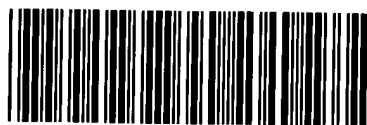


**The King's Foundation**  
**(A company limited by guarantee)**  
**Trustees' annual report and financial statements**

Charity Number SC038770  
Company Number SC331738  
For the year ended 31 March 2024



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## **Chair's statement**

In this my final Chair's Statement for The King's Foundation, I look back on the year to 31 March 2024 and the past few years, and I am delighted with the progress the charity has made against a sometimes-challenging backdrop.

At the time I was appointed Chair of the Board of Trustees in September 2021, the charity was emerging from the worst pandemic in modern times. Covid-19 led to wide-reaching implications for our staff, volunteers, donors, customers and other communities we serve.

Despite the impact of the pandemic on the charity's revenues, I am particularly proud that the charity was able to increase its expenditure on charitable activities each year from 2021 until now. During this period the charity expanded its charitable offering across all locations, including the addition of new sites at Highgrove, the Garrison Chapel at Chelsea Barracks and Trinity Buoy Wharf, and we have further developed our programmes at our headquarters, Dumfries House.

This level of charitable delivery has only been possible due to the exceptional generosity of our donors. On behalf of the Board I would like to thank our donors for their ongoing philanthropy – it is sincerely appreciated.

Although donations account for a substantial portion of our income, the commercial activity of our trading subsidiaries and education offerings helps towards funding the operations of the Foundation. It is encouraging that trading income has grown steadily each year from 2021 until now and, in the financial year to 31 March 2024, our trading income exceeded donation income for the first time due primarily to strong retail and garden tour sales at Highgrove, and admissions, café and lodge sales at Dumfries House.

Maintaining a diversified funding mix is key to supporting the financial position of the charity which, in turn, is integral to our ability to deliver our charitable offerings. In 2021 the charity reported positive free net current assets for the first time and we have grown our free net current assets since. This is a key indicator of the charity's liquidity and represents ongoing strengthening of our balance sheet. Ensuring the charity's financial resilience is a top priority for the Board and I would like to thank those involved in the steady improvements being made.

Our financial position has supported record investment in our charitable operating activities during the year to 31 March 2024. At Dumfries House, we completed the construction of the The MacRobert Farming and Rural Skills Centre, a first of its kind in the UK with unrivalled teaching space including classrooms and an agricultural shed to deliver farming and agriculture related courses. Support from the MacRobert Trust has been instrumental in making this possible and I thank the Trust for their generosity.

At Highgrove, we completed new accommodation facilities at Close Farm and we will be starting a new Millinery programme in September 2024, building on the success of the Chanel Métiers d'Art programme.

At Trinity Buoy Wharf we expanded the Diploma Year programme, now in its third year of operation, with a 30% increase in the number of students enrolled on the programme this year. We were also delighted to award 75% of the cohort a sponsorship or assisted place helping to ensure access to opportunities in fine and applied art.

Our ability to deliver such an extensive programme of charitable delivery across the UK is testament to our hard-working colleagues and volunteers and, on behalf of the Board, I would like to thank our colleagues and volunteers for their dedication to and support of our charitable mission in the past year.

In October 2023 the Foundation was delighted and honoured to have been given the permission of its Royal Founding President, His Majesty King Charles III, to rename the charity as The King's Foundation, in recognition

of His Majesty's long-term commitment to, and support for, our work. Our work is inspired by the vision of His Majesty to whom we express our deep appreciation and gratitude.

In June 2024, His Majesty attended the inaugural King's Foundation awards ceremony held at St James's Palace, London. The Awards are set to become a regular opportunity to recognise and celebrate the work of The King's Foundation and its wider impact. The ceremony was attended by 250 guests including nominees, their families and guests, the charity's ambassadors, and other charity stakeholders. It was an excellent event aimed at showcasing the work of the charity and recognising those who support it. Well done to all involved.

This year, under the direction of CEO Kristina Murrin, who was appointed in July 2023, the charity has further developed its mission and vision with a renewed focus on brand identity and impact. Kristina has led the development of an impact measurement framework for the charity, which is due to be implemented from September 2024 onwards.

On behalf of the Board, I would like to extend a warm welcome to General Sir Gordon Messenger who joined the Board of Trustees in April 2024. The Board will continue to expand thoughtfully as is required from time to time, based on the skills required to strengthen its collective experience.

The composition of the Board has changed considerably during my tenure as Chair and I would like to express my gratitude to all of my fellow Trustees for their hard work and service to the charity. The Board has significantly strengthened its oversight and control environment during this time, as part of the charity's governance action plan following issues raised in 2021 regarding historic fundraising practices at the charity. The Board of Trustees took this matter extremely seriously and commissioned an independent investigation into those allegations at the time, the findings of which continue to be considered by the Office of the Scottish Charity Regulator (OSCR). In September 2023, OSCR confirmed that whilst its inquiry into historic events continues, it is satisfied with the improvements that have been made to address areas of concern previously outlined.

The Board's approach to its governance and stewardship responsibilities is one of continuous improvement in pursuit of the highest standards of professional conduct in all our dealings. In support of this, in the year to 31 March 2024, we undertook an externally led board effectiveness review and Trustees are currently implementing the recommendations, which include retiring our Policy and Resources Committee in favour of a new Finance and Investment Committee.

I am due to retire from the Board of Trustees this year, having completed the standard six years of tenure, and the process for selecting a new Chair of the Board of Trustees is underway. Fellow Trustee George Richards is also due to complete his tenure this year and I would like to thank George for his significant contribution to the Foundation over many years and for his commitment to the Board.

As for my time here, I look back on the past six years with many fond memories and a lot of pride at what the charity has achieved. It is a privilege to serve in this role and I have every confidence that the Foundation will continue to go from strength to strength, serving individuals and communities within the UK and beyond. The future of the Foundation is bright, as is our commitment to the vision and philosophy of our Royal Founding President, His Majesty King Charles III. I look forward to following The Foundation's future successes.



**Dame Susan Bruce**  
*Chair*  
**The King's Foundation**

## **Strategic Report for the year ended 31 March 2024**

### **Review of the Charity**

In October 2023 The Prince's Foundation was given His Majesty's permission to rename the charity as The King's Foundation, in recognition of His Majesty's long term commitment to, and support for, our work. During the year ended 31 March 2024 the Foundation continued to deliver on its charitable objectives. A number of capital projects progressed on the Dumfries House estate and the Highgrove estate, as set out on page 11.

The Foundation continues 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 at Highgrove, Gloucestershire and at the Dumfries House estate. Details of our education activities can be found on pages 12 to 15. The Foundation's Projects team continued to deliver projects in both the UK and internationally; and further information is set out on page 16. All of this has been achieved at the same time as the charity further bolstered its balance sheet and has reported positive free net current assets for the fourth year in a row. Please refer to page 17 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, 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.

As reported in the Trustees' reports in the years to 31 March 2021 and thereafter, in 2021 the Foundation was the subject of a number of press reports into historic fundraising practices at the 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 outcomes. The Trustees accept the reputational risk arising from these events as probable and note the possible risk of regulatory outcomes. Notwithstanding the risks identified and considered probable and possible, the Trustees and the Trustees' legal advisors are satisfied that the findings of the report and other ongoing enquiries 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. In May 2023, OSCR confirmed that its investigation would split into two strands – one focussing on historic matters and the other relating to current and ongoing governance. In September 2023, OSCR confirmed that it was satisfied with the improvements that have been made to address areas of concern previously outlined in relation to the current and ongoing governance strand. At the date of approval of the financial statements OSCR's investigation into historic matters has yet to conclude.

