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The Prince's Foundation
(A company limited by guarantee)
Trustees' annual report and financial statements

Charity Number SC038770
Company Number SC331738
For the year ended 31 March 2022



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Chair's statement

With the very sad news of the passing of Her Majesty Queen Elizabeth II, we share the nation's profound sorrow and our thoughts are with our President, His Majesty The King, and the Royal Family at this time.

In line with His Majesty's wishes, the Trustees, the executive team and colleagues are committed to pursuing and delivering the King's vision and aspirations for The Prince's Foundation and all who benefit from our work.

The Foundation has achieved a great deal in the year to 31 March 2022, against a challenging macroeconomic and geo-political backdrop.

The beginning of our financial year saw the relaxing of Covid-19 restrictions, and we were able to re-open our sites across the UK in accordance with government guidelines. This included the re-opening of our café and bed and breakfast facilities at Dumfries House and The Queen Elizabeth Castle of Mey Trust, as well as public tours of Dumfries House and the Castle of Mey, all in a Covid-secure manner. The emergence of new variants towards the end of 2021 meant that the charity had to be flexible and responsive to a fast-changing situation, including the re-introduction of restrictions in response to the Omicron variant. Since then, we have seen restrictions ease once more, largely due to the success of the vaccination programme and the wider public health response.

Throughout this period, our colleagues and volunteers have worked tirelessly to ensure the work of The Prince's Foundation has continued as far as possible, within government guidelines, including the delivery of our Education programmes, our outreach work, local community initiatives, and keeping our estate properties open to the public. It is through the determination of our hard-working colleagues and volunteers that we have been able to maintain a regular programme of delivery of our charitable objectives throughout the pandemic. On behalf of the Board, I would like to thank them warmly for everything they have done, and continue to do.

These recent and current challenges have been compounded by the rising cost of living, which is making life difficult for many. It seems very likely that inflation will continue to increase in the short term, putting further pressure on household and organisations' budgets.

Against this backdrop, and never more so than now, the work of our charity is critical in providing opportunities for our beneficiaries, students, members of the community and the visiting public and also supporting the livelihoods of those who work for us.

General admission to the Dumfries House estate continues to be free of charge. The Dumfries House Health and Wellbeing centre works closely with local health care providers and runs a range of well-being services to local residents. These programmes are offered free of charge to the participants.

The Foundation's education offering at Dumfries House delivers heavily subsidised, and in many cases free, programmes for students and local schools. Students are able to take up activities in Science, Technology, Engineering and Mathematics (STEM), craft skills, outdoor education, food, farming and horticulture affording them both experience and learning opportunities.

In addition, we offer subsidised and, in some cases, fully funded places on our Diploma Year course at Trinity Buoy Wharf for students to explore their artistic talents. At The Prince's Foundation School of Traditional Arts, we offer financial support and bursaries to students progressing MA and PhD level qualifications.

We continue to invest in our facilities across all sites to enhance the visitor experience and to expand our education offering. At Dumfries House we developed a new free-to-use adventure playpark, extending the existing playground to incorporate treetop walks. We also completed the construction of Coachford cottage and the Printmaking studio to support educational delivery on the Dumfries House estate.

At the Castle of Mey, we completed the refurbishment of the Visitors' Centre and the Captain's House to improve the visitor experience.

The Prince's Foundation School of Traditional Arts benefited from significant investment in the student facilities at Charlotte Road, London. At Trinity Buoy Wharf, the Foundation expanded its education offering by delivering

the Diploma Year course, and entered into a lease of new facilities at the Electrician's workshop including the refurbishment and kit out of a new darkroom and textiles studio.

As world leaders gathered at COP-26 in Glasgow in November, we continued to promote and demonstrate the importance of planning for sustainable growth of secondary cities in the Commonwealth, to address the global challenges of rapid urbanisation and climate change. We also launched our Building a Legacy for Landowners' educational programme and published a report with the new Global Centre on Healthcare and Urbanisation at Kellogg College, Oxford, into the evidence base for walkable, accessible and healthy neighbourhoods.

At Highgrove, Gloucestershire, the Foundation took on responsibility for the Highgrove Gardens in order to ensure they continue to be appreciated by the visiting public, in support of the Foundation's charitable endeavours, and the Highgrove trading arm which will generate an annual income for the charity. We are also investing in new education facilities at Highgrove to deliver textiles and craft skills to the local community and further afield.

The charitable outcomes outlined above would not have been possible without the generosity of our donors. The delivery of our charitable objects, inspired by the vision of our President, is reliant on donations and, on behalf of the Board, I would like to extend my sincere thanks to all of our supporters for their philanthropy.

During the year, the Foundation was the subject of a number of press reports into alleged historic fundraising practices. The Board agreed unequivocally that the allegations had to be independently investigated and launched an investigation. Following receipt of the findings of the investigation the Board has been considering them, as has the Office of the Scottish Charity Regulator (OSCR) and other relevant parties. Trustees are also aware that the Metropolitan Police are conducting an investigation into allegations of offences under the Honours (Prevention of Abuses) Act 1925. As a result of the independent investigation, the Board of Trustees undertook a thorough review of the charity's governance and significant action has been taken in response. Trustees are determined that lessons will be learned to ensure that our charity maintains the highest standards in all areas and always acts with the utmost integrity and probity.

I reported last year on changes to our Board composition and, subsequent to that update, we have welcomed two new Trustees to our Board, namely Ewan Venters and Sandy Manson. I would like to welcome our new Trustees, the details of whom can be found in the enclosed report. I would also like to take this opportunity to thank my fellow Board members for their valuable contributions and commitment during the past year. Ashe Windham retired from the Board in March 2022 and I thank him for his dedicated service.

While the exceptionally challenging socio-economic climate is likely to continue for some time, our Trustees, colleagues and volunteers are resolutely committed to delivering our charitable goals to make a positive difference to our beneficiaries and communities.



Dame Susan Bruce
Chair
The Prince's Foundation

Strategic Report for the year ended 31 March 2022

Review of the Charity

The Prince's Foundation, of which His Majesty, King Charles III, is President, was formed on 1 April 2018 through the merger of The Great Steward of Scotland's Dumfries House Trust with The Prince's Foundation for Building Community. During the year to 31 March 2019, The Prince's Foundation merged with The Prince's School of Traditional Arts, in September 2018, and became sole Trustee of another of The Prince's charities, The Queen Elizabeth Castle of Mey Trust, on 1 January 2019.

During the year ended 31 March 2022 the Foundation continued to deliver on its charitable objectives despite the ongoing effects of the pandemic particularly at the beginning of the financial year. A number of capital projects progressed at both the Dumfries House estate, the Highgrove estate and at the Castle of Mey, as set out on page 11.

The Foundation continued to deliver its broad education programme at Dumfries House, Trinity Buoy Wharf and at the School of Traditional Arts in London. During the year, the Foundation progressed its plans to expand its education offering by acquiring two buildings in Highgrove, Gloucestershire. Details of all education activities can be found on pages 12 to 17. The Foundation's Architecture and Heritage work continued to thrive, both in the UK and internationally, further information on which is set out on page 17. All of this has been achieved at the same time as the charity bolstered its balance sheet and cash reserves and has reported positive free group reserves for the second year in a row. Please refer to pages 18 and 19 for the financial review of the year and our reserves assessment.

Principal risks and uncertainties

The Trustees are required to assess the major risks to which the Foundation is exposed. The Trustees have examined the major strategic, business and operational risks which the Foundation faces, and are satisfied that appropriate systems have been established to seek to identify and manage these risks. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

The principal risk for the charity is failure to meet fundraising targets leading to the charity not having sufficient funds to achieve its objectives. This is monitored by management and Trustees at regular intervals. Management information tools including monthly management accounts including finance and fundraising reconciliations, budget setting and tracking, and cash flow forecasts are used to oversee and manage current and future liquidity. The charity's fundraising requirements are a key input to these reports.

During the financial year the Foundation was the subject of a number of press reports into historic fundraising practices at The Prince's Foundation. The Trustees asked their legal advisors to commission an independent investigation into the press reports. The Trustees and OSCR received the findings arising from that investigation in November 2021 and subsequently the Trustees commissioned and reviewed legal advice on the findings of the report.

The risks highlighted and considered include the potential for legal, regulatory, employee and reputational risks. The Trustees accept the reputational risk arising from these events as probable and note the possible risk of both legal and regulatory liability outcomes. The timing and amount of any economic outflows are uncertain at this time. Trustees are also aware that the Metropolitan Police are conducting an investigation into allegations of offences under the Honours (Prevention of Abuses) Act 1925 and this has been considered within the legal advice outlined above.

Strategic Report for the year ended 31 March 2022 (continued)

Principal risks and uncertainties (continued)

The Trustees are satisfied, based on the work professionally commissioned and the internal enquiries carried out to the date of approval of the financial statements, that there is no evidence of endemic or systematic breakdown within the operating control environment of the Foundation. The Trustees also accept that it remains possible that historic transactions could result in ongoing contingent risk to the Foundation.

Section 172 Statement, Employee Engagement and Business Relationships

This statement is included to meet the requirements of the Companies (Miscellaneous Reporting) Regulations 2018.

Consequences of long-term decisions

Trustees and management actively consider the long-term implications of all significant decisions made by the charity. Performance is monitored via departmental reporting and monthly management accounts to ensure that operations are meeting their objectives. Long term cashflow projections and budgets are reviewed on a regular basis by the committees described on pages 6 and 7, to make sure that the Foundation is financially sustainable to deliver its future plans as set out on page 19.

Impact on the community and environment

Promotion and development of the local and wider community is inherent in all activities of The Prince's Foundation. As described in the Foundation's objectives on page 9, the charity exists to improve the conditions of life for persons in need and to promote community development. This is evidenced throughout the Trustees' report which describes the numerous successful activities undertaken in the year. The Foundation is conscious of its influence and impact on the environment. It strives to ensure that it leads by example, particularly in its promotion of the protection, preservation and conservation of architectural heritage, artefacts and estates it is entrusted to safeguard.

Business relationships with suppliers, customers and others

We have continued to support our suppliers and third-party contractors by ensuring timely payments and active communication. Where customers have been unable to utilise their bookings or gift vouchers, due to the pandemic, The Prince's Foundation has offered refunds, extensions or the flexibility to change the date of an event. Community events were limited by Covid-19 restrictions, particularly at the beginning of the financial year, and consequently the Foundation has continued its online offerings such as classes from our Health and Wellbeing centre. Once restrictions began to ease, and where safe to do so, we re-commenced on-site and in-person engagement with our suppliers, customers and the community.

Employee engagement

The onset of the Covid-19 pandemic resulted in new ways of working for most of our colleagues. Many of our colleagues worked from home in response to the lockdown measures announced by government. The Foundation takes its responsibilities towards the health and wellbeing of staff very seriously and we were vigilant in applying the safety measures advised by government and to implement restrictions. During the strictest lockdown periods, we closed our sites across the UK and all members of staff moved to home working.

As lock-down measures began to ease, all colleagues were invited to share their views regarding our re-opening plans as part of an online survey. Feedback from the survey was reviewed by management and as a result we began a phased return to working on site.

Strategic Report for the year ended 31 March 2022 (continued)

Section 172 Statement, Employee Engagement and Business Relationships (continued)

Where possible staff are being offered a flexible work pattern where they have the option of working from home for up to two days per week. We continue to encourage the use of virtual meetings, placing emphasis on the need for teams to keep in touch and the management team issue regular all-staff communications to keep colleagues informed of updates.

High standards of business conduct

We are regulated by the Office of the Scottish Charity Regulator (OSCR) and the Office For Students (OfS) and maintain an internal governance structure designed to ensure effective oversight of all operational and financial matters. We strive to maintain the highest levels of business conduct and, during the financial year, the Trustees of The Prince's Foundation launched a robust and detailed governance review, in line with the Charity Governance Code. We continually review our control environment and make improvements as required.

The need to act fairly as between members of the company

All members as defined in our Structure, Governance and Management statement on pages 20 and 21 are given equal consideration. Regular communications are made to all members in a timely and efficient manner without prejudice. Terms of reference exist for our Board and its various Committees.

Statement of Corporate Governance and Internal Control

This statement is included to meet the requirements of the Office for Students regulatory advice 9: accounts direction 2019.41.

Transparency, adequacy and effectiveness of corporate governance and risk management arrangements, including compliance with statutory and regulatory responsibilities

The Prince's Foundation is regulated by the Office of the Scottish Charities Regulator (OSCR) as its principal regulator and, additionally, by the Office for Students (OfS). The OfS requires disclosures to be made in the published financial statements of its providers, including this statement of corporate governance and internal control and the disclosures set out in note 22 to the accounts. This is supplementary to the requirements of FRS 102 and the Charities Statement of Recommended Practice (SORP).

This statement of corporate governance and internal control provides an overview of the governance at The Prince's Foundation, including the internal control arrangements and processes by which we manage risk.

Our charitable objects and powers are set out in our Articles of Association, which are available publicly at Companies House (company number SC331738). Our Articles set out the membership of our governing body, being our Board of Trustees, including voting powers and the rules for meetings and appointments to the Board.

The Prince's Foundation is committed to exhibiting best practice in all aspects of our corporate governance. Good corporate governance and internal control enables and supports a charity's compliance with the law and relevant regulations and underpins a culture where colleagues work towards fulfilling the charity's objects.

The Charity Governance Code (the 'Code') represents a standard of good governance practice to which all charities should aspire. The code includes seven principles – leadership; integrity; decision making, risk and control; board effectiveness; equality, diversity and inclusion; and openness and accountability.

Strategic Report for the year ended 31 March 2022 (continued)

Statement of Corporate Governance and Internal Control (continued)

Transparency, adequacy and effectiveness of corporate governance and risk management arrangements, including compliance with statutory and regulatory responsibilities (continued)

Although the code is voluntary, during the financial year to 31 March 2022 the Trustees of the Prince's Foundation reviewed the corporate governance arrangements of the Foundation and developed a plan to follow the code's best practice recommendations. The Board is committed to regular review of the adequacy and effectiveness of our corporate governance arrangements and receives regular updates on progress.

The Board and its Committees also receive updates on statutory and regulatory compliance matters, in addition to updates on restricted funds as part of the monthly management accounts process.

With respect to funding arrangements, The Prince's Foundation does not receive public funding from the OfS, UK Research and Innovation (UKRI, including Research England), the Department for Education or the Education and Skills Funding Agency.

Corporate governance structures

The Board of Trustees

The Board of Trustees comprises persons appointed under the charity's Articles of Association. The Articles govern the membership of the Board of Trustees, including its voting powers. The charity currently has 9 Trustees, the biographies of whom are set out on pages 21 – 25 below. All new Trustees are provided with training and induction materials including a finance orientation session.

The Board of Trustees sets and oversees the strategic direction of the Foundation (Group) and is responsible for all policy decisions. The Board of Trustees of The Prince's Foundation meets formally at least four times each year.

The Prince's Foundation maintains a register of interests of members of the Board to allow the charity to monitor any conflicts of interest, to ensure the correct statutory declarations are made and that any authorisations are put in place as necessary. The Board confirms the status of any conflicts of interest at the beginning of each meeting.

The Board of Trustees delegates authority to a number of Board Committees, which operate at Group level as part of the governance structure of the Foundation. These Committees derive their scope, membership and powers from their Terms of Reference.

An overview of each of the Board Committees is set out below.

Policy and Resources Committee ('PARC')

The first meeting of PARC was held on 27 July 2021. PARC was previously the Finance, Investment and Audit Committee (FIAC); the responsibilities of FIAC were split between PARC and a newly created Audit and Risk Committee (AARC) during the financial year.

PARC oversees the day-to-day financial and operational management of the Foundation, including the effective use of the Foundation's resources, adherence to policies and procedures, and monitoring and reporting.

PARC also undertakes the activity of the Remuneration Committee ('RemCo'), to oversee senior management remuneration and also to determine any severance payments in respect of termination of appointments for senior post holders. Note that the role of Trustee of The Prince's Foundation is a non-remunerated position.

Strategic Report for the year ended 31 March 2022 (continued)

Statement of Corporate Governance and Internal Control (continued)

Transparency, adequacy and effectiveness of corporate governance and risk management arrangements, including compliance with statutory and regulatory responsibilities (continued)

Audit and Risk Committee ('AARC')

The first meeting of AARC was held on 10 March 2022. AARC is a newly created Committee, in year, taking on some of the responsibilities of the Finance, Investment and Audit Committee (FIAC) as outlined above.

AARC oversees the appointment, effectiveness and objectivity of the external auditors; the integrity of the group's financial reporting; and the effectiveness of the group's internal control environment.

Members of the Foundation's senior management team are invited to attend meetings of AARC but they are not members of the Committee, and AARC meets with the external auditor without senior executives being present at least once a year.

Funding Approval Committee ('FAC')

The first meeting of FAC was held on 6 September 2022. FAC was previously the Ethics Committee but has been renamed to more appropriately describe its responsibilities.

FAC oversees, on behalf of the Group's Board of Trustees, due diligence processes and the review process for donation prospects, including the review and approval of referred fundraising prospects and all material donations.

Nominations Committee ('NomCo')

NomCo reviews which skills, knowledge and experience the Board of Trustees requires, and leads the process for recruiting those positions and making recommendations to the Board for the appointment of Trustees. NomCo's role extends to the appointment of senior staff positions such as the Chief Executive Officer.

Internal control arrangements with respect to identifying and managing risk, the effectiveness of these arrangements and the role of external audit

The Prince's Foundation's system of internal controls and risk management is based on an ongoing process designed to identify and mitigate risks to our achievement of policies and charitable objects. This process has been in place for the year ended 31 March 2022 and up to the date of approval of these financial statements, in line with OfS guidance.

The Board of Trustees has responsibility for implementing and reviewing the effectiveness of the system of internal controls. The following processes have been established in relation to implementing an effective system of internal control and ongoing review of its effectiveness:

- The Board of Trustees meets at regular intervals and at least four times each year. This is in addition to regular meetings of the Board's Committees, the scope of each of those meetings is described above, and the Board receives reports from its Committees on matters arising;

Strategic Report for the year ended 31 March 2022 (continued)

Statement of Corporate Governance and Internal Control (continued)

Internal control arrangements with respect to identifying and managing risk, the effectiveness of these arrangements and the role of external audit (continued)

- The Board has delegated to the Audit and Risk Committee (AARC) some of the responsibility for providing oversight of risk management. This includes bi-annual reviews of the Group risk register and ongoing updates on risk management on topics as they arise. The Group risk register includes an assessment of the likelihood and impact of risks becoming a reality. Our approach to risk assessment is that it is embedded in ongoing operations and includes all categories of likely risk to which the Foundation is exposed, including operational, financial, regulatory and legal;
- AARC also considers detailed audit reports from the external auditor together with management action plans for the improvement of our systems of internal control, and monitors those plans;
- The Trustees' Strategic Report for the year ended 31 March 2022, at page 3 above, includes an update on the principal risks and uncertainties to which the Foundation is exposed. Trustees have included within this report a review of internal control weaknesses and actions taken in response;
- There is regular review of management information tools including budget setting and tracking, monthly management accounts, bank reconciliations and monthly restricted funds reconciliations. Cash flow forecasts are used to oversee and manage current and future liquidity. Key internal financial controls include segregation of duties for accounting reconciliations, controls over system access and payment authorisation procedures.

This system of internal control is designed to manage – rather than eliminate – the risk of failure to achieve policies, aims and objectives. It can only provide reasonable, not absolute, assurance of effectiveness. However, the Trustees are committed to maintaining a sound system of internal control and risk management and intend to maintain the highest standards in all areas and foster a culture of the utmost integrity and probity.

Global economic outlook

The Trustees are monitoring the current macroeconomic environment, in particularly global inflationary effects, and the associated impact on the charity. The current uncertainty over the war in Ukraine has also led to volatility in international markets. How these events might develop, the scale of those developments and the wider impacts are difficult to predict, though a period of heightened uncertainty seems inevitable.

The Trustees have considered inflationary pressures in the recent budget, and have reviewed the financial position of the charity and its cash flow and reserves in light of this. The capital value of our investment portfolios is being monitored closely by Trustees to ensure the safeguarding of these funds. The risk register has also been reviewed, and the Trustees will continue to monitor developments.

ON BEHALF OF THE BOARD:



Dame Susan Bruce
Chair

Report of the Trustees for the year ended 31 March 2022

Objectives and Activities

Objectives

The overarching charitable objective of The Prince's Foundation, as set out in its Memorandum and Articles of Association, was amended on 29 March 2018 to reflect the new activities to be undertaken by the Foundation as a result of the aforementioned mergers. The Foundation's objects are for the benefit of the public:

- The advancement of education, training and retraining;
- The advancement of heritage and the protection, preservation, conservation, improvement and revitalisation of the built environment, the environment, traditional arts and architecture of all civilisations and monuments, structures or sites of particular beauty of historical, architectural or constructional interest;
- The advancement of citizenship or community development;
- The provision of recreational activities, or the organisation of recreational activities, with the object of improving the conditions of life for persons in need by reason of youth, age, infirmity, disablement, poverty or social or economic circumstances;
- The preservation and maintenance of Dumfries House, its contents, grounds, outbuildings and surrounding land and other heritage sites in Scotland and the rest of the world; and
- To undertake other charitable activities, both locally and nationally, either directly or by supporting others undertaking those activities. In particular the Foundation aims to increase the knowledge, understanding and interest in Dumfries House and the preservation of its artefacts, and to promote social, cultural, recreational and educational activities for the benefit of the local community and beyond, whether through the provision of facilities where residents can come together for community events or recreational activities, or through improvements to historic buildings, community facilities and public open spaces.

