	88	(78)	10
BLF - Reaching Communities Southampton	(8)	117	(81)	28
BLF - Youth Hub	-	518	(506)	12
National Lottery Community Fund - Scotland	-	114	(100)	14
Grantham Building Better Opportunities	-	7	(7)	-
Leicester Building Better Opportunities	-	28	(28)	-
Hertfordshire Building Better Opportunities	-	0	(0)	-
Hertfordshire Building Better Opportunities	-	3	(3)	-
Luton Building Better Opportunities	-	1	(1)	-
Big Lottery Fund & ESF Building Better Opportunities - Coast to Capital Make Trax	-	-	-	-
Government				
Securing a Diverse Future Workforce for Health and Social Care	-	2,038	(1,034)	1,004
Future Workforce Funding - GMCA	-	1,168	(738)	430
Scotland				
Scottish Government - Early Intervention Fund	-	150	(150)	-
Apr 19 - Jun 20 Social Care delivery	-	68	(68)	-
Northern Ireland				
Department for Foreign Affairs - Youth Academy	-	17	-	17
Careers and Enterprise Company				
Mentoring Fund	(32)	179	(147)	-
ERDF				
Enterprise 1830 - Small Business Loans	-	-	-	-
Enterprise 1830 - Small Business Loans	-	-	-	-
Enterprise 1830 - Small Business Loans	-	-	-	-
ERDF Enterprise - Coventry and Warwickshire Phase 2	-	27	(27)	-
ERDF Enterprising - West of England	-	117	(117)	-
ERDF GLA EP London - Boost your Business	-	264	(264)	-
ERDF EP Devon April 2018- 21	-	88	(88)	-

28 RESTRICTED INCOME FUNDS (CONTINUED)

	Opening balance 1 April 2019 £'000	Income in year £'000	Expenditure in year £'000	Closing balance 31 March 2020 £'000
ESF				
Elevate Berkshire	-	44	(44)	-
Newcastle City Council - ESF	(22)	-	(79)	(101)
Active Lancashire - More Positive Together 16-19	-	48	(48)	-
Other				
Hampshire PCC - Community	6	6	(12)	-
Hampshire PCC - Prison	-	20	(20)	-
Doncaster Borough Council - Life Skills	23	-	(23)	-
Help for Heroes	-	10	(10)	-

28 RESTRICTED INCOME FUNDS (CONTINUED)

Due to the additional requirements of the funder, the following amounts received during the year are also disclosed:

Funder	Project	Amount £'000
City Bridge Trust	Ten-year partnership to support young Londoners	1,004
London Borough of Tower Hamlets	Mainstream Grants - Bridging the Gap 2018/19	18
Health Education Kent & Sussex - Innovation Fund	Get into Health & Social Care 2017/18 (Kent & Sussex)	14
Luton Borough Council	Luton Young People First	135
King Baudouin Foundation United States (Caterpillar Foundation)	King Baudouin Foundation United States (Caterpillar Foundation)	113
The Bransford Trust	The Bransford Trust 2019/20	20
Simon Clarke	Staffordshire delivery	63
Norfolk Community Foundation	Community Challenge 19/20	20
Norfolk Community Foundation	Summer Project	6
Norfolk Community Foundation	Women's Mentoring Project	14
Central Bedfordshire Council	Youth Support Services	7
Gannochy Trust	Explore - Dundee	15
Robertson Trust	Gi Health Care	20
Hertfordshire Partnership Foundation Trust	Hertfordshire Partnership Foundation Trust	15
Staffordshire PCC	The Prince's Trust Targeted Prevention Project 2	73
DWP	ESF - Steps to Work	80
Birmingham City Council	Birmingham Youth Promise Plus - Phase 2	441
Coventry City Council	Coventry Ambition Phase 2	55
University Hospitals Birmingham	Birmingham Youth Promise Plus - NHS Phase 2	92
Earl of Caledon	Support young people in NI	333
Education Authority - NI	19/20 Education Authority	60
Education Authority - NI	Workforce Development Fund 19/20	2
HEE	HEE NHS GI Sussex Apr 19- Apr 20	15
HEE	HEE NHS GI Kent, Apr 19 - Apr 20	15
Walsall Metropolitan Borough Council	Walsall Integration Area	5
WMCA	WMCA Digital Skills	8
West Midlands PCC	West Midlands PCC Active Citizens Sandwell	4
West Midlands PCC	Youth Opportunities Fund	90
Cosaraf Charitable Foundation	Enterprise Programme	30
Cosaraf Charitable Foundation	Mosaic Secondary Schools mentoring programme	32