The Trustees are satisfied, based on the work professionally commissioned at the time, 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.

**Strategic Report for the year ended 31 March 2024 (continued)**

**Principal risks and uncertainties (continued)**

**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 17.

Impact on the community and environment

Promotion and development of the local and wider community is inherent in all activities of The King's Foundation. As described in the Foundation's objectives on page 9, the charity exists to transform lives and build sustainable communities. This is evidenced throughout the Trustees' report which describes the numerous successful activities undertaken in the year. During the year the Foundation appointed and worked with an external company to develop an impact measurement framework. This framework has been approved by Trustees and will be implemented from September 24 onwards.

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. Work is progressing on the development of an Environmental, Social and Governance (ESG) strategy to formalise this activity.

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. During the year we implemented an enhanced purchase ordering and invoice processing system to help manage the volume of invoices received as the charity continues to grow.

We continue to welcome our customers by offering them a number of activities through our community investment programme, such as Tea Dances for the elderly and isolated, Winter Warmers, health and wellbeing programmes and community sewing and textile events.

We engaged in several new customer relationships by building the new MacRobert Farming and Rural Skills Centre. This facility allows us to offer rural skills training to a breadth of beneficiaries, including some of our regular visitors, local schools and returning students.

Employee engagement

We have been investing in our staff engagement by improving our annual appraisal process and reviewing staff training requirements. Online training modules were made available via a Learning and Compliance platform and we held a number of training sessions for manual handling, health and safety and fire safety in the year. We continue to offer a flexible work pattern for office-based staff, allowing the option of working from home for up to two days per week.

Policies, procedures and handbooks were made available to all staff via our online HR portal and the management team have issued regular all-staff communications to keep colleagues informed of updates.

## **Strategic Report for the year ended 31 March 2024 (*continued*)**

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

A second staff survey was undertaken, to gauge staff satisfaction working at the Foundation and to assess the impact of improvements made following the first survey last year. Feedback from staff is highly valued by the management team and suggested improvements are being taken forward as part of our aims to continually develop as an empathetic employer.

#### 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, following a robust and detailed governance review by the Trustees of The King's Foundation in the year to 31 March 2022, in line with the Charity Governance Code, a new Control Framework was developed, including an updated Code of Business Conduct. We continue to review our control environment and make further 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 18 and 19 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, and these have all been subject to review during the year.

### **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 King'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 page 70 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 King'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 King's Foundation is committed to exhibiting best practice in all aspects of our corporate governance. Good corporate governance and internal control enable and support a charity's compliance with the law and relevant regulations. They also underpin 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 – organisational purpose; 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 2024 (continued)**

### **Statement of Corporate Governance and Internal Control (continued)**

Although The Code is voluntary, during the financial year to 31 March 2022 the Trustees of the King's Foundation reviewed the corporate governance arrangements of the Foundation and developed a plan to follow The Code's best practice recommendations, which was implemented in the year to 31 March 2023. As part of that plan, a new Control Framework and updated policies were implemented in staged progressions over the last two financial years.

The Board is committed to regular review of the adequacy and effectiveness of our corporate governance arrangements and receives regular updates on progress. Trustees undertook an external Board Effectiveness Review which concluded in the year to 31 March 2024, the recommendations of which are being taken forward.

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 King'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 12 Trustees, the biographies of whom are set out on pages 19 – 23 below. The Foundation recently welcomed two new Trustees to the Board. All new Trustees are provided with training and induction materials including a finance orientation session, and a copy of the Trustee Handbook which was last reviewed and updated in the year to 31 March 2023.

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 King's Foundation met formally five times during the year.

The King'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 Conflicts of Interest policy was reviewed and updated during the year.

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. Management decision making capabilities are defined by the delegated authority manual agreed by the Trustees in the year to 31 March 2023.

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

#### **Policy and Resources Committee ('PARC')**

The committee met seven times during the year. The purpose of the Policy and Resources Committee is, on behalf of the Board of Trustees of the Foundation, to oversee the day-to-day financial and operational management of the Foundation's activities, including the effective use of the Foundation's resources, adherence to policies and procedures, and monitoring and reporting.



## **Strategic Report for the year ended 31 March 2024 (continued)**

### **Statement of Corporate Governance and Internal Control (continued)**

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 King's Foundation is a non-remunerated position.

Following our most recent board effectiveness review, PARC is due to be retired in favour of a new Finance and Investment Committee (FIC) which will commence in September 2024, and part of PARC's role relating to remuneration will move to the Nominations and People Committee (see below).

#### **Audit and Risk Committee ('AARC')**

The committee met four times during the year. The purpose of the Audit and Risk Committee is, on behalf of the Board of Trustees of the Foundation, to oversee the Group's financial reporting, assess the effectiveness of the control environment and consider the Group's strategic risks and appropriate mitigation of them. 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 committee met four times during the year. The purpose of the Funding Approvals Committee is, on behalf of the Board of Trustees of the Foundation, to challenge and scrutinise the Foundation's policies, practices and activities in relation to the acceptance of donations. FAC oversees 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')**

The committee met once during the year. The Nominations Committee 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.

Following our most recent board effectiveness review, NomCo is due to have an expanded remit and will be renamed the Nominations and People Committee.

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

The King'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 since the year ended 31 March 2023 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. An enhanced control and policy framework has been adopted. The following processes have been established in relation to implementing an effective system of internal control and ongoing review of its effectiveness:

**Strategic Report for the year ended 31 March 2024 (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 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 which is described above, and the Board receives reports from its Committees on matters arising;
- 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;
- The Trustees' Strategic Report for the year ended 31 March 2024, 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;
- 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.

This system of internal control has been reviewed, updated and further documented during the year and 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 and the associated impact on the charity. Global inflationary pressures appear to be receding, with associated reductions in interest rates, but this remains a watching brief. The wars in Ukraine and the Middle East are ongoing and continue to drive uncertainty and volatility in international markets. The scale of those developments and the wider impacts remain difficult to predict, and a continued period of heightened uncertainty seems inevitable.

The Trustees have considered inflationary pressures in the recent budget. 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:**



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**Dame Susan Bruce**

*Chair*

## **Report of the Trustees for the year ended 31 March 2024**

### **Objectives and Activities**

#### **Objectives**

The overarching charitable objective of The King's Foundation, as set out in its Memorandum and Articles of Association, was amended on 29 March 2018 to reflect the new activities undertaken by the Foundation as a result of 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 or 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 apply the principles of harmony to its actions. This means ensuring that the natural world is at the heart of its sustainability. The Foundation falls within the scope of the carbon reporting requirements, under the government's Streamlined Energy and Carbon Reporting (SECR) Policy, in addition to the Energy Savings Opportunity Scheme (ESOS). Our Carbon Audit report is available on pages 24 to 25.

#### **Our vision**

Inspired by the vision and values of His Majesty King Charles III, our Royal Founding President, The King's Foundation builds and supports communities where people, places and the planet can coexist in Harmony.

In all that we do, we are inspired by nature and tradition to build thriving, sustainable communities and transform lives. The King's Foundation's vision is a world where we live in harmony with nature to improve the wellbeing of people and the planet, 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, Highgrove Gardens in Gloucestershire and the Castle of Mey in Caithness, Scotland as examples of heritage-led regeneration. Our work is underpinned by His Majesty King Charles III's philosophy of harmony: that by understanding the balance, order and relationships between ourselves and the natural world we can create a more sustainable future.