Additionally, the Foundation seeks to minimise its environmental impact and where practicable apply the principles of sustainability and harmony to its actions. The Foundation falls within the scope of the carbon reporting requirements under the government's Streamlined Energy and Carbon Reporting (SECR) Policy. Our Carbon Audit report is available on pages 26 to 27.

Our vision

As defined and led by our President, The Prince's Foundation's vision is to support people to create community, through teaching traditional arts and skills, restoring historic sites, championing a sustainable approach to the way people build community, and maintaining Dumfries House and its estate as an example of heritage-led regeneration. Our mission is to ensure that, through our initiatives, we will have a positive impact upon the lives of all within the communities where we work, regardless of gender, age, politics, wealth or religion.

It was always the ambition of The Prince's Foundation's Founder and President, and a key objective of the Foundation, to demonstrate how a place of historic and cultural significance can be used as a catalyst to regenerate its surrounding community in terms of leadership, leisure, culture, training and education, employment and wellbeing. Through joining forces with The Prince's Foundation for Building Community, The Prince's School of Traditional Arts, The Prince's Regeneration Trust and The Queen Elizabeth Castle of Mey Trust, it is the intention that our organisation will enhance its reach nationally and internationally using relevant knowledge and experience accumulated over many years.

Report of the Trustees for the year ended 31 March 2022 (continued)

Recognising the contribution of our volunteers

Volunteers play a significant role in delivering our charitable objects.

In the financial year to 31 March 2022, and since the re-opening of the estate post Covid-19 restrictions, we welcomed back many of our previous volunteers and also some new ones. At Dumfries House we have had 16 volunteers assisting with house tours and larger events during the year, in addition to 7 volunteers in the gardens who have been working across four acres of the organic and educational gardens carrying out a variety of tasks including weeding, pruning and mulching. In the prior year, we had approximately 15 volunteers in total on the Dumfries House estate, this lower number reflecting reduced activity due to Covid-19 restrictions.

The Queen Elizabeth Castle of Mey Trust continues to be assisted by their 2 volunteer gardeners. And, at Highgrove, we are assisted by 17 volunteer garden tour guides and 16 volunteer shop assistants.

We are very grateful for the contribution of our volunteers across the Foundation's activities at various locations.

Executive summary of achievements and performance 2021-2022

The preservation and maintenance of the Dumfries House Estate continues to be a key objective of the Foundation. The last year has seen an ongoing programme of investment continue at Dumfries House and other Foundation properties. This included investment in the preparation for re-opening, post Covid-19 restrictions being lifted, and the overall needs of the organisation across all sites.

Throughout the year, despite some Covid-19 restrictions remaining in place, the estate and grounds were able to remain open. The Dumfries House Lodge and Café fully reopened in the summer, with Dumfries House opening on reduced hours. The completion of the new free-to-use children's playpark, in year, added further interest to the estate and is helping to retain visitors for longer as well as attracting new ones and encouraging repeat visits.

During the year the Foundation acquired a new commercial entity, A G Carrick Limited (AGC). AGC is based at Highgrove, Gloucestershire, and operates a commercial retail business and generates income from copyrights, tours of the Highgrove gardens and restaurant sales. AGC was gifted to the Foundation from The Prince of Wales Charitable Fund (PWCF) so that the future economic benefits may pass to The Prince's Foundation and support its new education facilities being developed at Highgrove.

In addition to this the Foundation also utilised the Garrison Chapel in Chelsea Barracks and a larger teaching space at Trinity Buoy Wharf, both of which have helped raise the profile of the Foundation and increase the capacity of our education activity.

Dumfries House Home Farm continues to build on its organic accreditation. The farm has been largely unaffected by the pandemic and continued to operate throughout the year. The livestock numbers remain similar to previous years with around 700 sheep and 140 cattle all of which are rare breeds.

At The Queen Elizabeth Castle of Mey Trust, investment has been made into the gardens and infrastructure, helping to further enhance the visitor experience. Refurbishment work was undertaken to the Visitor Centre and the Captain's House whilst the estate was closed during Covid-19. The Granary accommodation opened when restrictions were relaxed and saw guest numbers gradually increase towards the end of the season as tourism returned to the area. Longhoe Farm has been unaffected by the pandemic and livestock numbers remain similar to previous years with approximately 120 cattle and 300 sheep.

Report of the Trustees for the year ended 31 March 2022 (continued)

Capital projects in the year

The investment in the infrastructure of Dumfries House and other Foundation properties continued during the year via a number of capital projects, as detailed below:

Dumfries House

- **Coachford cottage.** Works continued on Coachford cottage until the Summer which saw the completion of both buildings. The development consists of a two-bedroom cottage with shared living space and two artist studios. The buildings will be used by tutors and students for a variety of different courses.
- **Pennylands cottage.** The refurbishment and development of Pennylands cottage was completed in year. The development of the cottage served as the basis of the Live Build program. The development consists of a cottage and kennels which is now home to the estate shepherdess and sheepdogs.
- **Adventure playground.** The extension of the existing adventure playground to incorporate treetop walks and play equipment for older children was completed in year.
- **Printmaking studio.** Works on the printmaking studio began in year and the development completed in Spring 2022. The building will offer a dedicated space for traditional printmaking on the estate. It is anticipated that a wide variety of courses and workshops will be hosted there.
- **STEM Live Build.** The construction of new outdoor classrooms and bridge at the STEM centre. The twelve-week build brought together traditional building craftspeople in order to complete the facility. The new space is being used for a variety of classroom-based activities for children of all ages.

Highgrove

- **Barley Court.** The refurbishment of Barley Court was completed in year, with two floors used for the delivery of Education (textiles) programs whilst the third floor will be used to house AGC office staff.
- **Street Farm.** The redevelopment of Street Farm commenced in July and is ongoing. When finished the facility will accommodate eight residential students and have four different workshop areas, each offering a different craft skill.

Castle of Mey

- **Captain's House.** The refurbishment of the Captain's House took place in year. Interior decoration was upgraded throughout, and remedial works were carried out to the fabric of the building.

Future Capital Projects

In the short term our aims and objectives for capital projects on and around the Dumfries House estate include:

- **Farm Education Facility.** Construction will begin shortly on the Rural Skills Training Centre. The development will consist of two practical classrooms, teaching barn and other facilities to enable the delivery of practical agricultural education programmes on the estate in conjunction with Home Farm.
- **The Glenside Applied Arts Centre.** This project will incorporate traditional building skills and traditional arts. The centre will be situated on the site of the Glenside Farm.

Longer term aims and objectives for the Foundation's capital projects are as follows:

- **The Pavilion.** The creation of a new pavilion to the east of Dumfries House to replace the existing marquee attached to Dumfries House.
- **Knockroon.** A full review of the Knockroon project will be undertaken and plans will be developed taking into account the CORE project and how that will be integrated into the masterplan.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education

The Prince's Foundation's education portfolio is diverse, covering subject areas including architecture and urbanism, textiles, building craft, STEM, Food, Farming and Horticulture and a range of others. Core to our educational delivery is a belief that these disciplines should not operate in a vacuum but be taught in a collaborative, interdisciplinary way. Our programmes are delivered across the UK, with several centres in both England and Scotland, as well as internationally and online.

This year, in person delivery continued to be impacted by Covid-19 restrictions particularly at the beginning of the financial year. However, by the start of the Autumn term most programmes returned in person, albeit in smaller numbers in some cases than before, due the requirements of social distancing within spaces and some uncertainty remaining around restrictions and new variants.

Despite the challenging landscape, we were pleased to have been able to continue our planned delivery and to expand our offering into new programmes. Highgrove Craft Centre opened, with the refurbishment of Barley Court as a textile centre. The Foundation also commenced delivery of the newly refreshed Diploma Year, based at Trinity Buoy Wharf. In addition, we delivered the first of the approved City and Guilds qualifications to a long-established community group, some of whom had not achieved formal qualifications previously.

During the financial year the Foundation delivered educational activities across our various sites, as follows:

Dumfries House

Horticulture and Food Education

The principal aim of the work being undertaken in the Pierburg Education Centre and the Kauffman Education Garden is to teach children where fresh vegetables come from, underpinning the notion of healthy eating and fresh produce. This year showed a return to a higher level of delivery compared to prior year, with schools returning in the Autumn for day visits. Schools were offered to split their days between the Pierburg and the Farm, with delivery shared with other centres. There was a sense that, for those taking part, an understanding of food supply and security issues were at the forefront of an increased understanding of the need for a local and seasonal food supply. The curriculum content demonstrated how to ensure seasonal and locally grown food could mitigate the impact of a future pandemic.

Food for the Future

'Food for the Future' (FFTF) is an education pilot programme, part of The Prince's Foundation's 'Making Food Go Further' food waste initiative, in partnership with Jamie Oliver, Jimmy Docherty and The Soil Association. The aim of the programme is to enable participating pupils to develop their understanding of how the food system works and how it impacts on the environment to enable them to then play their part in reducing food waste. Students use their learning to come up with a solution to a food waste issue. This ranges from local and community-based solutions to exploring how to improve industry processes.

Despite restrictions and the impact of Covid-19, attendance numbers demonstrated a strong desire to better understand food waste. The first phase of the programme has ended with 48 pupils, from four secondary schools, having completed a series of five experiential practice-based masterclasses at Dumfries House estate. Early indicators demonstrate the positive impact FFTF has had on the students. Prior to starting the program only 50% of participants considered how much food was wasted when grown, produced or at an individual level. Immediately after completion of the masterclass series, 74% of students were implementing ways to reduce food waste at home.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education (continued)

Growing Together, Cooking Together

'Growing Together, Cooking Together' (GTCT) is our flagship extended engagement programme. The aim is to give participating classes, and their schools, the knowledge and skills to create their own school kitchen garden. We do this by developing children's skills in horticulture, food preparation, healthy food choices and sustainability through learning how to grow and cook their own produce. The programme can then be led in subsequent years by the teacher and pupil cohort, in keeping with The Prince's Foundation's 'Learn, Practice, Teach' ethos, creating a virtuous cycle of the learner becoming the practitioner and then teacher.

This year, 24 Primary 5 and Primary 6 pupils from Muirkirk Primary school took part in the GTCT project. They worked with our estate joiners and food education team over ten visits to create their own planters, and participated in a variety of activities focusing on plant science, reducing food waste, sustainable gardening, organics, sowing, growing, encouraging wildlife and protecting soil. They then planted and cultivated vegetables and harvested their crop before visiting Dumfries House to produce seasonal soup, courgette bakes and carrot muffins. Students create a video showcasing the journey both their school and they themselves experienced.

At the end of the project, there was a 20% increase in the number of students who answered 'yes' when asked if, when choosing food, they now considered the impact it had on the environment. 100% of participants stated they care more about food waste having taken part, with 75% interested in growing their own food at home. The project has built stronger relationships with both schools and the wider community, sharing the vision of The Prince's Foundation and showcasing our education delivery.

Residential, Outdoor and Nature Based Learning

Covid-19 restrictions at the beginning of the financial year meant that multiple occupancy of the residential centre was not possible. However, the centre became home for 12 weeks to the Building Crafts students who had a bedroom each and were able to become a safe 'bubble' for working onsite. From October 2021, Covid-19 restrictions lifted and we began offering multiple residential packages once again. Demand was steady with groups who had postponed their initial bookings finally able to visit. Day visits increased due to the focus from schools on the understanding that learning outdoors and in nature was of benefit to pupils' wellbeing which is a stated priority for Scottish Education. The centre team co-ordinated the delivery of Fresh Start which is a multidisciplinary programme. It's Up to Us and the G.R.I.T programme were also well received, the latter delivered to a group of Kickstarter young people at the commencement of their working career with ACS Clothing in Motherwell. The outdoor centre team has been working more closely with the other school education delivery centres to assist the delivery of their programmes allowing the team to deepen the links between curriculum areas.

Science, Technology, Engineering and Maths (STEM)

In May 2021, school day visits began returning to the estate. The STEM education team successfully implemented a new collaboration with the STEM and Outdoor Learning education representatives at North Ayrshire Council which has seen many schools visiting the estate, not just for STEM workshops but across the curriculum areas. In 2021 much focus has been on cross curricular delivery with programmes such as Fresh Starts, It's Up to Us and Food for the Future taking priority. Working more closely with the other school education delivery centres has presented opportunities to engage with pupils over a longer period of time and deepen the links between the STEM education programme and the other curriculum areas. STEM principles have been more strongly embedded in all codesigned programmes because of this collaborative delivery approach. This year also saw the launch of the first of five 'Skills Week' programmes and a new drive for secondary school workshops. This was part of the strategic plan laid out in 2020, and it is hoped that the success of this programme will encourage STEM industry partner involvement in future events.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education (continued)

Farm Education

The farm education delivery programme was reduced at the beginning of the year, compared to previous years, primarily due to Covid-19. However, by the final quarter of the financial year, delivery was similar to pre-Covid levels with regular bookings for day visits and an increase in interest for the forthcoming months. Day workshops focused on farm tours remained popular for primary pupils along with exploring concepts such as food miles and by products of food.

Hospitality

In September 2021 we commenced our traditional delivery of the 'Get into Hospitality' course with a refreshed curriculum which expanded depth of learning in sustainable practice and principles as well as enhancing practical experience through the introduction of live service. The 6-week course recruited in collaboration with The Prince's Trust.

We were able to recruit a small cohort of six students (maximum number in line with social distancing) all of whom were seeking employment but had previously faced barriers to accessing the workplace. The focus began on building soft skills. While developing these soft skills the students undertook classes in our various areas across the estate developing Barista skills in the Coach House Café, Housekeeping and Reception skills at the Dumfries House Lodge and being educated in organic, sustainable, and locally sourced foods within the Kauffman Education Garden and Pierburg Education Farm. Historically the course yields a strong 80% success rating for getting students into work. The data supplied by The Prince's Trust showed this continued to uphold with five of the six students gaining employment within 3 months of the course finishing.

Trinity Buoy Wharf

Diploma Year

This represents the first year of The Prince's Foundation Diploma Year, operating from Trinity Buoy Wharf. The Diploma Year is a course in fine and applied art, delivered five days per week for 36 weeks each year.

This year we have awarded 18 scholarships to students, seven of whom are from boroughs local to Trinity Buoy Wharf. We provide scholarship and bursary support for disadvantaged students to ensure an opportunity exists to nurture their artistic potential and improve their progression opportunities in Higher Education.

The course is designed to prepare students to progress on to BA degrees in creative subjects including, but not limited to, Fine Art, Applied Arts, Architecture, Design and the Crafts. Students are prepared for the requirements, challenges and expectations of Higher Education through UCAS support, portfolio preparation, mock interviews and personal statement writing.

89% of the 2021-22 cohort were awarded either a Distinction or Merit for their Final Assessment. Some examples of progression routes for our students include: University of the Arts London, University of Edinburgh, Glasgow School of Art, The Ruskin School of Art Oxford, Goldsmiths, Newcastle University, University College London, British Institute of Florence and McGill University Canada.

We are delighted to have the use of an additional animation studio, a large photography dark room and the integration of the Future Textiles studios into The Prince's Foundation building at Trinity Buoy Wharf.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education (continued)

Highgrove

The Prince's Foundation acquired the operating lease for two educational facilities, Barley Court and Street Farm, at the Highgrove estate in July 2021. These two teaching areas are at different stages in their development, with the refurbishment of Barley Court completing in year, with two floors used for the delivery of Education (textiles) programs, whilst the redevelopment of Street Farm commenced in July and is ongoing.

This year we have focused on outreach and inhouse workshops with community groups, and developing links with local groups and charities, for the provision of education and training. We have taken time to cultivate a positive relationship with the existing team at Highgrove, AG Carrick staff and the gardeners and the garden volunteers. In June 2022 we came together to create a Jubilee tea party event that both celebrated The Queen's Platinum Jubilee and benefited the local community.

Barley Court textiles studio

We held two public open days, inviting local textile and craft practitioners and members of the local community to Barley Court, and have taken time to understand what the local interests and needs are and what our future programme of workshops will look like. We have reached out to Young Gloucestershire, Creative Youth Network and Friendship cafes in Gloucester and Tetbury and delivered regular workshops both on and off site. We have also participated in a collaborative project with the MShed in Bristol to create a garment for display in the museum during Sustainable Fashion week. We are exploring how we can deliver City & Guilds accredited courses in the Autumn and finally, we worked with local volunteers to make nearly 200 metres of bunting for The Queen's Platinum Jubilee.

Snowdon School of Furniture

Earlier this Spring we advertised for the Snowdon Summer School, receiving 21 applications from a wide of people including existing students, new graduates and upskilling professionals. We have also recruited a furniture coordinator, who was alumnus of the Snowdon Summer School, who will start at the beginning of June 2022. We look forward to seeing the furniture workshops kitted out with benches, storage, and machinery, ready for the commencement of activity this summer.

Collaboration projects

We have been in planning mode with the wider team at Dumfries House to prepare for the Fashion X Craft project with the German Fashion Council. This exciting project will be our first major collaboration project at Highgrove and we look forward to welcoming the students, and craft practitioners, to our new workshops to participate in this three week project.

UK wide and international

The Prince's Foundation operates across the UK and internationally to support people to plan the future of their community, to learn traditional crafts and skills needed to build sustainably and to share the results as examples of best practice in urban design, architecture, planning and textiles. Collaborations range from short courses and seminars through to long term education and training programmes.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education (continued)

Future Textiles

Our future textiles activity operates at sites across the UK – Dumfries House, Trinity Buoy Wharf and Highgrove. This year we have been able to deliver courses in person once again, government restrictions permitting, by adapting studio spaces to allow for greater social distancing and air circulation. Online delivery for our school and community programmes was implemented during Covid-19 restricted periods, with physical delivery resuming in May 2021 for community groups and in the Autumn for school groups.

Modern Artisan (Edition 2) commenced in September 2021 with a mixed cohort of four UK and four Italian students, based in their home country under the wing of YNAP for the design, development and business skills part of the programme. The students commenced their practical studies at Dumfries House in January 2022.

September 2021 saw the delayed conclusion of Knitwise year 1. This programme brings together hand knitters to demonstrate the positive impact knitting can have on wellbeing, along with developing skills that can offer a source of income generation. The aim of the year 1 programme was originally to knit squares in different techniques to create a portfolio. However, due to the pandemic, the concept was changed to join these squares into blankets which could then be donated to other charities. A call to action resulted in many home knitters across the world sending in their squares, and three large art pieces (with a total of 9000 squares) were unveiled on the Adam Bridge in September 2021. 9 members of the Dumfries House Sewing Bee undertook the first City and Guilds offering with a further 8 pupils commencing the offering at Trinity Buoy Wharf.

At Highgrove, the refurbishment of the textile studio took place in year, with the same machinery and studio layout as at Dumfries House and Trinity Buoy Wharf.

Academic programmes

Our academic education programmes provide specialised training for people interested in tackling the challenges of global warming, rapid urbanization, resource depletion, and the lack of knowledge and skills in traditional arts and craft.

The Prince's Foundation is one of very few organisations in the United Kingdom addressing this diverse but interconnected range of issues. Our courses include an MSc in Sustainable Urban Development with the University of Oxford; an MSc in Sustainable Engineering Management with Swansea University and an MSc in Environment and Development with the University of Bahrain. In addition, we co-edit the Journal of Urbanism and we are founding partners of the Global Centre for Healthcare and Urbanisation at Kellogg College, University of Oxford. Courses were taught over the course of this year with a mixture of online and in-person delivery.

Vocational programmes - Building Craft and Building Arts Programmes

Our craft programmes provide training for the next generation of master craftspeople working with traditional craft skills. Over a third of those working in the heritage crafts are currently nearing retirement age and around three quarters are not currently undertaking any activity to pass on their skills and knowledge. Courses include our long running Building Crafts Programme as well as our Building Arts Programme delivered in partnership with The Queen Elizabeth Scholarship Trust (QEST). Both programmes are full time courses delivered over a number of months, taking on a small cohort (8-12) of adult learners each year. Programmes provide the opportunity for learners to connect with leading craftspeople from across the sector via industry placements, focussed workshops and collaborative group projects. By engaging students to a range of practices and disciplines, we believe we are training not just skilled craftspeople but proponents of the creation of healthy, sustainable and beautiful communities.

Report of the Trustees for the year ended 31 March 2022 (continued)

Education (continued)

Short courses and CPD

We run a range of short courses, professional development and executive education for students and practitioners. These courses provide specialised training, often interdisciplinary in nature, targeted at filling gaps in existing skillsets. Courses include summer schools, public programmes, short courses and seminar series.

Whilst the majority of these courses were delivered in person, a number of the courses were delivered online over the past year due to Covid-19 restrictions.

The Prince's Foundation School of Traditional Arts

The School has pioneered practical MA, MPhil and PhD degrees in the traditional arts of the world's great civilisations. These degree courses are validated by the University of Wales and University of Wales Trinity Saint David. Despite lockdown restrictions, by moving some courses online, the entire programme of study was delivered successfully.

The School also offers lectures, workshops and short, practical courses in traditional arts and crafts as part of the 'Open programme' in the UK. The School reintroduced in-person teaching for the winter term and a hybrid model has been developed with online and in-person courses available to students.

The School's International Outreach programme delivers courses beyond the UK and operates six centres worldwide. Due to the Covid-19 outbreak, in-person teaching was impacted. In response, the School adapted elements of the curriculum to online learning, taught by UK-based staff and local tutors in line with local Covid-19 restrictions. For the 2021 academic term, as international flight restrictions were eased, the curriculum for most of the School's international centres were delivered in-person by UK staff and international tutors.