29 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	3,946	-	-	3,946
Tangible fixed assets	22,129	-	-	22,129
Investments	9,092	-	13,394	22,486
Current assets	14,924	27,816	-	42,740
Current liabilities	(9,414)	(14,336)	-	(23,750)
Long-term liabilities	(1,831)	-	-	(1,831)
	38,846	13,480	13,394	65,720

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	3,944	-	-	3,944
Tangible fixed assets	22,077	-	-	22,077
Investments	9,092	-	13,394	22,486
Current assets	12,166	23,115	-	35,281
Current liabilities	(7,789)	(14,336)	-	(22,125)
Long-term liabilities	(1,808)	-	-	(1,808)
	37,682	8,779	13,394	59,855

30 RECONCILIATION OF MOVEMENT IN FUNDS

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Opening funds	58,013	56,550	55,356	53,623
Net incoming resources for the year	11,038	(2,514)	7,830	(2,253)
Net (losses)/gains on investments	(3,331)	534	(3,331)	543
Gain on Disposal of PT House	-	3,443	-	3,443
Closing funds	65,720	58,013	59,855	55,356

31 RELATED PARTY TRANSACTIONS

The Prince's Trust in the UK entered into the following material transactions with its subsidiaries during the year. All income and expenditure is removed on consolidation.

Entity	Nature of Relationship	Transaction	Transactions during the year ended 31 March 2020 £'000		Balances at 31 March 2020 £'000	
			Income	Expenditure	Debtor	Creditor
Prince's Trust America	Deemed control	PTUSA made a total of £5.024m in programme grants to The Prince's Trust	5,024	-	-	-
Prince's Trust Australia	Deemed control	Sub-grant of funding from the Prince of Wales's Charitable Fund for delivery of charitable activities in Australia	-	350	-	-
Prince's Trust Canada	Deemed control	Sub-grant of funding from the Prince of Wales's Charitable Fund for delivery of charitable activities in Canada	-	350	-	-
Prince's Trust International	Deemed control	Costs incurred by the Prince's Trust on behalf of Prince's Trust International. These costs relate to staff salaries and expenses, procurement cards, travel and recharge for facilities, license fees and management fees	691	-	249	-
Prince's Trust New Zealand	Deemed control	Sub-grant of funding from the Prince of Wales's Charitable Fund for delivery of charitable activities in New Zealand	-	250	-	-
Prince's Trust Trading	Wholly owned subsidiary	Management charge for costs incurred by The Prince's Trust on behalf of Prince's Trust Trading Limited	1,452	-	739	-
Prince's Trust Trading		Distribution of year-end profit to the Prince's Trust, under deed of covenant	1,499	-	1,499	-

Expenses reimbursed to trustees and the remuneration of key management personnel are disclosed in Note 11. Transactions by the Charity with its defined contribution pension scheme are set out in Note 26.

The following transactions were entered into with members of The Prince's Trust Council or its committees, or with organisations in which those individuals hold a position of influence. There were no outstanding balances in relation to any of these transactions at the year end.

£5m was received in donations from the John Booth Foundation, whose Director, John Booth, joined The Prince's Trust Council in March 2018.

£50k was received from The Randeree Charitable Trust of which Shabir Randeree CBE is a related party. Mr. Randeree joined the Prince's Trust Council in July 2016.