## **Report of the Trustees for the year ended 31 March 2024 (*continued*)**

### **Recognising the contribution of our volunteers**

Volunteers continue to play a significant role in the running of The King's Foundation. In the financial year to 31 March 2024 there were a total of 55 volunteers, a slight decrease from 59 the previous year. Nine volunteers assist with house tours and large events at Dumfries House throughout the year. The garden and grounds also benefit with five working alongside the gardening team to help maintain the gardens throughout the estate.

The Queen Elizabeth Castle of Mey Trust continues to be assisted by one volunteer gardener. At Highgrove we are assisted by eight volunteer gardeners and 32 volunteer garden tour guides and 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 2023-2024**

The preservation and ongoing maintenance of Dumfries House estate and the heritage assets continues to be a key objective of the Foundation. In 2024 we welcomed 31,500 visitors who toured Dumfries House. In addition we welcomed circa 231,000 visitors who enjoyed the grounds and gardens on the estate. The Foundation continued to invest in pre-planned maintenance programmes throughout 2023/2024. These investments included new footpaths and glasshouses as well as upgrading playpark equipment, in addition to the ongoing maintenance of the Swimming Pool and Town Hall in New Cumnock. A new fibre connection has been taken across the North side of the Dumfries House estate which will further enhance the visitor experience with high-speed Wi-Fi connections.

Highgrove retail and garden tours are continually evolving and being invested in, enhancing the visitor experience; and new retail partnerships have also been developed during the year. In 2024 we welcomed 40,000 visitors to the Highgrove estate.

Dumfries House Home Farm continues to operate as an organic farm showcasing best practices. The farm has approximately 800 sheep and 278 cattle, all of which are rare breeds.

The Garrison Chapel in Chelsea Barracks is proving to be a great asset in Central London, raising our profile and giving the Foundation a place to exhibit the work of our students throughout the year. Alongside this, the addition of a larger space at Trinity Buoy Wharf has allowed the Foundation to increase its education capacity with further education programmes being offered in 2024/25.

The Foundation's education offering continues to develop and grow. During the year, there were over 15,000 enrolments in our education programmes.

The Queen Elizabeth Castle of Mey Trust saw visitor numbers increase through the summer season with circa 19,500 visitors in 2023. Visitors continue to enjoy all the facilities on offer in the café and visitor centre. Further investment into the walled gardens and general grounds of the estate continued with a new peach house being built and additional trees being planted across the estate. Continued investment into the estate and Granary ensures that it kept its 5 star rating with Visit Scotland. Longhoe Farm continues to maintain steady livestock numbers, with approximately 100 cattle and 250 sheep.

## Report of the Trustees for the year ended 31 March 2024 (*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

- **MacRobert Farming and Rural Skills Centre.** Work commenced in March 2022 with completion of the project taking place in September 2023. The development is the first of its kind in the UK with unrivalled teaching space incorporating classrooms and an agricultural shed in order to deliver farming and agricultural related courses.
- **Building Crafts Programme Outdoor Classroom.** During October and November 2023, as part of the Building Crafts training program, a small woodland outdoor classroom was developed. This is being used as an outdoor teaching space as part of the outward-bound activities that are delivered by the outdoor centre. The building itself helped train a number of different craft apprentices during its construction including plastering, stonework and carpentry.
- **Mount Allan Cottage.** The renovation of Mount Allan Cottage commenced in December 2023 to turn the cottage into further accommodation for horticulture students. The project is due to complete in May 2025.
- **Estate Cottage.** A full renovation of an estate cottage was conducted in year making the property more energy efficient and sustainable. PV Solar panels and a ground source heat pump were fitted.

#### Highgrove

- **Close Farm.** During the period The King's Foundation completed the redevelopment of Close Farm to convert the building into 6 bedrooms and a flat for long term student and staff accommodation. This accommodation will further help to broaden reach of the Highgrove education offerings to variety of students from across the UK.

### Future Capital Projects

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

- **Glenside Cottage** is a dilapidated cottage that requires investment and restoration. The renovation of the cottage is scheduled to commence in July 2024 with an anticipated build programme of fifteen months. The building will be the first phase in creating a Centre for heritage craft skills at Dumfries House.
- **Knockroon.** A full review of the Knockroon project is being undertaken and plans will be developed taking into account the Community Renewable Energy (CoRE) project and how that will be integrated into the masterplan. Discussions continue to take place with potential developers in relation to resuming development at the site.

## **Report of the Trustees for the year ended 31 March 2024 (*continued*)**

### **Education**

The King's Foundation's education portfolio is diverse, covering subject areas including architecture and urbanism, traditional arts, 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 silos 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.

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

#### **Dumfries House**

##### **Farming, Horticulture and Sustainable Food Systems**

A third 'Food for the Future' course was delivered in the 2023/24 academic year and one of the attending schools went on to win an award for the Young Environmentalist category at the South Ayrshire Youth Forum awards. Over the financial year 1,263 learners attended workshops at our Pierberg Centre on the Dumfries House estate and we are continuing to see an increase in secondary schools taking interest in our workshops.

The new MacRobert Farm and Rural Skills Centre opened its doors in September 2023 with a visit from His Majesty The King. To date over 300 secondary school pupils have participated in a workshop day and around 600 adults in industry-related events.

##### **Residential, Outdoor and Nature Based Learning**

Across the year the Tamar Manoukian Outdoor Residential Centre delivered workshops to a total of 1,828 participants, ranging from Primary School through to adult learners. A total of 491 outdoor learning workshops were delivered that link the importance of harmony with nature and adventurous activity to the benefits of physical and mental wellbeing.

Thanks to funding support we were able to run four rounds of our bespoke secondary school resilience programme G.R.I.T (Growth, Resilience, Independence & Trust) which targets those who have disengaged from the classroom environment. 67% of pupils involved scored improvements in the four key themes delivered across the four-week programme.

##### **Science, Technology, Engineering and Maths (STEM)**

In 2023/24 over 2,555 learners from seven local authorities took part in STEM workshops. Accredited Skills Weeks, which are five-day programmes for 15-18 year olds, were particularly successful. These cover the core skills that the industry seeks in its future workforce.

The STEM team also worked with learners through the vocational lens of textiles, farming, horticulture and health. All learners gained confidence in their subject area and several went on to complete applications for roles within industry. 82% of attendees said they would recommend skills week.

##### **Health and Wellbeing**

The Health and Wellbeing Centre at Dumfries House offers free of charge intensive 4-7 week programmes to those within Ayrshire, including Living Well with Pain, Pre- Diabetes and Weight Management, Fertility Wellbeing, Menopause and Mindfulness. Programmes use the estate as a vehicle for health creation, linking into activities and workshops, educating on themes such as healthy eating and cooking and providing access to nature.

## **Report of the Trustees for the year ended 31 March 2024 (*continued*)**

### **Education (*continued*)**

#### **Hospitality**

Over the last year we have delivered two City and Guilds accredited "Introduction to Hospitality" programmes. 16 participants who were unemployed took part, some of whom have been out of work for several years. The opportunity to work on live service skills early in the programme, coupled with the wide-ranging experiences offered on the estate from overnight accommodation and café service to personal butler training, ensures our students leave with a breadth of skills. The students also benefit from our approach to sustainability, spending time in the education garden and farm learning about organic and locally sourced produce. All students were offered opportunities post programme and a number moved into industry roles.