Architecture and Heritage

A key focus of our Architecture and Heritage (A&H) team is to champion a more sustainable approach to how we live our lives and build our communities through an understanding of Harmony. We specialise in planning, urban design and heritage-based architecture by supporting communities that are facing growth pressure. We are a trusted partner to public, private and third sector organisations in the UK and overseas, and our aim is to bring together local communities through our proven 'Enquiry by Design' methodology.

Our core service in the 'urbanism' theme includes initial community engagement, master planning with support vision documents, and design codes or supporting planning applications. As part of the 'architectural' offer – we work largely at the concept stages, including engagement support, but look to handover the detailed design / construction stages to local practices.

During the past year the team has been delivering a large international project, up to three site-based pilot projects using our Rapid Urbanisation Toolkit, up to three master planning projects in the UK, up to five community engagement roles, and up to seven architectural and conservation roles.

Key projects for this year include a continued role in Bahrain (previously delivered via Community Capital Limited), a series of five workshops in Bournemouth, Christchurch and Poole, plus several exciting patronage projects.

These projects are supported by a range of research and networking programmes, including Building a Legacy, which promotes legacy-based development across the UK.

Report of the Trustees for the year ended 31 March 2022 (*continued*)

Performance Review

During the financial year to March 2022, key measures of success for the Foundation included continued investment in our properties, estates and gardens to increase visitor appeal, and expanding the breadth and reach of our charitable activities, in particular our education offering.

The Foundation has met all of these objectives during the year. Our education programmes resumed in person teaching, where possible, with some continuing with a hybrid approach of online and in person. The return to the classroom coincided with the Foundation's estates and gardens reopening following the removal of Covid-19 restrictions. We have invested in our estates and gardens during the year, as set out on page 11, including the development of new facilities and recreational spaces. In addition, the Foundation acquired a new commercial entity, A G Carrick Limited (AGC), which operates a commercial retail business in Highgrove, Gloucestershire, and generates income from copyrights, tours of the Highgrove gardens and restaurant sales. The business was gifted to the Foundation from The Prince of Wales Charitable Fund (PWCF) so that the future economic benefits may pass to The Prince's Foundation and support its new education facilities being developed at Highgrove.

The Foundation funds a proportion of its activities through commercial operations undertaken by its trading subsidiaries, but it is reliant upon philanthropic donations for a significant proportion of its income. Philanthropic donations are sourced from private individuals or other legal persons such as trusts and more rarely, companies, following due diligence checks and the recommendations of our Funding Approval Committee, as appropriate.

Sufficient funds were raised from philanthropic donations to fund the charity's planned activity for the year and we are grateful to our benefactors for their ongoing support. The charity has met its operational fundraising requirements during the year. Details of the development projects and, where applicable, information about the expected future benefits arising from them are included within this report.

Financial Review

During the financial year to 31 March 2022, the Foundation had income of £22,476,925, an overall increase of 9% from the previous year (2021: £20,636,241). Of this, £13,890,669 was general funds, £8,428,638 restricted funds and £157,618 endowment funds. The general funds included donations, grants and gifts in kind of £6,098,727 (2021: £13,830,127) and income generated from the Foundation's Dumfries House trading operations of £2,012,614 (2021: £302,359). The restricted funds include £3,452,089 of capital donations (2021: £1,357,937). The year on year increase in capital donations is due primarily to the addition of the new Highgrove education facilities which received funding in year.

The charity had a strong year financially, recording a surplus of £3.2m at year end and a positive free group reserves position (see Reserves Statement). This has been achieved through careful management of the charity's cash flow, including the realisation of investments, a continued focus on cost management during the Covid-19 pandemic and sustained donor funding which supported the charity's reserves.

Donations and legacies decreased year-on-year by 19% but this was anticipated as there had been an exceptional donation of £5m in the prior year, resulting from a very kind legacy. Fundraising costs increased by £98k due to marketing and communications being issued following the reopening of the estate and new exhibition facilities at Garrison Chapel at Chelsea Barracks.

Report of the Trustees for the year ended 31 March 2022 (continued)

Financial Review (continued)

Expenditure on charitable activities increased by £2.7m (27%) during the year. This is due partially to the normalisation of costs as our charitable activities and facilities re-opened but also due to the expansion of the charitable activities in Highgrove, Gloucestershire, architectural and heritage works and our education offering.

On average, 354 people were employed during the financial year (2021: 279). Staff numbers increased significantly due to the addition of staff at AG Carrick, Highgrove and seasonal hires at the Castle of Mey after lockdown restrictions eased.

Reserves Statement

At the year end March 2022, the Foundation had a positive free group reserves position of £8,456,680 (2021: £8,053,194). This has been achieved primarily through sustaining a significant unrestricted donation of £5m received in April 2020 to support the charity's reserves during the initial lockdown in response to the Covid-19 pandemic.

The Prince's Foundation group aims to hold three months' of operating expenditure in reserve. The Foundation also maintains an overdraft as a contingency liability facility.

Total Foundation net assets are £129,614,549 as of year-end (2021: £126,408,281).

Plans for Future Periods

The cultivation of philanthropic donations is essential to support ongoing delivery of our charitable objectives, and is a key focus for the charity. Our philanthropic donations are supported by commercial trading activity, which has been recovering since the relaxation of Covid-19 restrictions.

The full impact and duration of the Covid-19 outbreak is still uncertain, with the threat of new variants an ever-present risk. However, through ongoing careful financial management and the generosity of our donors, we are confident of being able to continue to deliver on our charitable objectives.

Our overall objective is to ensure the Foundation delivers on its charitable objects and the vision and mission of our President. We will continue to invest in the management and preservation of our estates and properties for the benefit of the public and to ensure that we are able to continue to deliver our education and other charitable activity.

Report of the Trustees for the year ended 31 March 2022 *(continued)*

Structure, Governance and Management

The Prince's Foundation is a company limited by guarantee incorporated in 2007, charity number SC038770 and company registration number SC331738. The Foundation has a number of subsidiaries as of 31 March 2022:

- **Dumfries House Trust Trading Limited** (incorporated October 2007, registration number SC333119) operates the Foundation's commercial activities at Dumfries House, New Cumnock and Ballater including House admissions, gift shop, café, weddings, events, B&B and holiday letting activities.
- **Dumfries House Home Farm Limited** (incorporated January 2004, registration number SC261878) manages the farming activities and owns land surrounding the Dumfries House estate.
- **Dumfries Farming and Land Limited** (incorporated October 2007, registration number 06391121) owns land that is intended for residential development purposes. The company has ownership of the development site at Knockroon.
- **The Queen Elizabeth Castle of Mey Trust** (established 11 June 1996, charity number SC024983), a charity set up for the benefit of the inhabitants of the United Kingdom, for the preservation of buildings and monuments with historical importance and architectural interest, the advancement of historical and architectural education by offering opportunities for access to buildings or monuments and the preservation and education of the public of Aberdeen Angus Cattle and North Country Cheviot Sheep. The Trust's articles were changed on 1 January 2019 which added the object of the preservation in perpetuity for the public benefit of the Castle of Mey, its contents, its grounds and land.
- **Castle and Gardens of Mey Limited** (incorporated April 2003, registration number SC247163) operates The Queen Elizabeth Castle of Mey Trust's commercial activities, including The Granary bed & breakfast, shop and tearoom.
- **AG Carrick Limited** (incorporated May 1988, registration number 02258628) offers organic food and lifestyle products through its two shops in Gloucestershire and online sale. It also generates income from copyrights, tours of the gardens at Highgrove and restaurant sales.
- **Community Capital Limited*** (incorporated August 2001, registration number 04268547) offers building consultancy services.
- **The Prince's School of Traditional Arts*** (incorporated November 2003, registration number 04970959, charity number 1101527), a charity set up for the advancement of education in the practice and application of the traditional arts and architecture of traditional civilisations and the promotion of the practice and appreciation of such traditional arts and architecture.
- **The Prince's Foundation for Building Community*** (incorporated June 1998, registration number 03579567 charity number 1069969), a charity set up for the promotion of sustainable development and advancement education.
- **The Prince's Regeneration Trust*** (incorporated December 2001, registration number 04342518, charity number 1089932), a charity that works with communities to ensure that important buildings at risk of demolition or decay are preserved, regenerated and re-used.

** Trading has ceased and these entities are intended to become dormant. We have absorbed the charitable activities of these subsidiary organisations into the work of The Prince's Foundation and its subsidiaries.*

Report of the Trustees for the year ended 31 March 2022 (continued)

Our Staff

At the beginning of April 2021, the Foundation employed 269 staff. By the end of March 2022, the Foundation employed a total of 360 staff. The average headcount is 354 (2021: 279) which equates to a full time equivalent of 240 (2021: 188). For details of the senior management team see page 29. A split of the average headcount by entity can be found in the notes to the accounts.

Equality, Diversity and Inclusion

The Prince's Foundation is committed to equal treatment of all employees and applicants to promote a culture which actively values difference, recognising that people from diverse backgrounds bring valuable insights to the workplace and enhance the way we do business. The Foundation is an equal opportunities employer and aims to be an inclusive organisation by recruiting, training, promoting and rewarding on the basis of merit and irrespective of the protected characteristics detailed in the Equality Act 2010. This includes our commitment to support employees and applicants with disabilities, and to make every effort that should any employee become disabled during the course of employment they will stay in employment.

The Board of Trustees

The first and current President of the Foundation is His Majesty, King Charles III. Lord Snowdon became Vice President in April 2018.

The Foundation is administered by a Board of Trustees which meets at least four times each year. The Board of Trustees sets and oversees the strategic direction of the Foundation and is responsible for all policy decisions. The charity's decision-making powers require a majority of Trustees, present in person, which represents a quorum. Training and induction is provided to new Trustees. The Trustees are selected from a variety of relevant backgrounds including heritage, education, business and finance, details of which can be found on pages 21 to 25. As of 15 September 2021 the Board of Trustees is chaired by Dame Susan Bruce (previously Mr Douglas Connell).

Dame Susan Bruce (Chair from 15 September 2021), 1 April 2018 – present

Susan Bruce is a former public servant who during her career focussed on education and social and economic regeneration. She held the posts of Chief Executive of City of Edinburgh, Aberdeen City and East Dunbartonshire Councils. Sue holds a portfolio of non-executive and trustee roles with SSE PLC; Chair of the Royal Scottish National Orchestra; Convener of Court at the University of Strathclyde and Electoral Commissioner for Scotland. She is also a Deputy Lieutenant of the City of Edinburgh and a member of the Royal Company of Merchants of the City of Edinburgh.

Sue holds degrees of M.Phil and LLB from the University of Strathclyde. Sue is a Fellow of the Royal Society of Edinburgh and of the RSA.

Report of the Trustees for the year ended 31 March 2022 (continued)

Mr Douglas Connell (Chair from 23 March 2021 to 15 September 2021), October 2016 – 15 September 2021

Douglas Connell is the former senior partner and a founding partner of Turcan Connell, Solicitors, of Edinburgh, Glasgow and London where he specialised in heritage property and charity law. He was Chairman of TCAM, an investment and financial planning business. Douglas is the former chairman of Museums Galleries Scotland which is the national development body for Scotland's museums and galleries. He has served as a Board member of numerous arts and heritage organisations and as a Court member of the Universities of Edinburgh and St Andrews. After many years in Scotland, Douglas now lives in Surrey and London.

Dame Ann Limb (Deputy Chair), 21 June 2021 – present

Ann Limb is a former Further Education College Principal and senior civil servant. Since 2005, she has held Chair and NED roles in business, economic development, housing, and regeneration. She is currently Chair of the Innovation Corridor, UK's globally significant life sciences cluster. Ann also holds several national charity positions as Chair of City & Guilds and founder of the Helena Kennedy Foundation. Ann was Chair of the Scouts UK until September 2021. A linguist by background, feminist through experience, and Quaker by conviction. Ann's passionate belief in the power of art, creativity, education, imagination, and faith to transform individuals and communities is based on her own life's journey, from a butcher's shop in 1950's Moss Side to the commissions of Deputy Lieutenant and High Sheriff of Buckinghamshire in nomination 2023-4.

Mr George Richards, 15 September 2018 – present

George Richards is the Director of Community Jameel, an independent, global organisation advancing science to help communities thrive in a rapidly changing world.

An Arabist specialising in the archaeoastronomy of pre-Islamic Arabia, George has undertaken field expeditions to document cultural heritage on behalf of the British Library and the British Institute for the Study of Iraq. He has served as the special rapporteur for cultural heritage to the Kurdistan Regional Government; a specialist assessor to the British government's Cultural Protection Fund; and a senior fellow at the Iraqi government's cultural heritage commission, Iraq Heritage. He is a Fellow of the Royal Geographical Society and a Fellow of the Society of Antiquaries of Scotland.

Mrs Rosemary Hilary, 21 June 2021 – present

Rosemary Hilary is an experienced non-executive director and risk professional. Her other board roles are at St James's Place where she chairs the Risk Committee; at Vitality Life and Health where she chairs the Risk Committee; and at Willis Ltd where she chairs the Audit Committee. She is on the MBA Advisory Board of Bayes (formerly known as Cass) Business School. Previous NED roles include the Pension Protection Fund and Record Currency Management where, for both, she chaired the Audit and Risk Committee and the homelessness charity Shelter.

Rosemary's executive career was largely in banking and regulation. She was Chief Internal Auditor - an Executive Committee role - at TSB Bank from 2013 to 2016 where she was part of the team that managed the IPO. Prior to that she held a number of senior positions at the Financial Conduct Authority, its predecessor the Financial Services Authority and at the Bank of England.

Rosemary is a Chartered Certified Accountant – FCCA, and she gained a first-class honours degree in Mathematics and European Studies from Manchester University.

Report of the Trustees for the year ended 31 March 2022 (continued)

The Board of Trustees (continued)

Mr Michael Jary, 21 June 2021 – present

Michael Jary co-founded OC&C Strategy Consultants in 1987 and served as Global Managing Partner until 2011: during this time the firm grew to 600 consultants across 12 offices worldwide. He is now a Senior Adviser at OC&C, working with CEOs and boards on corporate strategy.

He holds a portfolio of board and trustee positions. He is a non-executive director of Barclays Bank UK plc. He is chair of Itad, a data and insight company in international development. He is the lead non-executive director for the UK government. He chairs Duchy Originals, the UK's largest organic food brand which was established by HRH The Prince of Wales. Prior to its transfer to The Prince's Foundation, he also chaired AG Carrick Limited which is the holding company for garden tours and retail activities at Highgrove House. He is a trustee of Opera Holland Park. And he was formerly chair of Fairtrade Foundation.

Michael holds an MA from Oxford University, an MBA from INSEAD and a post-graduate diploma from SOAS.

Cavaliere Federico Marchetti, 21 June 2021 – present

Federico Marchetti is a tech entrepreneur and a sustainability pioneer: he founded YOOX - the world's first lifestyle e-commerce destination - in 2000 and in 2015, he drove the game-changing merger of YOOX and NET-A-PORTER to create the world leader in online luxury fashion, which was acquired by Richemont in 2018.

Notably Federico has brought his entrepreneurial spirit to the heart of his social and environmental initiatives, significantly advancing sustainable and socially responsible fashion.

He launched an area to promote sustainable fashion in 2009 and he also developed a customer experience to embrace circular models. He remains convinced that the intelligent use of technology can help us save the planet. In 2017 Federico was recognized by the President of the Italian Republic who knighted him as a Cavaliere. In 2019 Federico was honoured with the amfAR Award of Courage, recognizing "his profound commitment to important issues".

Federico is Chair of His Royal Highness's Sustainable Markets Initiative Task Force on Fashion and a Board Member of Giorgio Armani, GEDI and AG Carrick, The Prince's Foundation's trading subsidiary responsible for the Highgrove visitor attraction and shop on the estate in Gloucestershire.

Ms Sarah de Gay, 12 October 2021 – present

Sarah de Gay joined international law firm Slaughter and May in 1996, as a Corporate/M&A lawyer, and established its Compliance Department in 2008. She was appointed as Slaughter and May's first General Counsel in 2015. Sarah stepped down as Slaughter and May's General Counsel at the end of 2019 to focus on a portfolio of roles connected with values, standards and ethics. She is currently a Visiting Professor of UCL's Faculty of Laws, an Independent Lay Member of the Editors' Code of Practice Committee, an Independent Member of ACOBA, Chair of the Advisory Board of Wallbrook (a strategic intelligence firm) and Senior Warden of the City of London Solicitors' Company. She also continues to advise Slaughter and May on certain regulatory matters as a Special Advisor.

Report of the Trustees for the year ended 31 March 2022 (continued)

The Board of Trustees (continued)

Mr Ewan Venters, 15 March 2022 – present

Ewan Venters is Chief Executive Officer of international art gallery Hauser & Wirth, which was founded in Zurich in 1992 by Iwan Wirth, Manuela Wirth and Ursula Hauser and represents over 80 leading artists and artists' estates. An established business leader with a proven track record, Ewan oversees the strategic evolution of the gallery and leads its global team across outposts in Hong Kong, London, New York, Los Angeles, Somerset, Gstaad, St. Moritz, Southampton (NY), Menorca, and Monaco. Hauser & Wirth have several hospitality interests overseen by Ewan, including the award-winning Fife Arms Hotel on Royal Deeside. Ewan previously held the position of Chief Executive Officer of Fortnum & Mason from 2012 to 2020. Under Ewan's leadership, Fortnum's made record sales and profits, and expanded beyond their historic London home into new locations including Hong Kong, Dubai, Heathrow Airport and St Pancras Station in London. He joined Fortnum & Mason from Selfridges, where he was executive director for food, restaurants and online. In his seven years at Selfridges, Ewan was part of an executive team which transformed the department store. Twice in that period, it was named Best Department Store in the World by its peers.

Mr Alexander Manson, 11 July 2022 – present

Alexander (Sandy) Manson trained and qualified as a Chartered Accountant with Arthur Andersen in Edinburgh in 1985 and in 1991 joined Johnston Carmichael Chartered Accountants as an Associate. He was promoted to Partner in 1993 and became the Managing Partner of their Aberdeen office. In 2007 he was appointed Chief Executive of Johnston Carmichael and Chair in 2019. Sandy retired from Johnston Carmichael on 31 May 2022 following which he plans to build a NXD portfolio. Sandy was appointed a member of the Council of the Institute of Chartered Accountants of Scotland (ICAS) in 2011 and elected President 2018/19. In 2020, he was appointed by Her Majesty The Queen as Lord-Lieutenant of Aberdeenshire. He is also Chair of Salvesen Mindroom Centre, a charity specialising in supporting young people with neurodiversity challenges, and is an Honorary Professor of the University of Stirling where he sits on the advisory board of the management school. He is also the former Honorary Dutch Consul for the North of Scotland and Chair of the Development Trust for the University of Aberdeen.

Mr Ashe Windham, CVO, 1 January 2019 – 15 March 2022

Ashe Windham was the Chairman of The Queen Elizabeth Castle of Mey Trust for 22 years, a position he held until 1st January 2019. When The Prince's Foundation became the sole Trustee for The Queen Elizabeth Castle of Mey Trust, Ashe was appointed as a Trustee to the board of the Foundation. As well as serving as a Trustee of The Prince's Foundation since January 2019, Ashe is a non-executive Director of EFG Asset Management (UK) Ltd, and a non-executive Director of Miton UK MicroCap Trust Plc. Ashe chairs The Kyle of Sutherland District Salmon Fisheries Board and its associated charitable trust, whilst he also sits on four other charity boards, two of which he chairs. Ashe served as an Extra Equerry to HRH The Prince of Wales since 2003. Ashe's career began as an officer in the British Army. After eleven years in the Irish Guards he joined Barclays de Zoete Wedd ("BZW") in 1987, and was appointed a Director of BZW's Equities Division in 1991. He joined Credit Suisse First Boston in 1997 when they acquired BZW's equities business. In 2004 he joined Man Investments as Head of Internal Communications and in 2007 became Man Group's Global Head of Internal Communications. In June 2009 he resigned from Man Group plc to set up a private family office.

Report of the Trustees for the year ended 31 March 2022 (continued)

The Board of Trustees (continued)

Mr James Hooper, 15 September 2018 – 12 October 2021

James Hooper founded the UK office of the Global Heritage Fund in 2007 and served as UK Director until 2021. The Global Heritage Fund is an international heritage conservancy with headquarters in California, USA. James founded Historic Productions in 2019, a specialist marketing and resources consultancy for the heritage sector. He is a qualified solicitor.

Ms Carol Lake, 21 June 2021 – 12 October 2021

Over the past 30 years Carol Lake has held senior positions with a number of major global corporations including British Telecom, McDonnell Douglas, Cable & Wireless and J.P. Morgan where she has spent the last 21 years. Over the course of her career, Carol has had extensive geographic responsibilities including extended on the ground assignments in Australia and the Caribbean. While at J.P. Morgan, Carol has held a number of positions including the Head of Diversity and Inclusion for the Europe, Middle East and Africa Region.

Carol has served on a number of boards and advisory committees for Government, non-profits and academic institutions including: The Children's Plan Expert Panel, The Equalities Review, The Race Disparity Advisory Committee, The Culture Recovery Board (all for the UK Government). She has also been a trustee of the Council of University College London and advisory council member for the Sutton Trust, the Education Endowment Foundation and Into University.

She is a passionate supporter of the arts and has served on the boards of Sadler's Wells, The Young Vic theatre, The Almeida theatre, Theatre Royal Stratford East and the Battersea Arts Centre. She is currently on the boards of The Clore Leadership Programme and The Booker Prize Foundation. She joined the board of The Prince's Foundation in June 2021.

Carol has been recognised twice in the PowerList (black leaders) and in the Top 100 BAME leaders in business (UK). In 2016 she was named as Financial Services Leader of the Year at the Black British Business Awards.