£220k was received as a donation from Ian Mukherjee. Mr. Mukherjee joined The Prince's Trust Council in December 2015.

£35k was received in individual donations from Michelle Pinggera, who was appointed as Trustee to the Council in July 2017.

There were no other transactions with the directors or board members of any of The Prince's Trust Group's subsidiaries, or their affiliated organisations.

32 EVENTS AFTER THE REPORTING PERIOD

In response to the emergence of the global coronavirus pandemic in the UK in early 2020, The Prince's Trust in March 2020 closed all of its youth centres and offices and cancelled all fundraising events in order to safeguard young people, staff, volunteers and supporters.

Our support to young people at this time remains more crucial than ever. Since March 2020, we have taken steps to ensure we can continue to deliver our support remotely and through digital means. Between July and September 2020, we were able to re-open five of our youth centres in a limited capacity, with the introduction of extensive safety measure. As at November 2020, the majority of our offices remain closed.

The impact on fundraising events and on income projections more widely has been significant and, as a result, The Trust has taken advantage of support from the UK Government's Coronavirus Job Retention Scheme in respect of furloughed staff. Despite this and the introduction of a number of cost cutting measures across The Trust, we expect to return an operational deficit in 2020/21 and will be reviewing our operating model and financial forecasts in depth to ensure longer term sustainability.

Following the decline in equity market valuations during 2019/20 which contributed to the reported net investment loss, markets have recovered in the period since 31 March 2020. This has led to a recovery of the loss as at 30 September 2020.

Additional Unaudited Information

INCOME AND EXPENDITURE ACCOUNT FOR WALES, SCOTLAND AND NORTHERN IRELAND

To meet the audit requirements of some funders in the UK, the results of each of Wales, Scotland and Northern Ireland are summarised below. The results are presented in The Trust's management accounts and include an allocation of the shared support costs of head office and UK-wide. These costs are allocated based on the most appropriate driver for each function; full-time equivalent employees, young people supported or income/expenditure per function.

Activities undertaken in Wales

	2020 £'000	2019 £'000
Incoming Resources		
Private Sector	2,216	2,541
Public Sector	170	152
Other	133	275
	2,519	2,968
Resources Expended (including support costs)		
Direct Charitable	(410)	(396)
Fundraising	(6)	(26)
Staff Costs	(2,455)	(2,537)
Other	(1,025)	(792)
	(3,896)	(3,751)
Deficit for the year	(1,377)	(783)

Further commentary on the activities in Wales is included within the Trustees' report on page 18.

Activities undertaken in Scotland

	2020 £'000	2019 £'000
Incoming Resources		
Private Sector	2,138	4,291
Public Sector	3,104	3,060
Other	371	389
	5,613	7,740
Resources Expended (including support costs)		
Direct Charitable	(1,741)	(1,800)
Fundraising	(3)	(162)
Staff Costs	(4,993)	(5,446)
Other	(2,280)	(1,459)
	(9,017)	(8,867)
Deficit for the year	(3,404)	(1,127)

Further commentary on the activities in Scotland is included within the Trustees' report on page 18.

Additional Unaudited Information (continued)

Activities undertaken in Northern Ireland

	2020 £'000	2019 £'000
Incoming Resources		
Private Sector	659	1,076
Public Sector	1,674	1,497
Other	170	204
	2,503	2,777
Resources Expended (including support costs)		
Direct Charitable	(753)	(592)
Fundraising	(17)	(36)
Staff Costs	(2,819)	(2,622)
Other	(1,361)	(815)
	(4,950)	(4,065)
Deficit for the year	(2,447)	(1,288)

Further commentary on the activities in Northern Ireland is included within the Trustees' Report on page 18.



Heathfield Community
School

**Without you, none of this is possible.
So if you believe in young people, join us
by donating your money, time, support or
leaving a gift in your will to be there for
young people today and into the future.**

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