#### **Future Textiles**

During the financial year we delivered 63 workshops to 331 pupils from schools across Scotland. In our textile Centre we delivered vocational training at foundation and graduate skill levels educating 21 learners on batch production and other key skills required in industry.

We continue to deliver skills-based day workshops at Dumfries House for secondary school age pupils. A total of 29 students undertook a City & Guilds qualification in the year, which provides young people with key technical skills, time management awareness and certification to develop their CV.

In conjunction with the Fashion Council Germany, we delivered our annual fashion conference. Over 100 young people attended the conference including international pupils. The conference featured a number of industry key note speakers, who discussed the theme of "breaking the status quo and making positive change".

### **Trinity Buoy Wharf**

#### **Diploma Year**

The King's Foundation 'Diploma Year', run from Trinity Buoy Wharf in London, is in its third year of operation. The Diploma Year is a course in fine and applied art, delivered five days per week for 36 weeks each year. This year has seen a 30% increase in the number of students enrolled on the programme. Specific changes include a broadening of the curriculum to include additional art skills such as gilding and embroidery, a new prospectus and an advertising initiative. We have been able to award 75% of the cohort a scholarship or assisted place, helping ensure the opportunity exists to nurture their artistic potential and improve their progression opportunities in Higher Education. Following our course many of the graduates have gained entry to a number of top-level Higher Education establishments.

### **Highgrove**

#### **Furniture making and Textiles**

The King's Foundation at Highgrove continues to focus on workshops with community groups, developing the public programme and delivery of our Furniture School Create programme, as well as our Metiers d'Art Fellowship in Partnership with Le19. The site has teaching areas for textiles, two large barns for furniture design and crafting, additional stonemasons' sheds and a multifunctional utility workshop. The Foundation has seen an increase in programme development as we utilise the facilities on offer and build a reputation for postgraduate-level training.

## **Report of the Trustees for the year ended 31 March 2024 (*continued*)**

### **Education (*continued*)**

The Chanel Métier d'art Training Atelier has seen a cohort of embroidery students successfully graduate from our partnership programme with CHANEL and Le19M, and a new millinery programme will be starting in September 2024. In addition, we have developed an outreach programme to include working with Young Gloucestershire, the Windsor Works Rooms, Tetbury Youth Group and an inspiring social prescribing offering. A public programme runs alongside textiles delivery, utilising the dye garden and the local tradition of weaving and wool production, stone carving and building crafts.

### **The Snowdon School of Furniture**

The Snowdon School of Furniture has produced its second cohort of students from the 16-week Create programme. All graduated successfully, producing eclectic work using British timber. The Snowdon Summer School continues to be enjoyed by mid-career makers interested in fine furniture skills and we have added the new part-time Advanced Create programme for early career furniture makers looking to experiment in new processes and ways of thinking about the use of timber.

### **UK wide and international**

The King'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.

### **Academic programmes**

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

The King's Foundation is one of very few organisations in the UK 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 a number of individual modules with partner universities such as the University of Glasgow. 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.

In addition, we have partnerships with international universities, including the University of Grenoble and the University of Paris (La Sorbonne) and international summer schools, including at the Venice Biennale.

### **Vocational programmes – Building Crafts; All Ireland Heritage Skills; and short courses**

Our craft programmes provide training for the next generation of master craftspeople working with traditional craft skills.

The Building Craft programme concluded in March 2024 with a live build based at Dumfries House. The focus of the build was to allow for opportunities to teach outdoors and embed the principles of shelter building and bushcraft within the structure. 11 students worked on the programme which included work placement across the UK as well as commencing an NVQ programme.



## **Report of the Trustees for the year ended 31 March 2024 (*continued*)**

### **Education (*continued*)**

We continued with our All Ireland Heritage Skills Programme in collaboration with Heritage Council Ireland and the Department for Communities, Historic Environment Division, with the aim of supporting traditional crafts throughout the Republic of Ireland and Northern Ireland. These programmes are full time courses delivered over a number of months, taking on a small cohort (8-12) of adult learners each year.

We also 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.

### **The King's Foundation School of Traditional Arts ('the School')**

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. Three postgraduate degrees are offered by the School: a Master of Arts (MA), a Master of Philosophy degree (MPhil) and Doctor of Philosophy (Ph.D.) in arts practice research in the traditional arts.

The School also offers lectures, workshops and short, practical courses in traditional arts and crafts as part of our Open Programme. This extends aspects of the core academic programme to a world-wide audience of both in-person and online courses. Our online courses welcome participants joining from across the world.

November 2023 saw the first exhibition dedicated exclusively to the work of research students (MPhil and PhD) and research alumni from The King's Foundation School of Traditional Arts. Hosted at the Garrison Chapel in Chelsea, '*Traditional Art as Living Practice*' showcased the breadth and depth of the artistic research carried out at the School over the past decades.

The School's International Outreach Programme operates five centres outside of the UK. Each of these centres is an extension of our core ethos and methodology in the context of the traditional arts of each region. Our centre in Cairo offers a two-year programme which is continuing to flourish. The centre attracts hundreds of applicants each year, with the quality of work setting a high standard for all our students worldwide. In Azerbaijan, we have developed a strong local team to support our work with the Art Academy in Baku. Our China centre was the last to emerge from travel restrictions with a full programme of in-person teaching finally resumed in Autumn 2023.

Our two outreach centres in Saudi Arabia have expanded substantially this year. In AlUla, the centre is host to a Vocational Training Programme, a Design and Production Studio, Public Programmes, Artist Residencies, and also participates in other ambitious initiatives locally in AlUla.

In Jeddah, the Centre for the Building Arts supports the restoration and preservation of the Old City, including a new, two year accredited Diploma Programme.

## **Report of the Trustees for the year ended 31 March 2024 (continued)**

### **Projects**

A key focus of our Projects team is to champion a more sustainable approach to how we live our lives and build our communities. We adopt a holistic approach to our work in planning, urban design and heritage-based architecture, and support communities that are facing growth pressure as well as those needing regeneration. 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 which brings together key stakeholders and the community to help create a shared vision for future development.

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, and often up to and including planning applications, but look to hand over the detailed design / construction stages to local practices, and then continue in a monitoring/ advisory role thereafter. In all of this work, our objective is to help shape and produce exemplary projects that inspire others to appropriately adapt, replicate and deliver at scale.

During the past year the team has continued to deliver one large international project, and two site-based pilot projects in Commonwealth countries using our Rapid Planning Toolkit. In the UK the team has supported a major government land disposal agency gain outline planning permission for new housing following on from a successful community engagement exercise; carried out early engagement work for an island-wide stewardship strategy for one of the Channel Islands; facilitated several other stakeholder and community engagement and visioning workshops for new housing sites; and advised on a school estate and a large City of London heritage asset. The team also completed its advisory work on a conservation project in Scotland and continues to advise on a large retrofit project in the north of England.

These projects are supported by a range of research, championing, and networking programmes, including Building a Legacy, which promotes legacy-based development across the UK. This year marked the formal start of the 'Regional Building Hubs' initiative, which is a two year Knowledge Transfer Partnership with the University College of Estate Management (UCEM) which aims to support small and medium sized regional builders to develop sustainable settlements, based on stewardship principles, through the development of both digital and physical platforms.

### **Performance Review**

During the financial year to 31 March 2024 we continued to invest in our properties, estates and gardens to increase visitor appeal; we continued to deliver high quality education programmes across a variety of sectors and locations; and we continue to be inspired by His Majesty King Charles III's philosophy of harmony to champion climate awareness and sustainability both in the UK and Internationally.