Report of the Trustees for the year ended 31 March 2022 (continued)

Carbon Audit

From financial years beginning on or after 1 April 2019, large UK companies are required to report publicly on their UK energy use and carbon emissions within their Directors' Report. This new requirement has been implemented by the Department for Business, Energy and Industrial Strategy (BEIS) and follows the Energy Savings Opportunity Scheme (ESOS) guidelines.

During the year to 31 March 2022, The Prince's Foundation contracted the services of Anthesis (UK) Limited to conduct a carbon audit of The Prince's Foundation group in line with the ESOS guidelines.

The below table and supporting narrative summarise the Streamlined Energy and Carbon Reporting (SECR) disclosure in line with the requirements for a "large" unquoted company, as per The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The disclosure also extends beyond the scope of a "large" unquoted company and includes emissions and energy consumption from the combustion of all fuels on site including LPG, propane, heating oil and gas oil.

Current reporting year	1 April 2021 - 31 March 2022	1 April 2020 - 31 March 2021
Location	UK	UK
Emissions from the combustion of fuel and operation of facilities (Scope 1) (tCO ₂ e)	615	361
Emissions from purchase of electricity (tCO ₂ e) (Scope 2)	398	342
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (tCO ₂ e) (Scope 3)	24	6
Total gross emissions based on the above (tCO₂e)	1,038	707
Energy consumption used to calculate Scope 1 emissions (kWh)	2,676,460	1,606,539
Energy consumption used to calculate Scope 2 emissions (kWh)	1,874,837	1,465,863
Energy consumption used to calculate Scope 3 emissions (kWh)	97,702	22,536
Total energy consumption based on above (kWh)	4,648,998	3,094,938
Intensity ratio: tCO ₂ e (gross Scope 1, 2 + 3) per full-time employee	5.04	3.77

Methodology

Anthesis has calculated the above greenhouse gas (GHG) emissions to cover all material sources of emissions for which The Prince's Foundation is responsible. The methodology used was that of the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition, 2015). Responsibility for emissions sources was determined using the operational control approach. All emissions sources required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 are included.

Raw data in the form of invoices and expense claims forms were gathered by The Prince's Foundation and collated in a spreadsheet. Energy was converted to greenhouse gas estimates using the UK Government's GHG Conversion Factors for Company Reporting 2021.

Report of the Trustees for the year ended 31 March 2022 (continued)

Carbon Audit (continued)

Energy Efficiency Action

The Prince's Foundation

Over the last year the Foundation's property portfolio has grown by entering into new leases at the Garrison Chapel and for properties on the Highgrove Estate. The addition of these properties has caused our use in electricity to increase. Properties are heated by ground or air source heat pumps with the larger building being heated by biomass boilers. We continue to carry out energy saving initiatives across the portfolio. LED lighting has been introduced to all Foundation buildings.

An electric vehicle has been introduced as a trial to help reduce the reliance on fossil fuels. Petrol powered tools have been changed to rechargeable battery tools again reducing the reliance of fossil fuels to power them.

Video conferencing facilities have been introduced widely across the organisation to reduce the need for some business travel.

The Foundation continues to develop our green spaces with around 2000 trees and hedgerow planted over the last 12 months.

Environmental, Social and Governance (ESG) factors

The Prince's Foundation is committed to a process of continuous review and improvement of its environmental, social and governance performance. The Foundation applies the principles of Harmony (our President's initiative) and sustainability in its actions, including our investments, and we have implemented an ESG policy with each of our investment managers. From a governance perspective the Foundation is committed to upholding the highest standards of professional conduct and compliance. During the financial year the Trustees commissioned a governance review and are in the process of implementing its recommendations.

Report of the Trustees for the year ended 31 March 2022 (continued)

Disclosure of information to the auditor

The Trustees who held office at the date of approval of this Trustees' report, confirm that, so far as they are each aware, there is no relevant audit information of which the Foundation's auditor is unaware; and each Trustee has taken all reasonable steps, as a Trustee, to make him or her aware of any relevant audit information and to establish that the Foundation's auditor is aware of that information.

Reference and Administrative Information

Charity name	The Prince's Foundation
Charity registration number	SC038770
Company registration number	SC331738
Registered offices	Dumfries House Cumnock Ayrshire KA18 2NJ
President	His Majesty, King Charles III
Vice President	The Rt Hon The Earl of Snowdon
Trustees	Dame Susan Bruce (Chair from 15 September 2021) Mr Douglas Connell (Chair from 23 March 2021 to 15 September 2021) (Resigned 15 September 2021) Mr James Hooper (Resigned 12 October 2021) Mr George Richards Mr Ashe Windham (Resigned 15 March 2022) Mrs Rosemary Hilary (Appointed 21 June 2021) Mr Michael Jary (Appointed 21 June 2021) Ms Carol Lake (Appointed 21 June 2021 - Resigned 12 October 2021) Dame Ann Limb (Appointed 21 June 2021) Cavaliere Federico Marchetti (Appointed 21 June 2021) Ms Sarah de Gay (Appointed 12 October 2021) Mr Ewan Venters (Appointed 15 March 2022) Mr Alexander Manson (Appointed 11 July 2022)

Report of the Trustees for the year ended 31 March 2022 (continued)

Reference and Administrative Information (continued)

Senior Management Team	<p>Mr Michael Fawcett, Chief Executive Officer (Temporarily stood aside 4 September 2021; Resigned 9 November 2021)</p> <p>Mrs Emily Cherrington, Acting Chief Executive Officer (Appointed 4 September 2021), previously Chief Operating Officer</p> <p>Mr Kieran Ferguson, CFA, Chief Financial Officer</p> <p>Mr Gordon Neil, Executive Director (Estates)</p> <p>Mr Simon Sadinsky, Executive Director (Education)</p> <p>Mr Constantine Innemee, Executive Director (Highgrove)</p> <p>Mr Aaron Davis, Executive Director (Architecture & Heritage)</p> <p>Mr Chris Martin, Executive Director (Development) (Temporarily stood aside 13 September 2021; Resigned 24 December 2021)</p> <p>Miss Shirley Farquhar, Administrator of The Queen Elizabeth Castle of Mey Trust</p> <p>Mr Khaled Azzam, Director of The Prince's Foundation School of Traditional Arts</p> <p>Mr Kim Hitch, Director of Projects (Architecture & Heritage)</p> <p>Mrs Lucy Campbell, CA, Director of Finance</p> <p>Ms Jacqueline Farrell, Education Director</p> <p>Mr Daniel McAuliffe, Education Director (Education Hubs)</p>
Bankers	<p>Coutts & Co 440, The Strand London WC2R 0QS</p>
Auditors	<p>Saffery Champness LLP 133 Fountainbridge Edinburgh EH3 9BA</p>
Solicitors	<p>McCarthy Denning Limited Minster House 42 Mincing Lane London EC3R 7AE</p>

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

The Trustees (who are also directors of The Prince's Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board of Trustees:



Dame Susan Bruce

Chair

Date 20/10/22

Report of the Independent Auditors to the Trustees of The Prince's Foundation

Opinion

We have audited the financial statements of The Prince's Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Foundation Balance Sheet, the Consolidated Cash Flow Statement, the Foundation Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006(as amended); and
- meet the requirements of the Accounts Direction 2019 issued by the Office for Students.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Report of the Independent Auditors to the Trustees of The Prince's Foundation (*continued*)

Emphasis of matter – significant events and contingent liabilities

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 29 to the financial statements concerning significant events and contingent liabilities arising from press reports into historic fundraising practices at The Prince's Foundation in relation to certain donations historically received by the Foundation Group. Following these press reports the Office of the Scottish Charity Regulator (OSCR) opened an investigation into the Foundation and its governance. Trustees are also aware that the Metropolitan Police are conducting an investigation into allegations of offences under the Honours (Prevention of Abuses) Act 1925. The Trustees asked their legal advisors to appoint investigatory accountants in relation to the press reports and having taken legal advice at the date of approval of the financial statements are satisfied that the findings of the report do not result in a material financial exposure to the Foundation which would require adjustment to or additional disclosure within the Foundation's financial statements. At the date of approval of the financial statements these investigations are ongoing.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Report on other legal and regulatory requirements

We are required to report on the following matters issued by the Office for Students (OfS).

In our opinion, in all material respects:

- funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and Research England have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction have been met.

Report of the Independent Auditors to the Trustees of The Prince's Foundation (continued)

Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We are required to report by exception, the following matters by the Accounts Direction 2019 issued by the Office for Students:

- grant and fee income, as disclosed in the notes to the accounts, has been materially misstated; or
- expenditure on access and participation activities for the financial year has been materially misstated.

We have nothing to report in these respects.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 30), the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 and parent charitable company'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 or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of The Prince's Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within

our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with Trustees, and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Education Reform Act 1988, the OfS Accounts Direction 2019, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business.

Report of the Independent Auditors to the Trustees of The Prince's Foundation (continued)

Audit response to risks identified: (continued)

We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kenneth McDowell (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors
133 Fountainbridge
Edinburgh
EH3 9BA

Date: 21 October 2022

Saffery Champness Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities
(incorporating an income and expenditure account)
For the year ended 31 March 2022

	Notes	General Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and legacies						
Donations	2	6,096,227	7,931,138	-	14,027,365	17,641,693
Grants and gift in kind	3	2,500	497,500	-	500,000	251,067
Other trading activities						
Rental income		63,442	-	-	63,442	58,704
Consultancy income		1,269,899	-	-	1,269,899	464,484
Dumfries House Trust Trading Limited		2,012,614	-	-	2,012,614	302,359
AG Carrick Limited		2,849,869	-	-	2,849,869	-
Dumfries House Home Farm Limited		359,524	-	-	359,524	393,213
Dumfries Farming & Land Limited		1,749	-	-	1,749	-
Community Capital Limited		64,789	-	-	64,789	413,845
Castle & Gardens of Mey Limited		265,433	-	-	265,433	57,981
Education income		514,271	-	-	514,271	423,263
The Queen Elizabeth Castle of Mey Trust		311,147	-	-	311,147	248,613
Investment income	16	8,656	-	157,618	166,274	165,680
Other income	4	70,549	-	-	70,549	215,339
Total		13,890,669	8,428,638	157,618	22,476,925	20,636,241
Expenditure on:						
Raising funds						
Building costs	5	(254,735)	-	-	(254,735)	(163,700)
Portfolio management costs	5	(7,501)	-	(32,202)	(39,703)	(47,135)
Dumfries House Trust Trading Limited	5	(2,274,733)	-	-	(2,274,733)	(1,773,794)
AG Carrick Limited	5	(2,291,703)	-	-	(2,291,703)	-
Dumfries House Home Farm Limited	5	(481,861)	-	-	(481,861)	(400,474)
Dumfries Farming & Land Limited	5	(8,390)	-	-	(8,390)	(100,271)
Community Capital Limited	5	(72,221)	-	-	(72,221)	(343,804)
Castle & Gardens of Mey Limited	5	(341,559)	-	-	(341,559)	(217,781)
Fundraising costs	5	(189,315)	(51,193)	-	(240,508)	(142,140)
	5	(5,922,018)	(51,193)	(32,202)	(6,005,413)	(3,189,099)
Charitable activities						
Wages & salaries	6, 10	(3,336,958)	(2,654,728)	-	(5,991,686)	(4,808,396)
Administration costs	6	(73,367)	-	-	(73,367)	(45,029)
Exhibition & promotion costs	6	(305,876)	(86,063)	-	(391,939)	(238,659)
Preservation of contents	6	(519,752)	(9,574)	-	(529,326)	(464,121)
Restoration of buildings	6	(1,215,755)	(401,051)	(37,964)	(1,654,770)	(1,656,083)
Maintenance of the estate	6	(1,095,864)	(614,478)	-	(1,710,342)	(913,733)
Education	6	(669,580)	(718,953)	-	(1,388,533)	(661,755)
Community events	6	-	(37,352)	-	(37,352)	(40,571)
Patronage & heritage costs	6	(60,491)	(38,944)	-	(99,435)	(77,737)
Donations made	6, 8	-	(285,098)	-	(285,098)	(619,510)
The Queen Elizabeth Castle of Mey Trust	6	(568,289)	(65,434)	-	(633,723)	(578,650)
		(7,845,932)	(4,911,675)	(37,964)	(12,795,571)	(10,104,244)
Other resources expended						
Gains/(losses) on fixed asset disposal		5,802	-	-	5,802	(962,158)
		5,802	-	-	5,802	(962,158)
Governance costs	7	(905,968)	(98,222)	-	(1,004,190)	(652,414)
Total expenses		(14,668,116)	(5,061,090)	(70,166)	(19,799,372)	(14,907,915)
Net gains/(losses) on investments		24,467	-	57,331	81,798	197,362
Change in market value of investments		29,746	-	417,171	446,917	959,533
Net income/(expenditure) for the year before taxation and transfers		(723,234)	3,367,548	561,954	3,206,268	6,885,221

The Prince's Foundation
Trustees' report and financial statements
For the year ended 31 March 2022

Consolidated statement of financial activities
(incorporating an income and expenditure account) (continued)
For the year ended 31 March 2022

	Notes	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£
Net income/(expenditure) for the year before transfers		(723,234)	3,367,548	561,954	3,206,268	6,885,221
Gross transfers between funds		3,821,340	(3,814,185)	(7,155)	-	-
Transfer - investment disbursement		156,000	-	(156,000)	-	-
Total transfers between funds	28	<u>3,977,340</u>	<u>(3,814,185)</u>	<u>(163,155)</u>	<u>-</u>	<u>-</u>
Net movements in funds		<u>3,254,106</u>	<u>(446,637)</u>	<u>398,799</u>	<u>3,206,268</u>	<u>6,885,221</u>
Reconciliation of funds:						
Fund balances at 1 April 2021	20, 21	41,855,033	13,839,067	70,714,181	126,408,281	119,523,060
Net movements in funds		3,254,106	(446,637)	398,799	3,206,268	6,885,221
Fund balances at 31 March 2022	20, 21	<u>45,109,139</u>	<u>13,392,430</u>	<u>71,112,980</u>	<u>129,614,549</u>	<u>126,408,281</u>

For the current and previous years, all activities arise from continuing operations.

The net income for the period for Companies Act purposes, comprising net incoming / outgoing resources before other recognised gains and losses on permanent endowments, totals £2,731,766 (2021: £5,981,509).

The notes on pages 42 to 76 form part of these financial statements.

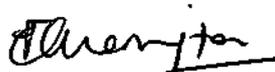
Consolidated balance sheet
at 31 March 2022

	Notes	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£
Fixed assets						
Intangible assets	13	1,349	-	50,500	51,849	52,049
Heritage assets	14	1,000,000	-	60,751,527	61,751,527	61,751,527
Other tangible assets	15	34,699,594	6,756,233	3,618,793	45,074,620	42,703,936
Investments	16	951,516	-	6,700,354	7,651,870	7,174,404
		<u>36,652,459</u>	<u>6,756,233</u>	<u>71,121,174</u>	<u>114,529,866</u>	<u>111,681,916</u>
Current assets						
Stock	17	1,629,989	-	-	1,629,989	1,270,558
Debtors	18	1,171,408	-	-	1,171,408	738,348
Cash at bank and in hand		9,853,559	6,636,197	-	16,489,756	14,902,523
		<u>12,654,956</u>	<u>6,636,197</u>	<u>-</u>	<u>19,291,153</u>	<u>16,911,429</u>
Creditors: amounts falling due within one year	19	<u>(4,165,030)</u>	<u>-</u>	<u>(8,194)</u>	<u>(4,173,224)</u>	<u>(2,168,761)</u>
Net current (liabilities)/ assets		8,489,926	6,636,197	(8,194)	15,117,929	14,742,668
Total assets less current (liabilities) / assets		45,142,385	13,392,430	71,112,980	129,647,795	126,424,584
Creditors: amounts falling due after more than one year	19	<u>(33,246)</u>	<u>-</u>	<u>-</u>	<u>(33,246)</u>	<u>(16,303)</u>
Net assets		<u>45,109,139</u>	<u>13,392,430</u>	<u>71,112,980</u>	<u>129,614,549</u>	<u>126,408,281</u>
Funds						
General	20				45,109,139	41,855,033
Restricted	20				13,392,430	13,839,067
Endowment	20				71,112,980	70,714,181
					<u>129,614,549</u>	<u>126,408,281</u>

The notes on pages 42 to 76 form part of these financial statements.

These financial statements were approved by the Trustees on 20/10/22 and were signed on their behalf by:


Dame Susan Bruce
Chair


Mrs Emily Cherrington
Accountable Officer (OfS)

The Prince's Foundation
Trustees' report and financial statements
For the year ended 31 March 2022

Foundation balance sheet
at 31 March 2022

	Notes	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
		£	£	£	£	£
Fixed Assets						
Intangible assets	13	-	-	50,500	50,500	50,500
Heritage assets	14	-	-	60,751,527	60,751,527	60,751,527
Other tangible assets	15	24,835,363	6,756,233	3,618,793	35,210,389	31,468,068
Investments	16	991,607	-	6,700,354	7,691,961	6,264,014
		<u>25,826,970</u>	<u>6,756,233</u>	<u>71,121,174</u>	<u>103,704,377</u>	<u>98,534,109</u>
Current assets						
Debtors: amounts falling due within one year	18	3,644,873	-	-	3,644,873	4,311,894
Cash at bank		8,007,337	6,598,627	-	14,605,964	13,446,284
		<u>11,652,210</u>	<u>6,598,627</u>	<u>-</u>	<u>18,250,837</u>	<u>17,758,178</u>
Creditors: amounts falling due within one year	19	<u>(2,513,181)</u>	-	<u>(8,194)</u>	<u>(2,521,375)</u>	<u>(1,692,384)</u>
Net current (liabilities)/ assets		9,139,029	6,598,627	(8,194)	15,729,462	16,065,794
Total assets less current (liabilities) / assets		34,965,999	13,354,860	71,112,980	119,433,839	114,599,903
Creditors: amounts falling due after more than one year	19	-	-	-	-	(2,678)
Net assets		<u>34,965,999</u>	<u>13,354,860</u>	<u>71,112,980</u>	<u>119,433,839</u>	<u>114,597,225</u>
Funds						
General	20				34,965,999	30,322,539
Restricted	20				13,354,860	13,560,505
Endowment	20				71,112,980	70,714,181
					<u>119,433,839</u>	<u>114,597,225</u>

The notes on pages 42 to 76 form part of these financial statements.

These financial statements were approved by the Trustees on 20/10/22 and were signed on their behalf by:


Dame Susan Bruce
Chair


Mrs Emily Cherrington
Accountable Officer (OfS)

Consolidated cash flow statement
For the year ended 31 March 2022

Cash flow statement	Notes	2022 £	2021 £
Cash flows from operating activities	i	5,820,917	8,377,162
Interest paid		(2,422)	(11,419)
Interest element of hire purchase and finance lease rental		(719)	(2,208)
Net cash provided by (used in) operating activities		5,817,776	8,363,535
Cashflows from investing activities			
Purchase of tangible fixed assets	15	(4,522,046)	(1,551,448)
Proceeds on disposal of tangible fixed assets		50,406	-
Purchase of fixed asset investments	16	(2,021,194)	(1,638,728)
Proceeds on disposal of fixed asset investments	16	1,983,534	2,191,360
Net cash movement in investments	16	84,486	133,278
Introduction of funds on acquisition of subsidiaries		166,274	-
Investment income	16	-	165,680
Net cash provided by (used in) investing activities		(4,258,540)	(699,858)
Cash flow from financing activities			
New hire purchase contracts		234,008	146,621
Repayment of capital element of hire purchase contracts		(206,011)	(162,686)
Net cash flow from financing activities		27,997	(16,065)
Change in cash and cash equivalents in the reporting period		1,587,233	7,647,612
Cash and cash equivalents at the beginning of the period		14,902,523	7,254,911
Cash and cash equivalents at the end of the period	ii 23	16,489,756	14,902,523

Note i Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income/ (expenditure) for the reporting period (as per the statement of financial activities)		3,206,268	6,885,221
Adjustments for:			
Depreciation, amortisation and impairment charges	13,15	2,291,057	2,157,449
Interest paid		2,422	11,419
Interest element of hire purchase and finance lease rental		719	2,208
Purchase of tangible assets on acquisition of subsidiary		(173,080)	-
(Gains)/Losses on disposal of fixed asset		(16,819)	970,453
(Gains)/Losses on investments	16	(524,292)	(1,156,895)
Investment income	16	(166,274)	(165,680)
(Increase)/decrease in stock	17	(359,431)	97,598
(Increase)/decrease in debtors	18	(433,060)	86,064
(Decrease)/increase in creditors excluding overdraft & hire purchase	19	1,993,408	(510,675)
Net cash provided by (used in) operating activities		5,820,917	8,377,162

Note ii

Reconciliation of net cash flow			
Increase/(Decrease) in cash in the period		1,587,233	7,647,612
Net cash at start of the year		14,902,523	7,254,911
Movement in net funds in the period	23	1,587,233	7,647,612
Net cash at the end of the year	23	16,489,756	14,902,523

The Prince's Foundation
Trustees' report and financial statements
For the year ended 31 March 2022

Foundation cash flow statement
For the year ended 31 March 2022

Cash flow statement	Notes	2022 £	2021 £
Cash flows from operating activities	i	6,559,168	7,605,743
Interest paid		(2,422)	(10,118)
Interest element of hire purchase and finance lease rental		(719)	(569)
Net cash provided by (used in) operating activities		<u>6,556,027</u>	<u>7,595,056</u>
Cashflows from investing activities			
Purchase of tangible fixed assets	15	(5,774,032)	(589,087)
Proceeds on disposal of tangible fixed assets		185,910	-
Purchase of fixed asset investments	16	(1,440,941)	(694,472)
Proceeds on disposal of fixed asset investments	16	1,428,003	742,165
Net cash movement in investments	16	51,095	(23,777)
Investment income	16	157,618	71,245
Net cash provided by (used in) investing activities		<u>(5,392,347)</u>	<u>(493,926)</u>
Cash flow from financing activities			
New hire purchase contracts		189,727	146,621
Repayment of capital element of hire purchase contracts		(193,727)	(149,456)
Net cash flow from financing activities		<u>(4,000)</u>	<u>(2,835)</u>
Change in cash and cash equivalents in the reporting period		1,159,680	7,098,295
Cash and cash equivalents at the beginning of the period		<u>13,446,284</u>	<u>6,347,989</u>
Cash and cash equivalents at the end of the period	ii 23	<u>14,605,964</u>	<u>13,446,284</u>
Note i Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)		4,836,617	12,016,522
Adjustments for:			
Depreciation, amortisation and impairment charges	13,15	1,851,606	1,806,164
Interest paid		2,422	10,118
Interest element of hire purchase and finance lease rental		719	569
(Gains)/Losses on disposal of fixed asset		(5,806)	962,153
(Gains)/Losses on investments	16	(474,502)	(334,181)
Investment income	16	(157,618)	(71,245)
Exceptional income		(991,602)	(4,256,765)
Decrease/(increase) in debtors	18	667,021	(2,132,898)
(Decrease)/increase in creditors excluding overdraft & hire purchase	19	830,311	(394,694)
Net cash provided by (used in) operating activities		<u>6,559,168</u>	<u>7,605,743</u>
Note ii Reconciliation of net cash flow			
Increase/(Decrease) in cash in the period		<u>1,159,680</u>	<u>7,098,295</u>
Net cash at start of the year		13,446,284	6,347,989
Movement in net funds in the period	23	<u>1,159,680</u>	<u>7,098,295</u>
Net cash at the end of the year	23	<u>14,605,964</u>	<u>13,446,284</u>

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to both the Group's and Foundation's financial statements.

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historic cost convention rules modified to include revaluation of land and buildings, investments and sporting rights, and on the going concern basis.

Going Concern

The financial statements have been prepared in accordance with applicable accounting standards on a going concern basis which assumes the Foundation will continue to trade for a period of 12 months from the date of approval by the Trustees. The Trustees consider there to be no material uncertainties regarding the charity's ability to continue as a going concern given current bank balances, donor pipeline and the availability of bank overdraft facilities.

When considering the going concern status of the Foundation the Trustees are mindful of in year events and the risks to the Foundation as reported in Note 29.

Against this background and the Trustee assessment of these reported risks, the Trustees have prepared and approved up to date company and group management accounts, budgets and cash flow projections, which include key income and cost assumptions including ongoing support from core donors and trading surpluses that the Trustees consider reasonable and prudent. Whilst not currently being utilised, the Trustees also renewed bank overdraft arrangements during September 2022 for a further 12 months.

Having considered the above matters, the Trustees are of the view that, at the date of approval of the financial statements, the Foundation will have sufficient financial resources, donor support and the necessary ongoing bank arrangements to continue to deliver the group's objectives and to meet debts as they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

The financial statements are presented in Sterling and are rounded to the nearest pound.

Company status

The Foundation is a private company limited by guarantee. The members of the Foundation are the Board of Trustees named on pages 28. The country of incorporation and registration numbers are detailed in the Trustees report on page 28. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Basis of consolidation

The consolidated financial statements include the financial statements of the Foundation and its subsidiary undertakings.

The financial statements of its subsidiary entities:

- Dumfries House Trust Trading Limited
- AG Carrick Limited
- Dumfries House Home Farm Limited
- Dumfries House Farming and Land Limited
- The Prince's Foundation for Building Community
- Community Capital Limited
- The Prince's Regeneration Trust
- The Prince's School of Traditional Arts
- The Queen Elizabeth Castle of Mey Trust
- Castle and Gardens of Mey Limited

have been fully consolidated on a line by line basis in accordance with FRS 102 from the date that they became part of the Group.

Notes (continued)

1 Accounting policies (continued)

Basis of consolidation (continued)

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In the Foundation's financial statements, the investment in its subsidiaries are stated at cost or book value.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustee's are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Funds

The Foundation maintains three types of fund: -

- General funds
- Endowment funds
- Restricted funds

General funds are unrestricted funds which are available for use for any purpose at the discretion of the Trustees in furtherance of the general objectives of the charity.

Endowment funds represent heritage assets which are recognised and valued in line with the Foundation's fixed asset policies. Endowment funds also represent investments held in trust from which income is derived to support either the general activities of the charity or activities specifically identified by the relevant trust. The Trustees have power of discretion to convert endowed capital into unrestricted income. See note 28.

Restricted funds are those donations received to which specific terms and conditions over the application of these funds are attached by the donor.

Income

All incoming resources are included in the statement of financial activities once the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reasonably.

The following policies are applied to particular categories of income:

Income and endowments from:

Donations and donated services

Donations receivable for the general purposes of the Foundation are credited to General funds. Restricted donations are accounted for as restricted funds matched against the related expenditure.

Where services that would normally be purchased from the Foundation's suppliers are provided as a donation, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Foundation.

Grants and gifts in kind

Income is recognised as a grant if formal paperwork is in place, an application process has been followed leading to a grant award being made, which is usually a competitive process with conditions attached, and the funds have been arrived at independently and not via connected organisations. Income recognition treatment takes grant conditions into account and income is deferred if specific conditions have not been met.

Gifts to the Foundation of fixed assets are recognised as incoming resources and within the relevant fixed asset category of the balance sheet when receivable, at an estimate of their gross value to the Foundation. Other gifts in kind (such as donations of time) are included within donated services.

Notes (continued)

1 Accounting policies (continued)

Income (continued)

Other trading activities

Income from Dumfries House Trust Trading Limited includes the Dumfries House shop, café and restaurant, the Rothesay Rooms restaurant in Ballater, the Swimming Pool and Town Hall facilities in New Cumnock, as well as Dumfries House admissions, functions and income from a bed and breakfast business and House tours within Dumfries House Estate. Income from other commercial activities is recognised in the period in which it is received. Other commercial income received is recognised on entitlement.

Income from AG Carrick Limited includes shop, café and restaurant and garden tour income at the Highgrove Estate. Other income received through Dumfries House Trust Trading Limited is recognised on entitlement. Other commercial income received is recognised on entitlement.

Income from Dumfries House Home Farm Limited is rental income accounted for on an accruals basis and income from livestock sales is recognised in the period in which it is received.

Income from Dumfries Farming & Land Limited represents grazing rent income paid to Dumfries Farming & Land Limited.

Income from Community Capital Limited represents income in respect of architectural and building consultancy services during the period.

Income from Castle and Gardens of Mey represents income in respect of net sales of bed and breakfast bookings, shop purchases and tea-room goods for the Castle of Mey.

Education income represents income from Education activities delivered across the charity's locations. This includes activities previously undertaken by The Prince's Foundation for Building Community and The Prince's School of Traditional Arts.

Investment income

Interest receivable is credited to income in the period to which it relates and is recorded in General funds.

Dividend income from investments held at market value are recognised when they are received.

In 2022, £300,000 of gift aid was received from subsidiaries (2021: £58,580).

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Resources expended:

Raising funds represents direct costs of the Foundation's subsidiary operations, rent, portfolio management and fundraising activity.

Charitable activities represents direct costs of operating and maintaining Dumfries House and Estate, The Queen Elizabeth Castle of Mey Trust, operational costs of Charlotte Road, London, and the costs incurred by staff to support delivery of our charitable objectives.

Governance costs represents costs incurred in connection with the general running of the charity as opposed to the management and administration of its activities, including costs relating to statutory compliance.

Other resources expended represents gains and losses on asset disposals.

Notes (continued)

1 Accounting policies (continued)

Expenditure (continued)

Resources expended in the statement of financial activities include support costs of running the Foundation. These are charged as charitable expenditure or other costs as appropriate, being expenses incurred in the ordinary operations of the Foundation.

Support costs are allocated to the categories of charitable activities on a pro-rata basis if it is not possible to allocate the costs on a specific basis.

The costs of conservation, restoration and preservation of endowment assets are charged to the endowment fund.

Heritage assets

The heritage assets within the Foundation are accounted for by applying the principles of accounting standard FRS 102.

Heritage assets comprise Dumfries House, the stables and coach house and the contents of Dumfries House, many of which date back to the commissioning of the House in the 1750s, which are held in support of the Foundation's primary objective of preserving the collection for the nation and providing reasonable public access to it, as a contribution to the nation's culture and education, both nationally and locally.

The House collection is reported in the balance sheet at a valuation when received.

A valuation of Dumfries House, the stables and coach house on the basis of market value was performed by Stanley Wright, Chartered Surveyors, on 28 March 2017, in accordance with the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors (the Red Book).

A valuation of the House contents has been based on an external valuation carried out by Lyon and Turnbull, auctioneers, for audit purposes on 29 March 2017. The valuation was based on similar previous sale estimates and results.

A valuation of sporting rights was carried out on the basis of market value by Stanley Wright, as at 28 March 2017.

Heritage assets from The Queen Elizabeth Castle of Mey Trust relate to the Castle of Mey, which was gifted by the late Her Majesty Queen Elizabeth The Queen Mother to The Queen Elizabeth Castle of Mey Trust on its inception in 1996.

The Castle is inspected on a regular basis and any work required is brought to the attention of the Trustees. The inspection may be carried out by the Administrator who oversees the property and its use. The Castle was revalued by the Trustees on 31 December 2010 at £1,000,000.

Expenditure which, in the Trustees' view, is required to preserve or prevent further deterioration of individual collection items is recognised in the income and expenditure account when it is incurred, as part of the Foundation's charitable activities. Expenditure which, in the Trustees' view, adds to the value of individual items is capitalised, in accordance with FRS 102. Due to a continuous restoration programme, the heritage assets are subject to an annual impairment review rather than amounts being depreciated on a systematic basis.

Heritage assets are accounted for in note 14.

Notes (continued)

1 Accounting policies (continued)

Trademarks

Trademarks are capitalised where there is expected to be a benefit to future periods and the following conditions are met:

- i) it is technically feasible to complete the research or development so that the product will be available for use or sale;
- ii) it is intended to use or sell the product being developed;
- iii) the Charity is able to use or sell the product;
- iv) it can be demonstrated that the product will generate probable future economic benefits;
- v) adequate technical, financial and other resources exist so that product development can be completed and subsequently used or sold; and
- vi) expenditure attributable to the research and development work can be reliably measured.

Capitalised trademarks are stated at cost less accumulated amortisation and impairment losses and amortised over its useful economic life. Assessments of useful economic life are 10 years.

Tangible fixed assets (excluding heritage assets) and depreciation

Land and buildings are stated at market value, defined as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion". Where a Land and buildings asset has not been revalued it is stated at cost less depreciation. The need for impairment is considered every year. Should the value of assets be deemed impaired or appreciated due to a change in market conditions or condition of the asset, then a professional valuation will be carried out by independent valuer from a relevant specialism. The last valuation took place in 2017. The Board have considered the need for further revaluations and deemed it not necessary at this point. The current value of the assets is deemed reflective of their carrying value in line with FRS 102.

Market valuations are carried out in accordance with the Appraisal and Valuations Standards published by the Royal Institute of Chartered Surveyors (the Red Book).

Castle furnishings at The Queen Elizabeth Castle of Mey Trust were revalued by the Trustees on 31 December 2004 which is in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The valuation basis used by the Trustees was the market value.

Other tangible fixed assets are stated at historic cost.

The Prince's Foundation holds a 125 year lease on property at Highgrove estate. Leasehold property and all relating assets are depreciated in line with the useful life of the asset as noted in the table below.

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	Up to 50 years
Leasehold buildings	-	Up to 50 years
Plant and machinery	-	3 to 10 years
Fixtures, fittings, tools and equipment	-	2 to 5 years
Motor vehicles	-	5 years
Improvements to property	-	25 years
Improvements to leasehold property	-	25 years
Website costs	-	5 years
Assets under construction	-	not provided

No depreciation is provided on freehold land.

Individual purchases of a capital nature below £300 are not usually capitalised.

Notes (continued)

1 Accounting policies (continued)

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted bid price. Any change in fair value will be recognised in the statement of financial activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Livestock is valued within the accounts at fair value which includes any future costs to bring the stock to the point of sale.

Land within stock is stated at its revalued amount.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Leases

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

Operating lease rentals are charged to the statement of financial activities on a straight line basis over the period of the lease, with the exception of the leasehold properties which are depreciated over 50 years.

Pensions

The Foundation operates a defined contribution pension scheme. Contributions payable to the Foundation's pension scheme are charged to the statement of financial activities in the period to which they relate.

Notes (continued)

1 Accounting policies (continued)

Taxation

The Foundation is considered to pass the tests set out in Schedule 30 and 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Foundation is potentially exempt from taxation in respect of income or capital gains received within the categories covered in Chapter 3 Part 11 Corporation Tax Act 2010 to the extent that such income or gains are applied exclusively to charitable purposes.

The company's trading activities, which are undertaken by the subsidiary companies Dumfries House Trust Trading Limited, AG Carrick Limited, Dumfries House Home Farm Limited, Dumfries Farming and Land Limited, Community Capital Limited and Castle and Gardens of Mey Limited are not exempt from UK taxation. However, the subsidiary companies with the exception of Castle and Gardens of Mey Limited have an agreement in place to donate all profits to the Foundation through Gift Aid, resulting in no tax liability for these subsidiaries.

The Foundation is registered for Value Added Tax and accordingly, income and expenditure is recognised and reported on a net basis.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of financial activities for the period.

Financial Instruments

The charity's financial assets and financial liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Key judgements and sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees' are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key judgements that the charitable company has made which have a significant effect on the accounts include the assumptions around the depreciation period for fixed assets.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of fixed assets and heritage assets

As described in the accounting policies, land and buildings, heritage assets and castle furnishings are stated at fair value based on the valuation performed by an independent professional valuers with recent experience in the location and category of assets valued. The valuer used observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset.

Notes (continued)

2 Donations and legacies

	General Fund £	Restricted Fund £	Total 2022 £	Total 2021 £
Donations received	<u>6,096,227</u>	<u>7,931,138</u>	<u>14,027,365</u>	<u>17,641,693</u>

For prior year funds breakdown please refer to note 11.

3 Grants and gifts in kind

	General Fund £	Restricted Fund £	Total 2022 £	Total 2021 £
Grants received				
Charitable organisations	-	229,500	229,500	133,000
Corporate bodies	-	68,000	68,000	40,000
Trusts	2,500	200,000	202,500	60,500
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,567</u>
	<u>2,500</u>	<u>497,500</u>	<u>500,000</u>	<u>251,067</u>

For prior year funds breakdown please refer to note 11.

4 Other income

	General Fund £	Restricted Fund £	Total 2022 £	Total 2021 £
Health Initiative Income	1,973	-	1,973	1,538
Other Income	68,576	-	68,576	213,801
	<u>70,549</u>	<u>-</u>	<u>70,549</u>	<u>215,339</u>

For prior year funds breakdown please refer to note 11.

Notes (continued)

5 Raising funds

	General Fund £	Restricted Fund £	Endowment Fund £	Total 2022 £	Total 2021 £
Building costs	(254,735)	-	-	(254,735)	(163,700)
Portfolio management	(7,501)	-	(32,202)	(39,703)	(47,135)
<u>Dumfries House Trust Trading costs</u>					
Trading cost of sales	(1,834,969)	-	-	(1,834,969)	(1,530,281)
Admin costs	(439,764)	-	-	(439,764)	(243,513)
	(2,274,733)	-	-	(2,274,733)	(1,773,794)
<u>AG Carrick trading costs *</u>					
Trading cost of sales	(830,502)	-	-	(830,502)	-
Admin costs	(1,461,201)	-	-	(1,461,201)	-
	(2,291,703)	-	-	(2,291,703)	-
<u>Home Farm costs</u>					
Farm cost of sales	(247,012)	-	-	(247,012)	(206,308)
Admin costs	(234,849)	-	-	(234,849)	(194,166)
	(481,861)	-	-	(481,861)	(400,474)
<u>Dumfries Farming & land costs</u>					
Admin costs	(8,390)	-	-	(8,390)	(10,272)
Stock provision	-	-	-	-	(89,999)
	(8,390)	-	-	(8,390)	(100,271)
<u>Community Capital costs</u>					
Cost of sales	(58,899)	-	-	(58,899)	(275,229)
Admin costs	(13,322)	-	-	(13,322)	(68,575)
	(72,221)	-	-	(72,221)	(343,804)
<u>Castle & Gardens of Mey costs</u>					
Cost of sales	(56,995)	-	-	(56,995)	(11,504)
Admin costs	(284,564)	-	-	(284,564)	(206,277)
	(341,559)	-	-	(341,559)	(217,781)
<u>Fundraising costs</u>					
Admin costs	(114,763)	-	-	(114,763)	(69,794)
Costs of raising funds	(74,552)	(51,193)	-	(125,745)	(72,346)
	(189,315)	(51,193)	-	(240,508)	(142,140)
	(5,922,018)	(51,193)	(32,202)	(6,005,413)	(3,189,099)

* On 1 July 2021, The Prince's Foundation acquired AG Carrick Limited. The cost shown above represents the 9 months expenditure from the date of acquisition.

For prior year funds breakdown please refer to note 11.

Notes (continued)

6 Charitable activities

	Direct costs £	Support Costs £	Total 2022 £	Total 2021 £
General fund				
Wages & salaries	-	(3,336,958)	(3,336,958)	(3,614,280)
Administration costs	-	(73,367)	(73,367)	(42,762)
Exhibition & promotions costs	-	(305,876)	(305,876)	(238,659)
Preservation of contents	(407,910)	(111,842)	(519,752)	(453,486)
Restoration of buildings	-	(1,215,755)	(1,215,755)	(1,197,323)
Maintenance of the estate	(1,010,862)	(85,002)	(1,095,864)	(599,743)
Education department	(669,580)	-	(669,580)	(332,035)
Community events	-	-	-	-
Patronage and heritage costs	(60,491)	-	(60,491)	(24,826)
Donations made	-	-	-	(216,474)
The Queen Elizabeth Castle of Mey Trust	(222,759)	(345,530)	(568,289)	(567,668)
	<u>(2,371,602)</u>	<u>(5,474,330)</u>	<u>(7,845,932)</u>	<u>(7,287,256)</u>
Restricted fund				
Wages & salaries	-	(2,654,728)	(2,654,728)	(1,194,116)
Administration costs	-	-	-	(2,267)
Exhibition & promotion costs	-	(86,063)	(86,063)	-
Preservation of contents	(9,574)	-	(9,574)	(10,635)
Restoration of buildings	-	(401,051)	(401,051)	(420,795)
Maintenance of estate	(614,478)	-	(614,478)	(313,990)
Education department	(718,953)	-	(718,953)	(329,720)
Community events	(37,352)	-	(37,352)	(40,571)
Patronage and heritage costs	(38,944)	-	(38,944)	(52,911)
Donations made	(285,098)	-	(285,098)	(403,036)
The Queen Elizabeth Castle of Mey Trust	(65,434)	-	(65,434)	(10,982)
	<u>(1,769,833)</u>	<u>(3,141,842)</u>	<u>(4,911,675)</u>	<u>(2,779,023)</u>
Endowment fund				
Restoration of buildings	-	(37,964)	(37,964)	(37,965)
	<u>-</u>	<u>(37,964)</u>	<u>(37,964)</u>	<u>(37,965)</u>
Total	<u>(4,141,435)</u>	<u>(8,654,136)</u>	<u>(12,795,571)</u>	<u>(10,104,244)</u>

Support costs are apportioned to the categories of charitable activities on a pro-rata basis where it is not possible to allocate the costs. Please see note 7 for support costs summary.

For prior year funds breakdown please refer to note 11.

Notes (continued)

7 Support and other costs

	General Fund £	Restricted Fund £	Endowment Funds £	Total 2022 £	Total 2021 £
Support costs					
Staff costs	(3,336,958)	(2,654,728)	-	(5,991,686)	(4,808,396)
Marketing, communication and exhibition costs	(305,876)	(86,063)	-	(391,939)	(238,659)
Depreciation and amortisation	(1,758,129)	(401,051)	(37,964)	(2,197,144)	(2,124,392)
Administration costs	(73,367)	-	-	(73,367)	(45,029)
	<u>(5,474,330)</u>	<u>(3,141,842)</u>	<u>(37,964)</u>	<u>(8,654,136)</u>	<u>(7,216,476)</u>
Governance costs	Note				
Legal	(319,385)	(75,987)	-	(395,372)	(87,972)
Auditor's remuneration	(99,626)	-	-	(99,626)	(38,100)
Bank interest and charges	(78,547)	-	-	(78,547)	(110,390)
Irrecoverable VAT expense	(165,161)	-	-	(165,161)	(176,593)
Consulting & professional fees	(156,638)	(22,235)	-	(178,873)	(239,359)
Other - Acquisition of subsidiary	31 (86,611)	-	-	(86,611)	-
	<u>(905,968)</u>	<u>(98,222)</u>	<u>-</u>	<u>(1,004,190)</u>	<u>(652,414)</u>

For prior year funds breakdown please refer to note 11.