Key measure of our success for the year to 31 March 2024 have been:

- Over 282,000 people visited our historic sites;
- 15,412 students benefitted from education and training programmes in the year;
- 15,368 people supported through our integrated health and wellbeing programmes; and
- We brought together 3,500 people to consider planning, education and heritage skills at 71 events.

Commercial activity through our trading subsidiaries helps towards funding the operations of the Foundation; however philanthropy still accounts for a substantial portion of our income. Donations are sourced through trusts and foundations; private individuals and companies. We are incredibly grateful to our benefactors for their ongoing support; it is through these generous pledges that the charity is able to deliver on all the programmes, projects and activities.

## **Report of the Trustees for the year ended 31 March 2024 (continued)**

### **Financial Review**

During the financial year to 31 March 2024, the Foundation had income of £26,078,335, an overall increase of 12% from the previous year (2023: £23,315,719). Of this, £22,316,607 was general funds, £3,550,127 restricted funds and £211,601 endowment funds. The general funds included donations, grants and gifts in kind of £7,438,119 (2023: £5,130,976) and income generated from the Foundation's Dumfries House trading operations of £4,115,388 (2023: £2,953,152). There were no capital donations within the current year restricted funds. Donations and legacies reduced year on year from £12,234,254 to £10,769,016 (12%) but the prior year included £1,900,000 of capital donations for the development of the new Farm Education Centre.

The Foundation recorded net income in the year ended 31 March 2024 of £518,433. In the prior year the Foundation undertook a valuation of its land and buildings and heritage assets in line with the Charities SORP (FRS 102). This resulted in a prior year net gain of £2,261,876. Details of the valuation can be found in notes 14 and 15 of the accounts. Excluding this gain the Foundation recorded a deficit of £192,383 in the prior year.

Excluding prior year revaluation movements, expenditure on charitable activities increased by £563,466 (4%) during the year. This is primarily due to increased staff costs, increased education activities and maintenance of the estate.

The Foundation continues to carefully manage its cash flow by focusing on cost management, returns on investments and establishing a sustained donor funding base.

On average, 439 people were employed during the financial year (2023: 432).

### **Reserves Statement**

At the year ended 31 March 2024, the Foundation had a positive free net current assets position of £8,798,478 (2023: £7,042,449).

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

### **Plans for Future Periods**

The continued focus on philanthropic donations continues to be essential to the ongoing delivery of our charitable objectives.

Increasing commercial trading activity is a key objective to support a diversified income mix for the charity in pursuit of its charitable objects.

Through careful financial management and the generosity of our donors, we are confident the Foundation will continue to deliver on its charitable objects and the vision and mission of our Royal Founding 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 2024 (continued)**

### **Structure, Governance and Management (continued)**

The King'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 2024:

- **Dumfries House Trust Trading Limited** (incorporated October 2007, registration number SC333119) operates the Foundation's commercial activities at Dumfries House, and New Cumnock, 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) previously offered building consultancy services. This entity is now dormant.
- **The Prince's Regeneration Trust\*** (incorporated December 2001, registration number 04342518, charity number 1089932), a charity that previously worked with communities to ensure that important buildings at risk of demolition or decay are preserved, regenerated and re-used.
- **The Prince's School of Traditional Arts\*** (incorporated November 2003, registration number 04970959, charity number 1101527), a charity previously 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. This charity is now dormant.
- **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. This charity is now dormant.

## Report of the Trustees for the year ended 31 March 2024 *(continued)*

### Structure, Governance and Management *(continued)*

- **The King's Foundation America** (incorporated October 2022), a US corporation formed under the not-for-profit Corporation Law. The King's Foundation became the sole Member of The King's Foundation America upon its incorporation. There is no share capital. Members are not permitted to share in the income of the Charitable Corporation. However, a member who is a charity may benefit from the distribution of grants. The Member does not direct the operations of the Charitable Corporation and is not its parent entity; its sole power is the appointment of the Directors. However due to this power The King's Foundation incorporates its financial results in its consolidated accounts.

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

### Our Staff

At the beginning of April 2023, the Foundation employed 402 staff. By the end of March 2024, the Foundation employed a total of 418 staff. The average headcount is 439 (2023: 432) which equates to a full time equivalent of 258 (2023: 249). For details of the senior management team see pages 26 and 27. A split of the average headcount by entity can be found in the notes to the accounts.

### Equality, Diversity and Inclusion

The King'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. An internal cross-departmental group was established in the year and has met quarterly to consider EDI and implement measures to ensure we are creating a safe and welcoming space for everybody.

### The Board of Trustees

The Royal Founding 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 19 to 23. The Board of Trustees is currently chaired by Dame Susan Bruce:

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

Dame Sue Bruce holds a portfolio of non-executive director roles which over the past ten years has included roles across a diverse range of interests including SSE PLC; Convener of the Court of the University of Strathclyde; Chair of the Royal Scottish National Orchestra and Chair of the King's Foundation. She is the Electoral Commissioner for Scotland and a Deputy Lieutenant of the City of Edinburgh.

## **Report of the Trustees for the year ended 31 March 2024 (continued)**

### **The Board of Trustees (continued)**

Amongst her recent activity, Sue Chaired the Independent Review of the Regulatory Framework for Social Care in Scotland commissioned by the Scottish Government.

Sue retired from a career in local government in 2015 in her fortieth year of public service having started her career specialising in social and economic regeneration and later being recognised for her work in leadership, governance, organisational recovery and development. Sue served as Chief Executive of East Dunbartonshire Council, Aberdeen City Council and the City of Edinburgh Council.

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

Dame 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 arts & culture, and regeneration. Dame Ann is currently Pro Chancellor of the University of Surrey, and Chair of the Lloyds Bank Foundation, the City & Guilds of London Institute, and the Lifelong Education Institute. In 1998, she founded the social change charity, the Helena Kennedy Foundation, where she is Vice President. A linguist by background, feminist through experience, and Quaker by conviction, Dame 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 her early years in a butcher's shop in 1950's Moss Side to serving as Deputy Lieutenant and High Sheriff of Buckinghamshire 2023-2024.

### **Mr George Richards, 15 September 2018 – present**

George Richards is the Director of Community Jameel, an independent, global organisation advancing science and learning for communities to thrive.

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; Vitality Life and Health where she chairs the Risk Committee; at Willis Ltd where she chairs the Audit Committee and at Scottish Building Society. Previous NED roles include the Pension Protection Fund, Record Currency Management, 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 2024 (*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 the Lead Non-Executive Director for the UK Government. 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 chairs Duchy Originals, the UK's largest organic food brand which was established by HM The King. Prior to its transfer to The King's Foundation, he also chaired AG Carrick Limited which operates 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 sustainable fashion 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 Majesty's Sustainable Markets Initiative Task Force on Fashion, a Board Member of Giorgio Armani.

#### **Ms Sarah de Gay, 12 October 2021 – present**

Sarah de Gay is an England and Wales qualified solicitor who 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 (where she supports its teaching and research on professional ethics), an Independent Lay Member of the Editors' Code of Practice Committee (which writes the standards which those national newspapers and magazines regulated by IPSO undertake to follow), an Independent Member of ACOBA (the Cabinet Office committee which advises the Prime Minister on the application of the Business Appointment Rules, which govern the basis on which Ministers and senior civil servants leaving office can take on roles in the private sector), and Immediate Past Master of the City of London Solicitors' Company (the livery company for City solicitors).