8 Donations made

	2022 £	2021 £
Architecture & Heritage projects donations	131,230	291,988
Donations to Education institutions including bursaries and student support	152,900	317,512
Community events and initiatives donations	968	10,010
	<u>285,098</u>	<u>619,510</u>

9 Net incoming/(outgoing) resources are stated after charging

	2022 £	2021 £
Auditor's remuneration:		
Audit of Foundation financial statements	80,425	21,500
Non-audit services provided to the Foundation	8,000	1,400
Audit of subsidiary financial statements	45,150	27,600
Non-audit services provided to subsidiaries	8,545	6,045
	<u>142,120</u>	<u>56,545</u>
Depreciation and amortisation	<u>2,291,057</u>	<u>2,157,448</u>

Notes (continued)

10 Staff Costs

	The Prince's Foundation £	Dumfries House Trust Trading Limited £	AG Carrick Limited £	Dumfries House Home Farm Limited £	The Queen Elizabeth Castle Of Mey Trust £	Castle and Gardens Of Mey Limited £	Dumfries Farming and Land Limited £
Wages and salaries	5,260,992	1,126,600	786,377	90,203	187,878	179,546	268,118
Social security costs	355,272	74,752	58,488	8,325	12,992	9,674	26,082
Other pension costs	156,945	30,747	46,784	3,199	17,607	7,790	7,739
	<u>5,773,209</u>	<u>1,232,099</u>	<u>891,649</u>	<u>101,727</u>	<u>218,477</u>	<u>197,010</u>	<u>301,939</u>

	Community Capital Limited £	2022 £	2021 £
Wages and salaries	48,817	7,946,531	6,226,847
Social security costs	4,872	550,457	501,756
Other pension costs	2,148	272,959	226,941
	<u>55,837</u>	<u>8,771,947</u>	<u>6,955,544</u>

On 1 July 2021, The Prince's Foundation acquired AG Carrick Limited. The cost shown above represents the 9 months expenditure from the date of acquisition.

Staff costs as a result of the charitable activities total £5,991,686 (2021: 4,908,396). This amount comprises the wages, salaries and related staff costs of The Prince's Foundation and The Queen Elizabeth Castle of Mey Trust.

The wages and salaries of the trading entities are included within the cost of raising funds under the corresponding trade activities. The Prince's Foundation for Building Community, The Prince's School of Traditional Arts, The Prince's Regeneration Trust have no employee costs.

During the year redundancy and termination payments of £137,582 were made (2021: £28,173). All payments were settled in year.

Number of employees whose total employee benefits (excluding employer pension costs) > £50,000

	2022	2021
From -		
£60,001 to £70,000	6	7
£70,001 to £80,000	-	1
£80,001 to £90,000	3	3
£90,001 to £110,000	-	-
£110,001 to £120,000	-	1
£120,001 to £130,000	1	1
£130,001 to £140,000	1	-
£140,001 to £180,000	-	-
£180,001 to £190,000	1	1
£190,001 to £200,000	-	-
	<u>12</u>	<u>14</u>

All of the employees above received pension contributions.

	2022 £	2021 £
Employer pension contributions for the employees above	<u>43,713</u>	<u>44,700</u>

The average number of employees of the group during the period was as follows:

	2022 Number	2021 Number
The Prince's Foundation	153	132
AG Carrick Limited	99	-
Dumfries House Trust Trading Limited	58	110
Dumfries House Home Farm Limited	3	3
Dumfries Farming and Land Limited	8	8
The Queen Elizabeth Castle of Mey Trust	15	10
Castle and Gardens of Mey Limited	17	11
Community Capital Limited	1	5
	<u>354</u>	<u>279</u>

154 (2021: 111) of the employees were employed on a seasonal basis.

No Trustees received any remuneration in respect of their role as Trustees in this year or the preceding year.

The key management personnel of the parent charity, the Foundation, comprise the Trustees and the Senior Management Team as noted on pages 28 and 29. The total employee benefits (excluding employer pension costs) of the key management personnel of the Foundation were £1,176,046 (2021: restated £1,085,525).

Notes (continued)

11 2021 Comparatives for the Consolidated Statement of Financial Activities

	General Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies					
Donations	13,817,627	3,824,066	-	17,641,693	14,473,662
Grants and gift in kind	12,500	238,567	-	251,067	681,389
Other trading activities					
Rental income	58,704	-	-	58,704	66,004
Consultancy income	464,484	-	-	464,484	814,728
Dumfries House Trust Trading Limited	302,359	-	-	302,359	3,036,946
Dumfries House Home Farm Limited	393,213	-	-	393,213	249,302
Dumfries Farming & Land Limited	-	-	-	-	-
Community Capital Limited	413,845	-	-	413,845	1,112,418
Castle & Gardens of Mey Limited	57,981	-	-	57,981	461,764
Education income	423,263	-	-	423,263	584,397
The Queen Elizabeth Castle of Mey Trust	248,613	-	-	248,613	466,725
Investment income	11,296	-	154,384	165,680	219,691
Other income	215,339	-	-	215,339	194,577
Total	16,419,224	4,062,633	154,384	20,636,241	22,361,603
Expenditure on:					
Raising funds					
Building costs	(163,700)	-	-	(163,700)	(172,225)
Portfolio management costs	(13,652)	-	(33,483)	(47,135)	(76,959)
Dumfries House Trust Trading Limited	(1,773,794)	-	-	(1,773,794)	(3,035,107)
Dumfries House Home Farm Limited	(400,474)	-	-	(400,474)	(310,032)
Dumfries Farming & Land Limited	(100,271)	-	-	(100,271)	(8,672)
Community Capital Limited	(343,804)	-	-	(343,804)	(417,310)
Castle & Gardens of Mey Limited	(217,781)	-	-	(217,781)	(148,858)
Fundraising costs	(142,140)	-	-	(142,139)	(519,082)
	(3,155,616)	-	(33,483)	(3,189,099)	(4,688,245)
Charitable activities					
Wages & salaries	(3,614,280)	(1,194,116)	-	(4,808,396)	(5,839,963)
Administration costs	(42,762)	(2,267)	-	(45,029)	(54,554)
Exhibition & promotion costs	(238,659)	-	-	(238,659)	(450,587)
Preservation of contents	(453,486)	(10,635)	-	(464,121)	(515,700)
Restoration of buildings	(1,197,323)	(420,795)	(37,965)	(1,656,083)	(1,648,152)
Maintenance of the estate	(599,743)	(313,990)	-	(913,733)	(1,188,472)
Education	(332,035)	(329,720)	-	(661,755)	(1,021,302)
Community events	-	(40,571)	-	(40,571)	(108,678)
Patronage & heritage costs	(24,826)	(52,911)	-	(77,737)	(174,380)
Donations made	(216,474)	(403,036)	-	(619,510)	(673,462)
The Queen Elizabeth Castle of Mey Trust	(567,668)	(10,982)	-	(578,650)	(730,031)
	(7,287,256)	(2,779,023)	(37,965)	(10,104,244)	(12,405,281)
Other resources expended					
Gains/(losses) on fixed asset disposal	(962,158)	-	-	(962,158)	(126,117)
	(962,158)	-	-	(962,158)	(126,117)
Governance costs					
	(652,414)	-	-	(652,414)	(1,033,455)
Total expenses	(12,057,444)	(2,779,023)	(71,448)	(14,907,915)	(18,253,098)
Net gains/(losses) on investments	175,109	-	22,253	197,362	143,743
Change in market value of investments	78,074	-	881,459	959,533	(652,174)
Net Income/(expenditure) for the year before taxation and transfers	4,614,963	1,283,610	986,648	6,885,221	3,600,074

Notes (continued)

11 2021 Comparatives for the Consolidated Statement of Financial Activities (continued)

	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
Net income/(expenditure) for the year before transfers	4,614,963	1,283,610	986,648	6,885,221	3,600,074
Gross transfers between funds	2,043,599	(2,040,815)	(2,784)	-	-
Transfer - investment disbursement	156,000	-	(156,000)	-	-
Total transfers between funds	<u>2,199,599</u>	<u>(2,040,815)</u>	<u>(158,784)</u>	<u>-</u>	<u>-</u>
Net movements in funds	<u>6,814,562</u>	<u>(757,205)</u>	<u>827,864</u>	<u>6,885,221</u>	<u>3,600,074</u>
Reconciliation of funds:					
Fund balances at 1 April 2020	35,040,471	14,596,272	69,886,317	119,523,060	115,922,986
Net movements in funds	6,814,562	(757,205)	827,864	6,885,221	3,600,074
Fund balances at 31 March 2021	<u>41,855,033</u>	<u>13,839,067</u>	<u>70,714,181</u>	<u>126,408,281</u>	<u>119,523,060</u>

Notes (continued)

12 2022 Statement of financial activities - Foundation only

Foundation statement of financial activities
(incorporating an income and expenditure account)
for the year ended 31 March 2022

	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
Income and endowments from:					
<i>Donations and legacies</i>					
Donations	5,942,323	7,926,190	-	13,868,513	17,576,909
Grants and gift in kind	-	497,500	-	497,500	238,567
Other trading activities	1,333,341	-	-	1,333,341	523,188
Gift aid from subsidiaries	300,000	-	-	300,000	58,580
Investment income	-	-	157,618	157,618	71,245
Education income	514,271	-	-	514,271	423,263
Other income	1,055,639	-	-	1,055,639	4,521,787
Total	9,145,574	8,423,690	157,618	17,726,882	23,413,539
Expenditure on:					
<i>Raising funds</i>					
Building costs	(254,735)	-	-	(254,735)	(163,700)
Portfolio management	-	-	(32,202)	(32,202)	(19,012)
Fundraising costs	(189,315)	(51,193)	-	(240,508)	(142,139)
	<u>(444,050)</u>	<u>(51,193)</u>	<u>(32,202)</u>	<u>(527,445)</u>	<u>(324,851)</u>
<i>Charitable activities</i>					
Wages & salaries	(3,132,818)	(2,640,391)	-	(5,773,209)	(4,607,977)
Administration costs	(7,956)	-	-	(7,956)	(7,632)
Exhibition & promotion costs	(305,876)	(86,063)	-	(391,939)	(298,659)
Preservation of contents	(519,752)	(9,574)	-	(529,326)	(464,121)
Restoration of buildings	(1,215,755)	(401,051)	(37,964)	(1,654,770)	(1,656,081)
Maintenance of the estate	(1,096,670)	(614,478)	-	(1,711,148)	(913,733)
Education	(669,580)	(718,953)	-	(1,388,533)	(661,755)
Community events	-	(37,352)	-	(37,352)	(40,571)
Patronage and heritage costs	(60,491)	(38,944)	-	(99,435)	(77,737)
Donations made	-	(370,150)	-	(370,150)	(1,154,511)
	<u>(7,008,898)</u>	<u>(4,916,956)</u>	<u>(37,964)</u>	<u>(11,963,818)</u>	<u>(9,822,777)</u>
<i>Other resources expended</i>					
Gains/(losses) on fixed asset disposal	5,812	-	-	5,812	(962,153)
<i>Governance costs</i>	<u>(781,095)</u>	<u>(98,222)</u>	<u>-</u>	<u>(879,317)</u>	<u>(596,412)</u>
Total expenses	(8,228,231)	(5,066,371)	(70,166)	(13,364,768)	(11,706,193)
Net gains/(losses) on investments	-	-	57,331	57,331	11,736
Change in market value of investments	-	-	417,169	417,169	322,445
Net income/(expenditure) for the year before taxation and transfers	917,343	3,357,319	561,952	4,836,614	12,041,527
Taxation	-	-	-	-	-
Net income/(expenditure) for the year before transfers	917,343	3,357,319	561,952	4,836,614	12,041,527
Gross transfers between funds	3,570,117	(3,562,964)	(7,153)	-	-
Transfer - investment disbursement	156,000	-	(156,000)	-	-
Total transfers between funds	3,726,117	(3,562,964)	(163,153)	-	-
Net movements in funds	4,643,460	(205,645)	398,799	4,836,614	12,041,527
Reconciliation of funds:					
Fund balances at 1 April 2021	30,322,539	13,560,505	70,714,181	114,597,225	102,555,698
Fund balances at 31 March 2022	<u>34,965,999</u>	<u>13,354,860</u>	<u>71,112,980</u>	<u>119,433,839</u>	<u>114,597,225</u>

Notes (continued)

12 2021 Comparative Statement of financial activities - Foundation only

Foundation statement of financial activities
(incorporating an income and expenditure account)
for the year ended 31 March 2021

	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
Income and endowments from:					
<i>Donations and legacies</i>					
Donations	13,772,843	3,804,066	-	17,576,909	13,834,154
Grants and gift in kind	-	238,567	-	238,567	678,889
Other trading activities	523,188	-	-	523,188	880,733
Gift aid from subsidiaries	58,580	-	-	58,580	665,140
Investment income	-	-	71,245	71,245	42,799
Education income	423,263	-	-	423,263	584,397
Other income	269,981	-	4,251,806	4,521,787	5,067,244
Total	15,047,855	4,042,633	4,323,051	23,413,539	21,753,356
Expenditure on:					
<i>Raising funds</i>					
Building costs	(163,700)	-	-	(163,700)	(172,225)
Portfolio management	-	-	(19,012)	(19,012)	(15,280)
Fundraising costs	(142,139)	-	-	(142,139)	(519,083)
	<u>(305,839)</u>	<u>-</u>	<u>(19,012)</u>	<u>(324,851)</u>	<u>(706,588)</u>
<i>Charitable activities</i>					
Wages & salaries	(3,413,861)	(1,194,116)	-	(4,607,977)	(5,304,911)
Administration costs	(7,632)	-	-	(7,632)	(8,904)
Exhibition & promotion costs	(238,659)	-	-	(238,659)	(450,587)
Preservation of contents	(453,486)	(10,635)	-	(464,121)	(515,700)
Restoration of buildings	(1,197,323)	(420,795)	(37,963)	(1,656,081)	(1,637,930)
Maintenance of the estate	(599,743)	(313,990)	-	(913,733)	(1,188,472)
Education	(332,035)	(329,720)	-	(661,755)	(1,021,302)
Community events	-	(40,571)	-	(40,571)	(108,678)
Patronage and heritage costs	(24,826)	(52,911)	-	(77,737)	(174,380)
Donations made	(180,082)	(974,429)	-	(1,154,511)	(806,278)
	<u>(6,447,647)</u>	<u>(3,337,167)</u>	<u>(37,963)</u>	<u>(9,822,777)</u>	<u>(11,217,143)</u>
Other resources expended					
Gains/(losses) on fixed asset disposal	(962,153)	-	-	(962,153)	(126,696)
Governance costs	(596,412)	-	-	(596,412)	(966,732)
Total expenses	(8,312,051)	(3,337,167)	(56,975)	(11,706,193)	(13,017,158)
Net gains/(losses) on investments	-	-	11,736	11,736	(48,187)
Change in market value of investments	-	-	322,445	322,445	(64,595)
Net income/(expenditure) for the year before taxation and transfers	6,735,804	705,466	4,600,257	12,041,527	8,623,415
Taxation	-	-	-	-	-
Net income/(expenditure) for the year before transfers	6,735,804	705,466	4,600,257	12,041,527	8,623,415
Gross transfers between funds	1,688,727	(1,685,943)	(2,784)	-	-
Transfer - investment disbursement	73,500	-	(73,500)	-	-
Total transfers between funds	1,762,227	(1,685,943)	(76,284)	-	-
Net movements in funds	8,498,031	(980,477)	4,523,973	12,041,527	8,623,415
Reconciliation of funds:					
Fund balances at 1 April 2020	21,824,508	14,540,982	66,190,208	102,555,698	93,932,283
Fund balances at 31 March 2021	<u>30,322,539</u>	<u>13,560,505</u>	<u>70,714,181</u>	<u>114,597,225</u>	<u>102,555,698</u>

Notes (continued)

13 Intangible assets

Group	Trademarks £	Sporting rights £	Total
Cost or valuation			
At 1 April 2021	6,280	50,500	56,780
Additions	-	-	-
Disposals	-	-	-
At 31 March 2022	<u>6,280</u>	<u>50,500</u>	<u>56,780</u>
Amortisation			
At 1 April 2021	4,731	-	4,731
Charge for the period	200	-	200
At 31 March 2022	<u>4,931</u>	<u>-</u>	<u>4,931</u>
Net book value			
At 31 March 2022	<u>1,349</u>	<u>50,500</u>	<u>51,849</u>
At 31 March 2021	<u>1,549</u>	<u>50,500</u>	<u>52,049</u>

Foundation

	Sporting rights £	Total
Cost or valuation		
At 1 April 2021	50,500	50,500
Additions	-	-
Disposals	-	-
At 31 March 2022	<u>50,500</u>	<u>50,500</u>
Net book value		
At 31 March 2022	<u>50,500</u>	<u>50,500</u>
At 31 March 2021	<u>50,500</u>	<u>50,500</u>

Cost or valuation at 31 March 2022 is represented by:

	Trademarks £	Sporting Rights £
Cost	6,280	65,000
Valuation in 2017	-	(14,500)
	<u>6,280</u>	<u>50,500</u>

If intangible assets had not been revalued they would have been included at the following historical cost:

	2022 £	2021 £
Cost of sporting rights	<u>65,000</u>	<u>65,000</u>

14 Heritage Assets

Group	Heritage assets £
Cost or valuation	
At 1 April 2021	61,751,527
Additions	-
Disposals	-
At 31 March 2022	<u>61,751,527</u>
Net book value	
At 31 March 2022	<u>61,751,527</u>
At 31 March 2021	<u>61,751,527</u>

Cost or valuation at 31 March 2022 is represented by:

	Heritage assets £
Cost	39,783,476
Valuation in 2017	<u>21,968,051</u>
	<u>61,751,527</u>

If heritage assets had not been revalued they would have been included at the following historical cost:

	2022 £	2021 £
Cost of heritage assets	<u>39,783,476</u>	<u>39,783,476</u>

Notes (continued)

14 Heritage Assets (continued)

Foundation	Heritage assets
	£
Cost or valuation	
At 1 April 2021	60,751,527
Additions	-
Disposals	-
At 31 March 2022	<u>60,751,527</u>
Net book value	
At 31 March 2021	<u>60,751,527</u>
At 31 March 2022	<u>60,751,527</u>

Cost or valuation at 31 March 2022 is represented by:

	Heritage assets
	£
Cost	38,783,476
Valuation in 2017	<u>21,968,051</u>
	<u>60,751,527</u>

If endowment assets had not been revalued they would have been included at the following historical cost:

	2022	2021
	£	£
Cost of heritage assets	<u>38,783,476</u>	<u>38,783,476</u>
	<u>38,783,476</u>	<u>38,783,476</u>

Heritage assets within the Endowment Funds comprise Dumfries House, the stables and coach house and the contents of Dumfries House, many of which date back to the commissioning of the House in the 1750s. Dumfries House itself was built between 1754 and 1759 for the 5th Earl of Dumfries by the Adam brothers. The most important additional works to the building were undertaken by the architect Robert Weir Schultz in the 1890s.

Dumfries House has an unrivalled collection of furniture made or bought for the house when first built. Around 55 pieces by Thomas Chippendale, which represent his early rococo or "Director" phase, include bookcases, a bed, and items such as shaving tables and washstands. With most of the original invoices surviving, these pieces testify to Chippendale's early success in Scotland. This comprehensive body of furniture is complemented by work from the contemporary Edinburgh-based wrights Alexander Peter, Francis Brodie, and William Mathie. The range of luxury furniture produced by this group is unique in the world, both in terms of its quantity and quality. The contents are complemented by ceramics, carpets, chandeliers and other smaller objects, many of which can still be found in their original locations.

The Foundation also owns the Avenue Bridge, the Dovecote, the Temple and the Ice House which are classified as heritage assets, but cannot be valued and are therefore not recorded in the financial statements.

The heritage assets within the Foundation comprise largely of 18th century, 19th century and 20th century fine furniture, items of decorative and applied art and works of art. Assets acquired during the period are purchased to enhance the current collections within the House.

Records of the collection are kept in the form of a digital database and hard copies, both of which are regularly updated. Access to the assets within the House is only permitted on the guided tours throughout the year. Any items not on the public route of these tours can be accessed by prior appointment with the collection manager.

A full revaluation of the heritage assets held within the Foundation was conducted during the year to 31 March 2017.

The heritage assets also relate to The Castle of Mey which was gifted by the late Her Majesty Queen Elizabeth The Queen Mother to the Queen Elizabeth Castle of Mey Trust on its inception in 1996. There is no intention to either acquire or dispose of heritage assets. The Castle was revalued by the Trustees on 31 December 2010 at £1,000,000 in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (effective 1 January 2019). The Trustees consider this to be a reasonable value at 31 March 2022.