**Report of the Trustees for the year ended 31 March 2024 (continued)**

**The Board of Trustees (continued)**

**Mr Ewan Venters, 15 March 2022 – present**

Ewan Venters is Chief Executive Officer of the international art gallery Hauser & Wirth, which was founded in Zurich in 1992 by Iwan Wirth, Manuela Wirth and Ursula Hauser. Hauser & Wirth represents over 100 leading artists and artists' estates, with 17 galleries in New York, Los Angeles, London, Zurich, Paris, St Moritz, Menorca, Monaco, Basel, Hong Kong and Bruton, Somerset.

Ewan is also CEO of independent hospitality company Artfarm, founded by Iwan and Manuela Wirth in 2014. He oversees properties 10 including the award-winning Fife Arms in Braemar and Fish Shop in Ballater, Scotland; Manuela restaurant in Los Angeles; Audley Public House and Mount St. Restaurant in London and The Groucho Club, a private members club in London.

Ewan previously held the position of Chief Executive Officer of Fortnum & Mason from 2012 to 2020. Under Ewan's leadership, Fortnum & Mason's made record sales and profits, and expanded beyond their historic London home into new locations including Hong Kong, 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.

Chair of the GREAT Campaign's Private Sector Council, he was awarded an OBE for his services to International Trade in the 2024 New Year Honours List.

**Dr 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 has built 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 Late Majesty the Queen as Lord-Lieutenant of Aberdeenshire. He is also a Director of North Highland Initiative and 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, Chair of the Development Trust for the University of Aberdeen and Chair of Salvesen Mindroom Centre.

**Mr Folarin Oyeleye, 5 December 2022 – present**

Folarin Oyeleye is a Managing Director at JPMorgan Chase and works within their wealth management division in the United Kingdom. Folarin joined the firm in 2006. Folarin is a graduate of University of Surrey and holds a BEng (Hons) in Electronic Engineering. Folarin was raised in Nigeria prior to continuing his education in Ireland and the United Kingdom.



**Report of the Trustees for the year ended 31 March 2024 (*continued*)**

**The Board of Trustees (*continued*)**

**Mr Julian Payne, 1 April 2023 – Present**

Julian Payne is Global Chair of Crisis & Risk and EMEA Chair of Corporate Affairs for Edelman as well as being a Trustee of The King's Foundation. Prior to this Julian worked for five years with the British Royal Family as Communications Secretary to Their Majesties King Charles III and Queen Camilla during their time as The Prince of Wales and Duchess of Cornwall). Previously, Julian held a series of global roles specialising in Corporate, Brand and Digital communications for the BBC, where he was Director of Communications, and Burberry where he held the post of VP Global PR and Corporate Affairs.

**General Sir Gordon Messenger, 1 April 2024 – Present**

General Sir Gordon Messenger served as a Royal Marine from 1983 to 2019, latterly as the Vice Chief of Defence Staff. Since retiring in October 2019, he has established a portfolio career, with a wide range of roles in the public, private and charity sectors. In Oct 2021, he was commissioned by the Government to lead a Review into leadership and management in the Health and Social Care sectors, which reported successfully in June 2022. He was installed as Constable of HM Tower of London in October 2022. He served as Lord High Steward at the coronation of King Charles III and Queen Camilla and carried St Edward's Crown in the Procession. He is a Deputy Lieutenant of Somerset and holds the position of Rear Admiral of the UK.

## Report of the Trustees for the year ended 31 March 2024 (continued)

### Carbon Audit

Large UK companies are required to report publicly on their UK energy use and carbon emissions within their Directors' Report. This requirement was implemented by the Department for Business, Energy and Industrial Strategy (BEIS) (reformed as the Department for Energy Security and Net Zero in March 2023) and follows the Energy Savings Opportunity Scheme (ESOS) guidelines.

During the year to 31 March 2024, The King's Foundation contracted the services of Anthesis (UK) Limited to conduct a carbon audit of The King'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 2023 - 31 March 2024	1 April 2022 - 31 March 2023
Location	UK	UK
Emissions from the combustion of fuel and operation of facilities (Scope 1) (tCO <sub>2</sub> e)	655	738
Emissions from purchase of electricity (tCO <sub>2</sub> e) (Scope 2)	415	429
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (tCO <sub>2</sub> e) (Scope 3)	15	11
Total gross emissions based on the above (tCO <sub>2</sub> e)	1,085	1,178
Energy consumption per Scope 1 emissions (kWh)	2,913,852	3,401,869
Energy consumption per Scope 2 emissions (kWh)	2,010,679	2,219,256
Energy consumption per Scope 3 emissions (kWh)	61,055	42,917
Total energy consumption based on above (kWh)	4,985,586	5,664,043
Intensity ratio: tCO <sub>2</sub> e (gross Scope 1, 2 + 3) per full-time employee	4.21	4.88

### Methodology

Anthesis has calculated the above greenhouse gas (GHG) emissions to cover all material sources of emissions for which The King'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 King'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 2023.

The 2023/24 SECR footprint is equivalent to 1,085 tCO<sub>2</sub>e, with the largest portion being made up of emissions from the combustion of fuel at 655 tCO<sub>2</sub>e. Overall, the emissions have decreased by 8% since the previous reporting year and the intensity ratio has decreased by 14% compared to 2022/23.

**Report of the Trustees for the year ended 31 March 2024 (continued)**

**Carbon Audit (continued)**

**Energy Efficiency Action**

During the financial year 1 April 2023 to 31 March 2024, further improvements have been made within the organisation. Four electric vans have been introduced replacing diesel vehicles. This is in addition to the plug-in hybrid cars already on the fleet. Additional charging points have been installed across the estate at various locations.

Further expansion of battery-operated garden tools have been introduced reducing the need for petrol powered tools. Energy use remains high however this is commensurate with size of property portfolio that the Foundation has.

Energy efficiency is monitored with new technology and initiatives being implemented where required. Two new energy efficient heat pumps have been installed replacing older less efficient models. Solar PV panels have been installed on the roofs at Home Farm to help power the buildings at the farm with Air source heat pumps being installed to heat the buildings. A heat pump was replaced with a new more efficient unit in the STEM centre.

The Foundation encourages the use of video conferencing as the preferred medium for meetings, rather than travel, which reduces the reliance on cars and general travel. Planting of tree and hedgerows continues across Dumfries House, Castle of Mey and Highgrove with around 2000 trees being planted.

**Environmental, Social and Governance (ESG) factors**

The King's Foundation is committed to a process of continuous review and improvement of its environmental, social and governance performance. The Foundation applies sustainability principles 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 prior financial year the Trustees commissioned a governance review and, this year, have been in the process of implementing its recommendations.