Summary analysis of Heritage Asset transactions

	2022	2021	2020	2019	2018
	£	£	£	£	£
Purchases and additions	-	-	-	1,000,000	-
Revaluation	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Disposals	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes (continued)

15 Tangible fixed assets

Group	Land & Buildings £	Leasehold Land & Buildings £	Improvements to Property £	Improvements to Leasehold Property £	Plant & Machinery £	Furniture & Fixings £	Motor vehicles £	Website Costs £	Assets under Construction £	Total 2022 £
Cost or valuation										
At 1 April 2021	48,910,556	-	1,511,333	-	346,658	4,337,849	193,777	3,564	1,238,456	57,301,992
Additions	-	690,000	261,192	32,127	134,457	270,683	206,442	-	2,947,235	4,522,045
Disposals	(5,775)	-	-	-	(20,350)	(20,500)	(67,899)	-	(4,202)	(116,725)
Transfers	1,622,791	-	400,437	107,551	-	72,346	-	-	(2,303,176)	-
Acquisition of subsidiary	-	-	322,369	-	-	153,688	-	-	-	503,667
At 31 March 2022	<u>50,527,572</u>	<u>690,000</u>	<u>2,495,241</u>	<u>219,679</u>	<u>460,765</u>	<u>5,001,676</u>	<u>232,320</u>	<u>3,564</u>	<u>2,578,562</u>	<u>62,209,179</u>
Depreciation										
At 1 April 2021	30,260,778	-	857,803	-	212,204	3,039,798	124,708	3,564	-	34,508,055
Charge for period	1,717,047	11,100	80,038	2,840	85,810	342,779	21,759	-	-	2,259,873
Disposals	(1,751)	-	-	-	(3,997)	(20,304)	(60,687)	-	-	(66,139)
Transfers	-	-	-	-	-	-	-	-	-	-
Acquisition of subsidiary	-	-	212,227	-	-	118,560	-	-	-	330,787
At 31 March 2022	<u>31,976,574</u>	<u>11,100</u>	<u>1,259,268</u>	<u>2,840</u>	<u>295,981</u>	<u>3,498,833</u>	<u>85,980</u>	<u>3,564</u>	<u>-</u>	<u>37,124,561</u>
Net book value										
At 31 March 2022	<u>18,550,998</u>	<u>678,900</u>	<u>1,235,973</u>	<u>216,799</u>	<u>164,804</u>	<u>1,502,843</u>	<u>146,340</u>	<u>-</u>	<u>2,578,562</u>	<u>45,074,620</u>
At 31 March 2021	<u>18,649,778</u>	<u>-</u>	<u>654,530</u>	<u>-</u>	<u>134,458</u>	<u>1,257,853</u>	<u>69,069</u>	<u>-</u>	<u>1,938,456</u>	<u>42,703,953</u>
Cost or valuation at 31 March 2022 is represented by:										
	Land & Buildings £	Leasehold Land & Buildings £	Improvements to Property £	Improvements to Leasehold Property £	Plant & Machinery £	Furniture & Fixings £	Motor vehicles £	Website Costs £	Assets under Construction £	Total 2022 £
Cost	58,135,704	690,000	2,495,241	219,679	460,765	5,001,676	232,320	3,564	2,578,562	70,253,262
Valuation in 2017	(7,608,132)	-	-	-	-	-	-	-	(235,972)	(8,044,081)
	<u>50,527,572</u>	<u>690,000</u>	<u>2,495,241</u>	<u>219,679</u>	<u>460,765</u>	<u>5,001,676</u>	<u>232,320</u>	<u>3,564</u>	<u>2,342,590</u>	<u>62,209,179</u>

If tangible fixed assets had not been revalued they would have been included at the following historical cost:

	2022 £	2021 £
Cost of freehold land & buildings	<u>58,135,701</u>	<u>57,159,680</u>
Assets under construction	<u>2,814,316</u>	<u>2,174,407</u>

Notes (continued)

15 Tangible fixed assets (continued)

Foundation	Land & Buildings	Leasehold Land & Buildings	Improvements to Property	Improvements to Leasehold Property	Plant & Machinery	Fixtures & Fittings	Motor vehicles	Website costs	Assets under Construction	Total 2022
	£	£	£	£	£	£	£	£	£	£
Cost or valuation										
At 1 April 2021	40,232,924	-	-	-	218,074	2,553,713	140,775	3,564	726,749	43,875,799
additions	1,402,582	690,000	253,555	12,127	320,232	285,283	106,442	-	2,903,711	5,274,032
Disposals	(5,775)	-	-	-	(18,761)	-	(42,899)	-	(158,899)	(226,340)
Transfer	785,209	-	400,437	207,652	-	-	-	-	(893,198)	-
At 31 March 2022	41,914,940	690,000	653,992	219,679	319,539	2,839,096	204,318	3,564	2,578,363	49,423,490
Depreciation										
At 1 April 2021	9,836,675	-	-	-	126,142	7,327,641	103,708	3,564	-	17,407,730
Charge for period	1,632,328	11,500	8,064	2,876	49,887	131,216	15,837	-	-	1,851,604
Disposals	(1,251)	-	-	-	(2,086)	-	(47,899)	-	-	(46,236)
Transfers	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	11,467,751	11,500	8,064	2,876	183,943	7,458,757	76,546	3,564	-	19,213,101
Net book value										
At 31 March 2022	30,447,189	678,500	645,928	216,803	135,596	380,339	127,672	-	2,578,363	35,210,389
At 31 March 2021	30,396,249	-	-	-	91,932	216,072	37,067	-	726,749	31,468,069
Cost or valuation at 31 March 2022 is represented by:										
	Land & Buildings	Land & Buildings	Improvements to Property	Improvements to Leasehold Property	Plant & Machinery	Fixtures & Fittings	Motor vehicles	Website costs	Assets under Construction	Total 2022
	£	£	£	£	£	£	£	£	£	£
Cost	51,753,625	690,000	653,992	219,679	319,539	2,839,096	204,318	3,564	2,814,315	59,458,127
Valuation in 2017	(9,838,885)	-	-	-	-	(285,283)	-	-	(235,952)	(10,074,627)
	41,914,940	690,000	653,992	219,679	319,539	2,839,096	204,318	3,564	2,578,363	49,423,490
If tangible fixed assets had not been revalued they would have been included at the following historical cost:					2022	2021				
					£	£				
Cost of freehold land & buildings					51,753,625	50,071,609				
Assets under construction					2,814,315	962,701				

Notes (continued)

16 Investments

Group	2022 £	2021 £
Investments	<u>7,651,870</u>	<u>7,174,404</u>
	<u>7,651,870</u>	<u>7,174,404</u>
Parent charity	2022 £	2021 £
Investments in subsidiary undertakings	991,607	5
Investments	<u>6,700,354</u>	<u>6,264,009</u>
	<u>7,691,961</u>	<u>6,264,014</u>

The Prince's Foundation is the sole member/ ordinary shareholder of the following subsidiaries:

Dumfries House Trust Trading Limited (Company number SC333119), a company incorporated in Great Britain and registered in Scotland is a trading subsidiary which represents the commercial trading arm of the Foundation. The registered address of the company is Dumfries House, Dumfries House Estate, Cumnock, Ayrshire, KA18 2NJ.

Dumfries House Home Farm Limited (Company number SC261878), a company incorporated in Great Britain and registered in Scotland is a trading subsidiary which represents the farming arm of the Foundation. The registered address of the company is Dumfries House, Dumfries House Estate, Cumnock, Ayrshire, KA18

Dumfries Farming & Land Limited (Company number 06391121), a company incorporated in Great Britain and registered in England and Wales is a trading subsidiary whose principal activity is in relation to commercial building construction. The registered address of the company is 19-22 Charlotte Road, Shoreditch, London, EC2A 3SG.

Community Capital Limited (Company number 04268547), a company incorporated in Great Britain and registered in England and Wales is a trading subsidiary whose business is urban design consultancy. The registered address of the company is 19-22 Charlotte Road, Shoreditch, London, EC2A 3SG. This company became a subsidiary on 1 April 2018.

The Queen Elizabeth Castle of Mey Trust (Charity number SC024983), a charity registered in Scotland, set-up for the preservation of buildings and monuments with historical importance and architectural interest. It is registered at Castle of Mey, Caithness, KW14 8XH. The Prince's Foundation became the sole trustee of this charity on 1 January 2019.

AG Carrick Limited (Company number 02258628), a company incorporated in Great Britain and registered in England and Wales is a trading subsidiary whose principal activity is retail and tour operations at the Highgrove estate. The registered address of the company is Clarence House, London, SW1A 1BA. Acquired 1 July 2021.

The Prince's Foundation is the controlling party of the following charities as of 31 March 2022:

The Prince's Foundation for Building Community (Company number 03579567, Charity number 1069969), an educational charity registered in England and Wales is registered at 19-22 Charlotte Road, Shoreditch, London, EC2A 3SG. This charity became a subsidiary of the Foundation on 1 April 2018.

The Prince's School of Traditional Arts (Company number 04970959, Charity number 1101527), an educational charity registered in England and Wales is registered at 19-22 Charlotte Road, Shoreditch, London, EC2A 3SG. This charity became a subsidiary of the Foundation on 1 September 2018.

The Prince's Foundation indirectly owns the following subsidiaries as of 31 March 2022:

Castle and Gardens of Mey Limited (Company number SC247163), a company incorporated in Great Britain and registered in Scotland is indirectly owned by the Foundation, via its sole Trusteeship of The Queen Elizabeth Castle of Mey Trust which fully owns this trading subsidiary. The registered address of the company is Castle of Mey, Caithness, KW14 8XH

The Prince's Regeneration Trust (Company number 04342518, Charity number 1089932), an educational charity registered in England and Wales is indirectly controlled by the Foundation, via its control of The Prince's Foundation for Building Community, which is the sole member of this charity. The registered address of this entity is 19-22 Charlotte Road, Shoreditch, London, EC2A 3SG.

The summarised financial results of all of these subsidiaries for the period ended 31 March 2022 are disclosed in note 30 to these accounts.

Notes (continued)

16 Investments (continued)

Investments - Group

	2022 £	2021 £
Market value at 31 March 2021	7,174,404	6,703,416
Additions at cost	2,021,194	1,638,729
Disposals at carrying value	(1,983,534)	(2,191,360)
Revaluations	524,292	1,156,895
Investment cash movement	(84,486)	(133,276)
Market value at 31 March 2022	<u>7,651,870</u>	<u>7,174,404</u>

Analysis of market value of investments:

UK equities	2,443,516	2,612,136
International equities	1,459,539	1,729,492
UK bonds	1,303,138	1,213,368
International bonds	571,709	151,549
Portfolio funds	343,225	128,452
Alternatives	1,375,516	1,082,145
Cash	155,227	257,262
	<u>7,651,870</u>	<u>7,174,404</u>

Analysis of investment income for the period:

UK equities	62,666	53,027
International equities	25,060	31,692
UK bonds	33,911	37,732
International bonds	5,311	919
Multi-Asset Funds	280	745
Alternatives	38,985	39,142
Cash	61	2,423
	<u>166,274</u>	<u>165,680</u>

There were three investment held at 31 March 2022 with a value of greater than 5% of the portfolio valuation, (2021: 2).

Investment	£
Charity Equity Income Fund UCITS Fund	688,350
Schroder Sterling Corporate Bond Fund	395,532
Charities Property Fund	459,198

Notes (continued)

16 Investments (continued)

Investments - Parent charity

	2022	2021
	£	£
Market value at 31 March 2021	6,264,009	1,696,980
Additions at cost	1,440,941	694,473
Disposals at carrying value	(1,428,003)	(742,166)
Revaluations	474,502	334,181
Investment cash movement	(51,095)	23,776
Transfer on acquisition of subsidiary	-	4,256,765
Market value at 31 March 2022	<u>6,700,354</u>	<u>6,264,009</u>

Analysis of market value of investments:

UK equities	2,327,054	2,066,171
International equities	1,259,980	1,413,781
UK bonds	926,750	1,213,368
International bonds	526,006	151,549
Multi-Asset Funds	144,891	128,452
Alternatives	1,360,446	1,082,144
Cash	155,227	208,544
	<u>6,700,354</u>	<u>6,264,009</u>

Analysis of investment income for the period:

UK equities	57,628	20,861
International equities	23,051	15,648
UK bonds	32,608	14,324
International bonds	5,250	-
Multi-Asset Funds	280	-
Alternatives	38,801	19,605
Cash	-	807
	<u>157,618</u>	<u>71,245</u>

There were three held at 31 March 2022 with a value of 5% of the portfolio valuation (2021: 3).

Investment	£
Charity Equity Income Fund UCITS Fund	688,350
Schroder Sterling Corporate Bond Fund	395,532
Charities Property Fund	459,198

17 Stock

	Group	Foundation	Group	Foundation
	2022	2022	2021	2021
	£	£	£	£
Farming livestock & consumables	535,336	-	545,857	-
Goods for resale - Dumfries House Visitor Centre	31,062	-	28,155	-
Goods for resale - Ballater Highgrove shop	-	-	4,820	-
Goods for resale - Castle and Gardens of Mey	52,659	-	54,387	-
Goods for resale - AGC	364,127	-	-	-
Food & beverage stock - Dumfries House	25,810	-	17,060	-
Food & beverage stock - Ballater Bistro	3,138	-	2,435	-
Food & beverage stock - AGC	7,857	-	-	-
Dumfries Farming and Land Ltd:				
Development land at Knockroon	610,000	-	610,000	-
WIP	-	-	7,844	-
	<u>1,629,989</u>	<u>-</u>	<u>1,270,558</u>	<u>-</u>

Notes (continued)

18 Debtors

	Group 2022	Foundation 2022	Group 2021	Foundation 2021
	£	£	£	£
<i>Amounts falling due within one year</i>				
Trade debtors	579,989	105,732	455,307	155,797
Other debtors	27,926	11,085	18,413	3,051
Other taxation recoverable	189,029	169,563	49,483	-
Amounts due from subsidiary	-	3,094,810	-	3,973,313
Prepayments and accrued income	374,464	263,683	215,145	179,733
	<u>1,171,408</u>	<u>3,644,873</u>	<u>738,348</u>	<u>4,311,894</u>
<i>Amounts falling due after more than one year</i>				
Other debtors	-	-	-	-
Aggregate amounts	<u>1,171,408</u>	<u>3,644,873</u>	<u>738,348</u>	<u>4,311,894</u>

19 Creditors

	Group 2022	Foundation 2022	Group 2021	Foundation 2021
	£	£	£	£
<i>Amounts falling due within one year</i>				
Bank overdrafts	-	-	-	-
Trade creditors	719,419	434,076	273,653	165,707
Other creditors	481,642	361,227	125,861	39,442
Hire purchase	124,179	99,519	113,124	100,839
Other taxation payable	439,655	125,794	382,509	298,468
Corporation tax	-	-	95	-
Accruals and deferred income	2,408,329	1,500,759	1,273,519	1,087,928
	<u>4,173,224</u>	<u>2,521,375</u>	<u>2,168,761</u>	<u>1,692,384</u>
<i>Amounts falling due after more than one year</i>				
Hire purchase due in 2-5 years	33,246	-	16,303	2,678
	<u>33,246</u>	<u>-</u>	<u>16,303</u>	<u>2,678</u>

The Prince's Foundation recognises income on entitlement. Where entitlement has not been established at the year end date the income is deferred or held as a deposit within creditors.

Included within creditors is deferred income and deposits as follows:

Group	Balance 1 April 2021	Prior year balance released	Additions in year	Released in year	Balance 31 March 2022
Deferred income	734,363	(618,059)	2,036,083	(1,159,781)	992,606
Deposits and gift vouchers	89,682	(62,495)	1,710,962	(1,146,561)	591,588
	<u>824,045</u>	<u>(680,554)</u>	<u>3,747,045</u>	<u>(2,306,342)</u>	<u>1,584,194</u>
Foundation	Balance 1 April 2021	Prior year balance released	Additions in year	Released in year	Balance 31 March 2022
Deferred income	734,363	(618,059)	1,536,083	(847,281)	805,106
Deposits and gift vouchers	-	-	-	-	-
	<u>734,363</u>	<u>(618,059)</u>	<u>1,536,083</u>	<u>(847,281)</u>	<u>805,106</u>

Notes (continued)

20 Fund movements

Group	Note	Balance 1 April 2021	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2022
		£	£	£	£	£	£
Endowment fund	20.1	70,714,181	157,618	(70,166)	474,502	(163,155)	71,112,980
Restricted funds	20.2	13,839,067	8,428,638	(5,061,090)	-	(3,814,185)	13,392,430
General funds	20.3	41,855,033	13,890,669	(14,668,116)	54,213	3,977,340	45,109,139
Total funds		126,408,281	22,476,925	(19,799,372)	528,715	-	129,614,549
Foundation		Balance 1 April 2021	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2022
		£	£	£	£	£	£
Endowment fund	20.1	70,714,181	157,618	(70,166)	474,500	(163,153)	71,112,980
Restricted funds	20.2	13,560,505	8,423,690	(5,066,371)	-	(3,562,964)	13,354,860
General funds	20.3	30,322,539	9,145,574	(8,228,231)	-	3,726,117	34,965,999
Total funds		114,597,225	17,726,882	(13,364,768)	474,500	-	119,433,839

20.1 Endowment fund

Group	Note	Balance 1 April 2021	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2022
		£	£	£	£	£	£
The Prince's Foundation - Endowment assets		64,458,783	-	(37,964)	-	-	64,420,819
The Traditional and Islamic Arts Education Fund		1,980,655	41,695	(15,124)	170,239	(49,892)	2,127,573
Abdul Latif Jameel Centre for Traditional Arts and Crafts		4,274,743	115,923	(17,078)	304,263	(113,263)	4,564,588
		70,714,181	157,618	(70,166)	474,502	(163,155)	71,112,980
Foundation		Balance 1 April 2021	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2022
		£	£	£	£	£	£
The Prince's Foundation - Endowment assets		64,458,783	-	(37,964)	-	-	64,420,819
The Traditional and Islamic Arts Education Fund		1,980,655	41,695	(15,124)	170,239	(49,892)	2,127,573
Abdul Latif Jameel Centre for Traditional Arts and Crafts		4,274,742	115,923	(17,078)	304,263	(113,263)	4,564,588
		70,714,181	157,618	(70,166)	474,502	(163,155)	71,112,980

The Prince's Foundation - Endowment assets - Included in endowment funds are heritage assets of £60,751,527, freehold land & buildings of £3,618,794 and sporting rights of £50,500.

Included in endowment funds is the Abdul Latif Jameel Centre for Traditional Arts and Crafts endowment fund and The Traditional and Islamic Arts Education Fund.

Notes (continued)

20 Fund movements (continued)

20.2 Restricted funds

Group	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2022 £
Group restricted - Various Funds	8,789,653	3,094,411	(4,290,248)	-	(805,521)	6,788,295
Highgrove Project	-	4,989,695	(533,372)	-	(1,786,654)	2,669,669
Glenside Build	2,075,565	-	(93,631)	-	(422,247)	1,559,687
Prince's School of Traditional Arts - Property fund	2,171,333	-	(30,667)	-	-	2,140,666
Glenside printmaking studio	603,637	-	(33,593)	-	(335,931)	234,113
Coachford cottage development	167,505	-	(32,976)	-	(134,529)	-
Dumfries House Playground Project	31,373	344,532	(46,602)	-	(329,303)	-
	<u>13,839,067</u>	<u>8,428,638</u>	<u>(5,061,090)</u>	<u>-</u>	<u>(3,814,185)</u>	<u>13,392,430</u>
Foundation	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2022 £
The Prince's Foundation - Various Funds	8,511,091	3,089,463	(4,295,529)	-	(554,300)	6,750,725
Highgrove Project	-	4,989,695	(533,372)	-	(1,786,654)	2,669,669
Glenside Build	2,075,565	-	(93,631)	-	(422,247)	1,559,687
Prince's School of Traditional Arts - Property fund	2,171,333	-	(30,667)	-	-	2,140,666
Glenside printmaking studio	603,637	-	(33,593)	-	(335,931)	234,113
Coachford cottage development	167,505	-	(32,976)	-	(134,529)	-
Dumfries House Playground Project	31,373	344,532	(46,602)	-	(329,303)	-
	<u>13,560,505</u>	<u>8,423,690</u>	<u>(5,066,371)</u>	<u>-</u>	<u>(3,562,964)</u>	<u>13,354,860</u>

Various Funds - consists of numerous restricted funds from donations made to the Group for purposes specified by the donor. These funds are disclosed as a total due to their individual values.

Highgrove Project - consists of funds held for the development of new education facilities at the Highgrove estate.

Glenside Build - consists of funds held for the development of the Glenside Centre for Traditional Arts.

Prince's School of Traditional Arts - Property Fund - represents the net book value of the charity's one third share of 19-22 Charlotte Road, London EC2A 3SG.

Glenside printmaking studio - consists of funds held for the development of the printmaking studio within the Glenside Centre for Traditional Arts.

Coachford cottage development - consists of funds held for the development of the Coachford Cottage artists retreat.

Dumfries House Playground Project - represents the development and build of a new playpark at Dumfries House.

20.3 Unrestricted funds

Group	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2022 £
General funds	33,497,550	13,890,669	(14,668,116)	54,213	4,136,493	36,910,809
Queen Elizabeth Castle of Mey Trust - Fixed asset fund	8,357,483	-	-	-	(159,153)	8,198,330
	<u>41,855,033</u>	<u>13,890,669</u>	<u>(14,668,116)</u>	<u>54,213</u>	<u>3,977,340</u>	<u>45,109,139</u>
Foundation	Balance 1 April 2021 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2022 £
General funds	30,322,539	9,145,574	(8,228,231)	-	3,226,117	34,965,999

General funds - General unrestricted funds are those that can be used in accordance with the group's charitable objectives at the discretion of the Trustees.

The Queen Elizabeth Castle of Mey Trust - Fixed asset fund - the fixed asset fund comprises all fixed assets held by the Trust.

Notes (continued)

20 Fund movements (continued)

Prior year comparatives

20.4 Group - prior year	Note	Balance 1 April 2020	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2021
		£	£	£	£	£	£
Endowment fund	20.5	69,886,317	154,384	(71,448)	903,712	(158,784)	70,714,181
Restricted funds	20.6	14,596,272	4,062,633	(2,779,023)	-	(2,040,815)	13,839,067
General funds	20.7	35,040,471	16,419,224	(12,057,444)	253,183	2,199,599	41,855,033
Total funds		119,523,060	20,636,241	(14,907,915)	1,156,895	-	126,408,281

Foundation - prior year	Note	Balance 1 April 2020	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2021
		£	£	£	£	£	£
Endowment fund	20.5	66,190,208	4,323,051	(56,975)	334,181	(76,284)	70,714,181
Restricted funds	20.6	14,540,982	4,042,633	(3,337,167)	-	(1,685,943)	13,560,505
General funds	20.7	21,824,508	15,047,855	(8,312,051)	-	1,762,227	30,322,539
Total funds		102,555,698	23,413,539	(11,706,193)	334,181	-	114,597,225

20.5 Endowment fund

Group - prior year	Balance 1 April 2020	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2021
	£	£	£	£	£	£
The Prince's Foundation - Endowment assets	64,496,748	-	(37,965)	-	-	64,458,783
The Traditional and Islamic Arts Education Fund	1,693,460	41,837	(13,975)	307,640	(48,307)	1,980,655
Abdul Latif Jameel Centre for Traditional Arts and Crafts	3,696,109	112,547	(19,508)	596,072	(110,477)	4,274,743
	69,886,317	154,384	(71,448)	903,712	(158,784)	70,714,181

Foundation - prior year	Balance 1 April 2020	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2021
	£	£	£	£	£	£
The Prince's Foundation - Endowment assets	64,496,748	-	(37,963)	-	-	64,458,785
The Traditional and Islamic Arts Education Fund	1,693,460	41,837	(13,975)	307,640	(48,307)	1,980,655
Abdul Latif Jameel Centre for Traditional Arts and Crafts	-	4,281,214	(5,037)	26,541	(27,977)	4,274,741
	66,190,208	4,323,051	(56,975)	334,181	(76,284)	70,714,181

The Prince's Foundation - Endowment assets - Included in endowment funds are heritage assets of £60,751,527, freehold land & buildings of £3,656,758 and sporting rights of £50,500.

Included in endowment funds is the Abdul Latif Jameel Centre for Traditional Arts and Crafts endowment fund and The Traditional and Islamic Arts Education Fund.

Notes (continued)

20 Fund movements (continued)

20.6 Restricted funds

Group - prior year	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2021 £
Group restricted - Various Funds	8,846,669	3,562,633	(2,416,677)	-	(1,171,599)	8,821,026
Glenside Build	2,445,109	-	(218,436)	-	(151,108)	2,075,565
Prince's School of Traditional Arts - Property fund	2,202,000	-	(30,667)	-	-	2,171,333
Glenside printmaking studio	478,356	-	(25,827)	-	151,108	603,637
Coachford cottage development	624,138	500,000	(87,417)	-	(869,216)	167,505
	<u>14,596,272</u>	<u>4,062,633</u>	<u>(2,779,023)</u>	<u>-</u>	<u>(2,040,815)</u>	<u>13,839,067</u>
Foundation - prior year	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2021 £
The Prince's Foundation - Various Funds	8,791,379	3,542,633	(2,974,821)	-	(816,727)	8,542,464
Glenside Build	2,445,109	-	(218,436)	-	(151,108)	2,075,565
Prince's School of Traditional Arts - Property Fund	2,202,000	-	(30,667)	-	-	2,171,333
Glenside printmaking studio	478,356	-	(25,827)	-	151,108	603,637
Coachford cottage development	624,138	500,000	(87,417)	-	(869,216)	167,505
	<u>14,540,982</u>	<u>4,042,633</u>	<u>(3,337,167)</u>	<u>-</u>	<u>(1,685,943)</u>	<u>13,560,505</u>

Various Funds – consists of numerous restricted funds from donations made to the Group for purposes specified by the donor. These funds are disclosed as a total due to their values.

Glenside Build – consists of funds held for the development of the Glenside Centre for Traditional Arts.

Prince's School of Traditional Arts - Property Fund - represents the net book value of the charity's one third share of 19-22 Charlotte Road, London EC2A 3SG.

Glenside printmaking studio - consists of funds held for the development of the printmaking studio within the Glenside Centre for Traditional Arts.

Coachford cottage development - consists of funds held for the development of the Coachford Cottage artists retreat.

20.7 Unrestricted funds

Group - prior year	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2021 £
General funds	26,014,193	16,419,224	(12,057,444)	253,183	2,868,394	33,497,550
Queen Elizabeth Castle of Mey Trust - Fixed asset fund	9,026,278	-	-	-	(668,795)	8,357,483
	<u>35,040,471</u>	<u>16,419,224</u>	<u>(12,057,444)</u>	<u>253,183</u>	<u>2,199,599</u>	<u>41,855,033</u>
Foundation - prior year	Balance 1 April 2020 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2021 £
General funds	21,824,508	15,047,855	(8,312,051)	-	1,762,227	30,322,539

General funds - General unrestricted funds are those that can be used in accordance with the group's charitable objectives at the discretion of the Trustees.
The Queen Elizabeth Castle of Mey Trust - Fixed asset fund - the fixed asset fund comprises all fixed assets held by the Trust.

Notes (continued)

21 Analysis of net assets between funds

Group	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
Tangible fixed assets	36,652,459	6,756,233	71,121,174	114,529,866	111,681,916
Current assets	12,654,956	6,636,197	-	19,291,153	16,911,429
Current liabilities	(4,165,030)	-	(8,194)	(4,173,224)	(2,168,761)
Non current liabilities	(33,246)	-	-	(33,246)	(16,303)
Total net assets	45,109,139	13,392,430	71,112,980	129,614,549	126,408,281
Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
Tangible fixed assets	25,826,970	6,756,233	71,121,174	103,704,377	98,534,109
Current assets	11,652,210	6,598,627	-	18,250,837	17,758,178
Current liabilities	(2,513,181)	-	(8,194)	(2,521,375)	(1,692,384)
Non current liabilities	-	-	-	-	(2,678)
Total net assets	34,965,999	13,354,860	71,112,980	119,433,839	114,597,225
2021 Comparatives					
Group - prior year	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
Tangible fixed assets	33,801,839	7,157,284	70,722,793	111,681,916	112,787,388
Current assets	10,219,646	6,691,783	-	16,911,429	10,721,238
Current liabilities	(2,150,149)	(10,000)	(8,612)	(2,168,761)	(3,950,551)
Non current liabilities	(16,303)	-	-	(16,303)	(35,016)
Total net assets	41,855,033	13,839,067	70,714,181	126,408,281	119,523,060
Foundation - prior year	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
Tangible fixed assets	20,654,032	7,157,284	70,722,793	98,534,109	96,146,296
Current assets	11,344,957	6,413,221	-	17,758,178	9,775,751
Current liabilities	(1,673,772)	(10,000)	(8,612)	(1,692,384)	(3,357,244)
Non current liabilities	(2,678)	-	-	(2,678)	(9,106)
Total net assets	30,322,539	13,560,505	70,714,181	114,597,225	102,555,698

Notes (continued)

21 Analysis of net assets between funds (continued)

Reserve analysis between funds

Group	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
At the beginning of period	41,855,033	13,839,067	70,714,181	126,408,281	119,523,060
Profit/(loss) for the period before revaluation	(752,980)	3,367,548	144,783	2,759,351	5,925,688
Gross transfers between funds	3,977,340	(3,814,185)	(163,153)	-	-
Gains/(losses) on revaluation of investments	29,746	-	417,171	446,917	959,533
Gains/(losses) on revaluation of heritage assets	-	-	-	-	-
	<u>45,109,139</u>	<u>13,392,430</u>	<u>71,112,980</u>	<u>129,614,549</u>	<u>126,408,281</u>
Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
At the beginning of the period	30,322,539	13,560,505	70,714,181	114,597,225	102,555,698
Profit/(loss) for the period before revaluation	917,343	3,357,319	144,783	4,419,445	11,719,082
Gross transfers between funds	3,726,117	(3,562,964)	(163,153)	-	-
Gains/(losses) on revaluation of investments	-	-	417,169	417,169	322,445
	<u>34,965,999</u>	<u>13,354,860</u>	<u>71,112,980</u>	<u>119,433,839</u>	<u>114,597,225</u>
2021 Comparatives					
Group - prior year	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
At the beginning of period	35,040,471	14,596,272	69,886,317	119,523,060	115,922,986
Profit/(loss) for the period before revaluation	4,536,889	1,283,610	105,189	5,925,688	4,252,248
Gross transfers between funds	2,199,599	(2,040,815)	(158,784)	-	-
Gains/(losses) on revaluation of investments	78,074	-	881,459	959,533	(652,174)
Introduction of Funds on acquisitions	-	-	-	-	-
	<u>41,855,033</u>	<u>13,839,067</u>	<u>70,714,181</u>	<u>126,408,281</u>	<u>119,523,060</u>
Foundation - prior year	General Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£	£	£	£	£
At the beginning of the period	21,824,508	14,540,982	66,190,208	102,555,698	93,932,283
Profit/(loss) for the period before revaluation	6,735,804	705,466	4,277,812	11,719,082	8,688,009
Gross transfers between funds	1,762,227	(1,685,943)	(76,284)	-	-
Gains/(losses) on revaluation of investments	-	-	322,445	322,445	(64,595)
	<u>30,322,539</u>	<u>13,560,505</u>	<u>70,714,181</u>	<u>114,597,225</u>	<u>102,555,698</u>

Notes (continued)

22 Office for Students Accounts direction disclosures

The Prince's Foundation provides accredited education courses regulated by the Office for Students (OFS). To comply with the OFS Accounts Direction additional disclosures are set out below in line with OFS Regulatory advice 9: Accounts direction ref: OFS 2019.41.

22.01 Grant and fee income

Note	Group 2022 £	Foundation 2022 £	Group 2021 £	Foundation 2021 £
Grants income from the OFS	-	-	-	-
Grant income from other bodies	3	500,000	497,500	251,067
Fee income for taught awards (exclusive of VAT)		162,789	162,789	98,926
Fee income for research awards (exclusive of VAT)		9,792	9,792	8,399
Fee income from non-qualifying courses (exclusive of VAT)		1,497,826	1,497,826	703,848
Other		113,763	113,763	76,574
Total grant and fee income		2,284,170	2,281,670	1,138,814

Fee income for taught awards, research awards and non-qualifying courses is stated exclusive of VAT in line with the OFS Accounts direction and follows the definitions set out in the Accounts direction.

22.02 Staff costs

Number of employees whose full-time equivalent basic salary (excluding employer pension costs) > £100,000:

	2022	2021
£100,000 to £119,999	-	-
£120,000 to £124,999	-	1
£125,000 to £129,999	1	-
£130,000 to £134,999	1	-
£135,000 to £179,999	-	-
£180,000 to £184,999	-	1

In line with OFS Regulatory advice 9: Accounts direction the table above does not include employees who joined or left part-way through a year.

22.03 Head of Provider remuneration

Period as Head of Provider	Head of Provider B	Head of Provider A	Head of Provider A
	2022 From 04/09/21 to 31/03/22 £	2022 From 01/04/21 to 04/09/21* £	2021 From 01/04/20 to 31/03/21 £
Basic salary	83,874	126,667	182,700
Payments in lieu of pension contributions	-	-	-
Payment of dividends	-	-	-
Performance-related pay and other bonuses	-	-	-
Pension contributions (excluding salary sacrifice schemes)	-	-	-
Salary sacrifice arrangement (Inclusive of employee's contribution)	6,606	10,061	12,789
Employee Salary Sacrifice Adjustment	(3,339)	(5,944)	(7,308)
Payment on cessation of office	-	59,582	-
Payments into other pension schemes	-	-	-
Other taxable benefits	-	-	-
Non-taxable benefits	-	1,200	-
Total remuneration	86,740	191,566	188,181

Head of Provider's basic salary as a pay multiple of the median earnings of the Group employees on an FTE basis

Head of Provider's total remuneration as a pay multiple of the median earnings of the Group employees on an FTE basis

Remuneration for senior staff is overseen by the Remuneration Committee (RemCo) which convenes as part of the Policy and Resources Committee (PARC), previously Finance, Investment and Audit Committee (FIAC). The total remuneration package for the head of provider is kept comparable to charitable entities of a similar scale. The head of provider does not receive performance related benefits. Their performance is overseen by and reviewed by the Trustees.

* In line with OFS Regulatory advice 9: Accounts direction, this includes payments made to the individual after they ceased to be the Head of Provider. For the purposes of the requirement 12B1, the basic salary equates to an eight month period on an FTE basis. Amounts shown under payment on cessation of office are inclusive of accrued holiday pay of £21,923.

22.04 Severance payments

The total amount of any payment (inclusive of pension) for all staff on cessation of office in the year to March 2022 was £137,582 (2021: £28,173). This is the aggregate figure for three members of staff during the financial year (2021: 1).

The payment on cessation of office made to the Head of the Provider in the year to March 2022 was £59,582 (2021: £nil), this amount is inclusive of accrued holiday pay of £21,923 and pension contributions of £877 (2021: £nil). An additional £1,200 (inc VAT) contribution for independent legal advice was provided by The Prince's Foundation.

Notes (continued)

23 Analysis of changes in net cash

Group	1 April 2021	Cash flow	Other non cash changes	31 March 2022
	£	£	£	£
Cash :				
At bank overdraft	-	-	-	-
At bank and in hand	14,902,523	1,587,233	-	16,489,756
Hire Purchase	(129,427)	(27,998)	-	(157,425)
Total	14,773,096	1,559,235	-	16,332,331
Foundation	1 April 2021	Cash flow	Other non cash changes	31 March 2022
	£	£	£	£
Cash :				
At bank overdraft	-	-	-	-
At bank and in hand	13,446,284	1,159,680	-	14,605,964
Hire Purchase	(103,517)	3,998	-	(99,519)
Total	13,342,767	1,163,678	-	14,506,445

24 Transactions with Trustees

During the year, the following transactions took place with Trustees of the charitable company:

	2022	2021
	£	£
Expenses reimbursed to the Trustees or paid on behalf of them	5,588	-

Donations

Ouring 2022, the Trustees of the charitable company donated £nil (2021: £nil) to The Prince's Foundation.

25 Defined contribution pension scheme

	2022	2021
	£	£
Charge to statement of financial activities	272,959	226,941

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in independently administered funds.

26 Financial instruments

	Group 2022	Foundation 2022	Group 2021	Foundation 2021
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	982,379	3,475,310	688,865	4,311,894
Investments measured at fair value through profit or loss	7,651,870	6,700,354	7,174,404	6,264,009
Carrying amount of financial liabilities				
Measured at amortised cost	4,206,470	2,521,375	2,185,064	1,695,062

Notes (continued)

27 Related party transactions

Set out below are details of related party transactions in the year:

	Sales		Expenditure		Outstanding debtor/ (creditor) held at the balance sheet date	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Yook Net-A-Porter	5,000	-	-	-	-	-

The entities listed above are associated with The Prince's Foundation as set out below:

Yook Net-A-Porter is a luxury fashion retailer of which our Trustee, Cavaliere Federico Marchetti, was Chairman until July 2021 and was CEO until the end of November 2020. There is a collaboration between The Prince's Foundation and Yook Net-A-Porter for the Modern Artisan textile education programme. Disclosed above is £5,000 of trading income for licences fees towards the delivery of the Modern Artisan 2 programme. This programme was undertaken by the new CEO of Yook Net-A-Porter following Cavaliere Federico Marchetti's resignation in November 2020.

The cumulative donation income attributed to related parties of Trustees is £47,913.

28 Transfer between funds

	General Funds £	Restricted Funds £	Endowment Funds £
Consolidated statement of financial activities			
Transfers within projects	3,814,185	(3,814,185)	-
Transfers of VAT recovered and deferred income/ accrual movements on endowments	7,155	-	(7,155)
Investment disbursement	156,000	-	(156,000)
Total transfers between funds	3,977,340	(3,814,185)	(163,155)

29 Significant events and contingent liabilities

Press reports

During the financial year the Foundation was the subject of a number of press reports into fundraising practices at The Prince's Foundation in relation to certain donations historically received by the charity. These reports included 'cash for honours' questions, whereby certain donations were purportedly secured in return for access to the Foundation's President, and support from the Foundation or related entities for donor nominations in relation to the UK honours system.

Following these press reports the Office of the Scottish Charity Regulator (OSCR) opened an investigation into the Foundation and its governance. At the date of approval of the financial statements this investigation is ongoing.

As a consequence of these events and allegations, the Chief Executive of the Foundation and a senior fundraising executive temporarily stood aside from their roles. In addition the Chair of the Board of Trustees resigned and, subsequent to their temporary standing aside, the Chief Executive of the Foundation and senior fundraising both resigned.

Following these events, the Board elected a new Chair to the Board of Trustees and has appointed a new Acting Chief Executive.

The Trustees commissioned an independent investigation into press reports about the Foundation. As at the date of approval, the Trustees and OSCR had received the findings arising from that investigation and the Trustees had commissioned and reviewed legal advice on the findings of the report.

The findings of the report and the attendant legal advice highlighted a number of areas of risk to the Foundation. The risks identified and considered include the potential for legal, regulatory, employee and reputational risks. The Trustees accept the reputational risk arising from these events as probable and note the possible risk of both legal and regulatory liability outcomes. The timing and amount of any economic outflows are uncertain at this time.

Notwithstanding the risks identified and considered probable and possible, the Trustees and the Trustees' legal advisers are satisfied that the findings of the report do not result in a material financial exposure to the Foundation which would require adjustment to or specific disclosure within the Foundation's financial statements. Trustees are also aware that the Metropolitan Police are conducting an investigation into allegations of offences under the Honours (Prevention of Abuses) Act 1925 and this has been considered within the legal advice outlined above.

The Trustees are mindful of the reputational risk of such developments and the Trustees in conjunction with the senior executive team are taking forward an action plan to address the matters raised in the findings of the independent report.

OSCR

The Office of the Scottish Charity Regulator (OSCR), in addition to reviewing the Trustees' response and the findings of the independent report in relation to the press allegations made against the Foundation, also enquired into certain historical property transactions. The Trustees, at the date of approval, are satisfied that there are no liabilities, contingent or otherwise, to account for or disclose in relation to these matters within the financial statements. These additional OSCR enquiries remain open at the date of approval of the financial statements.

Notes (continued)

30 Summarised financial results

The summarised financial results of the charity and its subsidiaries for the year ended 31 March 2022 are as follows:

	The Prince's Foundation £	Dumfries House Trust Trading Ltd £	Dumfries House Home Farm Ltd £	Dumfries Farming & Land Ltd £	The Prince's Foundation for Building Community £	AG Carrick Ltd * £
Income	17,726,882	2,012,614	360,330	1,474,748	-	2,849,869
Expenditure	(13,364,768)	(2,274,732)	(481,861)	(1,481,388)	-	(2,291,704)
Net income / (expenditure)	<u>4,362,114</u>	<u>(262,118)</u>	<u>(121,531)</u>	<u>(6,640)</u>	-	<u>558,165</u>
Distributions to parent	-	-	-	-	-	-
Taxation	-	-	-	-	-	-
Other recognised gains/(losses)	474,500	-	-	-	-	-
Net movement in funds	<u>4,836,614</u>	<u>(262,118)</u>	<u>(121,531)</u>	<u>(6,640)</u>	-	<u>558,165</u>
Funds brought forward	114,597,225	(1,284,411)	3,136,249	69,484	-	(1,078,613)
Funds carried forward at 31 March 2022	<u>119,433,839</u>	<u>(1,546,529)</u>	<u>3,014,718</u>	<u>62,844</u>	-	<u>(520,448)</u>
	Community Capital Ltd £	The Prince's Regeneration Trust £	The Prince's School of Traditional Arts £	The Queen Elizabeth Castle of Mey Trust £	Castle & Gardens of Mey Ltd £	
Income	64,789	2,500	-	591,069	265,433	
Expenditure	(72,221)	(2,560)	-	(963,314)	(359,909)	
Net income / (expenditure)	<u>(7,432)</u>	<u>(60)</u>	-	<u>(372,245)</u>	<u>(94,476)</u>	
Distributions to parent	(300,000)	-	-	-	-	
Taxation	-	-	-	-	-	
Other recognised gains/(losses)	-	-	-	54,214	-	
Net movement in funds	<u>(307,432)</u>	<u>(60)</u>	-	<u>(318,031)</u>	<u>(94,476)</u>	
Funds brought forward	367,014	4,368	-	9,661,667	(143,315)	
Funds carried forward at 31 March 2022	<u>59,582</u>	<u>4,308</u>	-	<u>9,343,636</u>	<u>(237,791)</u>	

* For the 9 month period included in the consolidated accounts.

Notes (continued)

31 Business Acquisition

On 1 July 2021, The Prince's Foundation acquired 100% of the ordinary share capital of AG Carrick Ltd. The share capital was gifted to The Foundation by The Prince of Wales's Charitable Fund. A.G. Carrick Limited's principal activity is retail and tour operations at Highgrove estate. This gift is reflected within the Foundation's other income for the period. The Trustees confirm that no fair value adjustments were required and the fair value of AG Carrick Limited at the date of acquisition is equal to the book cost of the assets and liabilities of the business.

No goodwill has been recognised on acquisition. The following amounts of assets, liabilities and contingent liabilities were recognised at the acquisition date and form part of the Group's governance costs as shown in note 7:

	£'000
Fixed assets	
Tangible fixed assets	173,081
Current assets	
Stock	361,707
Debtors	153,903
Cash at bank and in hand	274,373
	<u>789,983</u>
Creditors:	
Amounts falling due within one year	(1,049,675)
Net current assets/(liabilities)	<u>(259,692)</u>
Net assets/(liabilities)	<u><u>(86,611)</u></u>
Capital and reserves	
Called up share capital	991,602
Profit and loss account	(1,078,213)
Equity shareholders' funds	<u><u>(86,611)</u></u>

In the 9 months since acquisition AG Carrick Limited has generated £2,849,869 of income, netting a profit before tax of £588,165. These amounts are included in the consolidated financial statements of the Group.