## Report of the Trustees for the year ended 31 March 2024 *(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 King's Foundation
Charity registration number	SC038770
Company registration number	SC331738
Registered offices	Dumfries House Cumnock Ayrshire KA18 2NJ
Royal Founding President	His Majesty, King Charles III
Vice President	The Rt Hon The Earl of Snowdon
Trustees	Dame Susan Bruce (Chair) Dame Ann Limb (Deputy Chair) Mr George Richards Mrs Rosemary Hilary Mr Michael Jary Cavaliere Federico Marchetti Ms Sarah de Gay Mr Ewan Venters Dr Alexander Manson Mr Folarin Oyeleye Mr Julian Payne (Appointed 1 April 2023) General Sir Gordon Messenger (Appointed 1 April 2024)
Senior Management Team	Mrs Kristina Murrin, Chief Executive Officer (Appointed 17 July 2023) Mrs Emily Cherrington, Deputy Chief Executive Officer and Chief Operating Officer (Appointed 17 July 2023) Mr Kieran Ferguson, CFA, Chief Financial Officer Mr Gordon Neil, Executive Director (Estates) Dr Simon Sadinsky, Executive Director (Education)

**Report of the Trustees for the year ended 31 March 2024 (continued)**

**Reference and Administrative Information (continued)**

Senior Management Team (continued)	Mr Constantine Innemee, Executive Director (Highgrove)
	Mr Ben Bolgar, MVO RIBA RIAS, Executive Director - Projects Team (Architecture & Heritage)
	Mr Colin Mackenzie-Blackman, Executive Director – Development (Fundraising)
	Miss Shirley Farquhar, Administrator of The Queen Elizabeth Castle of Mey Trust
	Mr Khaled Azzam, Director of The King's Foundation School of Traditional Arts
	Ms Jacqueline Farrell, Education Director
	Mr Daniel McAuliffe, Education Director (Education Hubs)
	Mrs Samantha Barr, CA, Group Financial Controller
	Mrs Michelle Downie, CA, Head of Finance and Operations (Highgrove)
	Mr Scott Simpson, Director of Group Retail
	Ms Alison Bennett, Compliance and Internal Audit Manager
	Ms Izzy Stephenson, Communications and Marketing Manager
Bankers	Coutts & Co 440, The Strand London, WC2R 0QS
Auditors	Saffery LLP 133 Fountainbridge Edinburgh, EH3 9BA
Solicitors	McCarthy Denning Limited Minster House 42 Mincing Lane London, EC3R 7AE
	Farrer & Co 66 Lincoln's Inn Fields London, WC2A 3LH
	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh, EH3 9EE

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

The Trustees (who are also directors of The King'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:



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Dame Susan Bruce

Chair

Date 21/08/2024

## **Report of the Independent Auditors to the Trustees of The King's Foundation**

### **Opinion**

We have audited the financial statements of The King's Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 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 2024, 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 King'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 King'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 in 2021.

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.

In May 2023, OSCR confirmed that its investigation would split into two strands – one focussing on historic matters and the other relating to current and ongoing governance. In September 2023, OSCR confirmed that it was satisfied with the improvements that have been made to address areas of concern previously outlined in relation to the current and ongoing governance strand. At the date of approval of the financial statements OSCR's investigation into historic matters has yet to conclude.

### **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 King'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 28), 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 King'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 King'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.

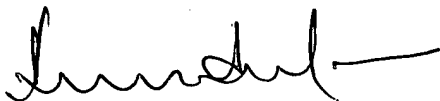
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement 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](http://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 parent 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 LLP  
Chartered Accountants  
Statutory Auditors  
133 Fountainbridge  
Edinburgh  
EH3 9BA

Date: 23 AUGUST 2024

Saffery LLP 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 2024

	Notes	General Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
<b>Income and endowments from:</b>						
<b>Donations and legacies</b>						
Donations	2	7,435,619	2,800,208	-	10,235,827	10,116,993
Grants and gift in kind	3	2,500	530,689	-	533,189	2,117,261
<b>Other trading activities</b>						
Rental income		66,661	-	-	66,661	68,317
Consultancy income		2,692,978	-	-	2,692,978	2,123,194
Dumfries House Trust Trading Limited		4,115,388	-	-	4,115,388	2,953,152
AG Carrick Limited		5,613,190	-	-	5,613,190	3,871,336
Dumfries House Home Farm Limited		321,640	-	-	321,640	308,460
Dumfries Farming & Land Limited		1,750	-	-	1,750	1,898
Community Capital Limited		14,450	-	-	14,450	78,305
Castle & Gardens of Mey Limited		633,461	-	-	633,461	405,045
Education income		789,139	-	-	789,139	701,837
The Queen Elizabeth Castle of Mey Trust		120,144	-	-	120,144	294,523
Investment income	16	425,659	219,230	211,601	856,490	193,409
Other income	4	84,028	-	-	84,028	81,989
<b>Total</b>		<b>22,316,607</b>	<b>3,550,127</b>	<b>211,601</b>	<b>26,078,335</b>	<b>23,315,719</b>
<b>Expenditure on:</b>						
<b>Raising funds and trading activities</b>						
Building costs	5	(518,622)	-	-	(518,622)	(525,906)
Portfolio management costs	5	(469)	-	(32,114)	(32,583)	(40,047)
Dumfries House Trust Trading Limited	5	(3,364,662)	-	-	(3,364,662)	(2,824,602)
AG Carrick Limited	5	(4,598,239)	-	-	(4,598,239)	(3,485,501)
Dumfries House Home Farm Limited	5	(395,014)	-	-	(395,014)	(445,951)
Dumfries Farming & Land Limited	5	(8,600)	-	-	(8,600)	(8,300)
Community Capital Limited	5	(4)	-	-	(4)	(3,988)
Castle & Gardens of Mey Limited	5	(515,345)	-	-	(515,345)	(433,375)
Fundraising costs	5	(454,170)	-	-	(454,170)	(271,478)
	5	(9,855,125)	-	(32,114)	(9,887,239)	(8,039,148)
<b>Charitable activities</b>						
Wages & salaries	6, 10	(3,895,704)	(2,557,552)	-	(6,453,256)	(6,251,515)
Administration costs	6	(53,369)	-	-	(53,369)	(52,472)
Exhibition & promotion costs	6	(429,377)	(130,189)	-	(559,566)	(499,843)
Preservation of contents	6	(683,836)	(2,577)	-	(686,413)	(569,421)
Restoration of buildings and depreciation	6	(547,590)	(327,622)	(85,358)	(960,570)	(1,832,578)
Net losses on fixed asset valuation*		-	-	-	-	(12,056,131)
Maintenance of the estate	6	(1,675,218)	(676,917)	-	(2,352,135)	(1,870,524)
Education	6	(1,804,139)	(796,368)	-	(2,600,507)	(2,056,704)
Community events	6	(38,474)	-	-	(38,474)	(20,842)
Patronage & heritage costs	6	-	(40,328)	-	(40,328)	(68,608)
Donations made	6, 8	(109,776)	(513,310)	-	(623,086)	(532,443)
The Queen Elizabeth Castle of Mey Trust	6	(557,050)	-	-	(557,050)	(606,338)
		(9,794,533)	(5,044,863)	(85,358)	(14,924,754)	(26,417,419)
<b>Other resources expended</b>						
Gains/(losses) on fixed asset disposal		(292,807)	-	-	(292,807)	(1,501)
		(292,807)	-	-	(292,807)	(1,501)
<b>Governance costs</b>	7	<b>(746,334)</b>	<b>-</b>	<b>-</b>	<b>(746,334)</b>	<b>(660,815)</b>
<b>Total expenses</b>		<b>(20,688,799)</b>	<b>(5,044,863)</b>	<b>(117,472)</b>	<b>(25,851,134)</b>	<b>(35,118,883)</b>
Net gains on fixed asset valuation*	14/15	-	-	-	-	14,318,007
Net gains/(losses) on investments	16	(87,047)	-	14,497	(72,550)	(96,756)
Change in market value of investments	16	5,372	-	358,420	363,792	(348,594)
<b>Net income/(expenditure) for the year before transfers</b>		<b>1,546,133</b>	<b>(1,494,736)</b>	<b>467,046</b>	<b>518,443</b>	<b>2,069,493</b>

\* The revaluation of fixed assets resulted in a consolidated net gain of £2,261,876 for the year ended 31 March 2023.

**Consolidated statement of financial activities**  
**(incorporating an income and expenditure account) (continued)**  
*For the year ended 31 March 2024*

	<i>Notes</i>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total 2024</b>	<b>Total 2023</b>
		£	£	£	£	£
<b>Net income/(expenditure) for the year before transfers</b>		1,546,133	(1,494,736)	467,046	518,443	2,069,493
Gross transfers between funds		340,388	(334,022)	(6,366)	-	-
Transfer - investment disbursement		216,000	-	(216,000)	-	-
<b>Total transfers between funds</b>	28	556,388	(334,022)	(222,366)	-	-
 Net movements in funds		<u>2,102,521</u>	<u>(1,828,758)</u>	<u>244,680</u>	<u>518,443</u>	<u>2,069,493</u>
 <b>Reconciliation of funds:</b>						
Fund balances at 1 April 2023	20, 21	36,306,616	16,086,233	79,291,193	131,684,042	129,614,549
Net movements in funds		2,102,521	(1,828,758)	244,680	518,443	2,069,493
 Fund balances at 31 March 2024	20, 21	<u>38,409,137</u>	<u>14,257,475</u>	<u>79,535,873</u>	<u>132,202,485</u>	<u>131,684,042</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, total gain £145,526 (2023: loss £422,695).

The notes on pages 40 to 73 form part of these financial statements.

**Consolidated balance sheet  
at 31 March 2024**

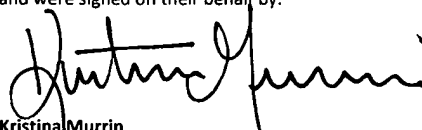
	Notes	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
		£	£	£	£	£
<b>Fixed assets</b>						
Intangible assets	13	950	-	50,500	51,450	51,650
Heritage assets	14	4,000,000	-	67,971,345	71,971,345	71,971,345
Other tangible assets	15	24,786,634	8,200,711	4,929,645	37,916,990	37,882,335
Investments	16	846,466	-	6,584,383	7,430,849	7,183,786
		<u>29,634,050</u>	<u>8,200,711</u>	<u>79,535,873</u>	<u>117,370,634</u>	<u>117,089,116</u>
<b>Current assets</b>						
Stock	17	2,009,846	-	-	2,009,846	1,897,185
Debtors	18	1,666,321	-	-	1,666,321	2,050,147
Cash at bank and in hand		<u>12,291,040</u>	<u>7,786,398</u>	<u>-</u>	<u>20,077,438</u>	<u>15,893,018</u>
		<u>15,967,207</u>	<u>7,786,398</u>	<u>-</u>	<u>23,753,605</u>	<u>19,840,350</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(7,168,729)</u>	<u>(1,729,634)</u>	<u>-</u>	<u>(8,898,363)</u>	<u>(5,240,002)</u>
<b>Net current assets</b>		<u>8,798,478</u>	<u>6,056,764</u>	<u>-</u>	<u>14,855,242</u>	<u>14,600,348</u>
<b>Total assets</b>		<u>38,432,528</u>	<u>14,257,475</u>	<u>79,535,873</u>	<u>132,225,876</u>	<u>131,689,464</u>
<b>Creditors: amounts falling due after more than one year</b>	19	<u>(23,391)</u>	<u>-</u>	<u>-</u>	<u>(23,391)</u>	<u>(5,422)</u>
<b>Net assets</b>		<u>38,409,137</u>	<u>14,257,475</u>	<u>79,535,873</u>	<u>132,202,485</u>	<u>131,684,042</u>
<b>Funds</b>						
General	20				38,409,137	36,306,616
Restricted	20				14,257,475	16,086,233
Endowment	20				<u>79,535,873</u>	<u>79,291,193</u>
					<u>132,202,485</u>	<u>131,684,042</u>

The notes on pages 40 to 73 form part of these financial statements.

These financial statements were approved by the Trustees on 21/08/2024 and were signed on their behalf by:



**Dame Susan Bruce**  
Chair



**Mrs Kristina Murrin**  
Accountable Officer (OfS)

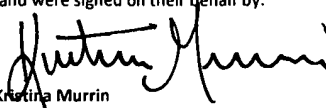
Foundation balance sheet  
at 31 March 2024

	Notes	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
		£	£	£	£	£
<b>Fixed Assets</b>						
Intangible assets	13	-	-	50,500	50,500	50,500
Heritage assets	14	-	-	67,971,345	67,971,345	67,971,345
Other tangible assets	15	16,601,222	8,200,711	4,929,645	29,731,578	29,569,225
Investments	16	991,607	-	6,584,383	7,575,990	7,245,955
		<u>17,592,829</u>	<u>8,200,711</u>	<u>79,535,873</u>	<u>105,329,413</u>	<u>104,837,025</u>
<b>Current assets</b>						
Debtors: amounts falling due within one year	18	3,222,318	-	-	3,222,318	4,591,635
Cash at bank		<u>10,121,271</u>	<u>7,709,562</u>	<u>-</u>	<u>17,830,833</u>	<u>13,589,822</u>
		<u>13,343,589</u>	<u>7,709,562</u>	<u>-</u>	<u>21,053,151</u>	<u>18,181,457</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(4,910,775)</u>	<u>(1,729,633)</u>	<u>-</u>	<u>(6,640,408)</u>	<u>(3,097,469)</u>
<b>Net current assets</b>		<u>8,432,814</u>	<u>5,979,929</u>	<u>-</u>	<u>14,412,743</u>	<u>15,083,988</u>
<b>Total assets</b>		<u>26,025,643</u>	<u>14,180,640</u>	<u>79,535,873</u>	<u>119,742,156</u>	<u>119,921,013</u>
<b>Net assets</b>		<u>26,025,643</u>	<u>14,180,640</u>	<u>79,535,873</u>	<u>119,742,156</u>	<u>119,921,013</u>
<b>Funds</b>						
General	20				26,025,643	24,572,937
Restricted	20				14,180,640	16,056,883
Endowment	20				<u>79,535,873</u>	<u>79,291,193</u>
					<u>119,742,156</u>	<u>119,921,013</u>

The notes on pages 40 to 73 form part of these financial statements.

These financial statements were approved by the Trustees on 21/08/2024 and were signed on their behalf by:

  
Dame Susan Bruce  
Chair

  
Mrs Kristina Murrin  
Accountable Officer (OfS)

**Consolidated cash flow statement**  
**For the year ended 31 March 2024**

Cash flow statement	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>	<b>i</b>	<b>5,137,080</b>	<b>2,454,571</b>
Interest paid		-	245
Interest element of hire purchase and finance lease rental		-	(235)
<b>Net cash provided by (used in) operating activities</b>		<b>5,137,080</b>	<b>2,454,581</b>
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets	15	(1,869,814)	(3,294,893)
Purchase of fixed asset investments	16	(2,450,142)	(1,950,877)
Proceeds on disposal of fixed asset investments	16	2,434,786	2,067,767
Net cash movement in investments	16	59,535	(93,776)
Investment income	16	856,490	193,409
<b>Net cash provided by (used in) investing activities</b>		<b>(969,145)</b>	<b>(3,078,370)</b>
<b>Cash flow from financing activities</b>			
New hire purchase contracts		368,975	241,388
Repayment of capital element of hire purchase contracts		(352,490)	(214,337)
<b>Net cash flow from financing activities</b>		<b>16,485</b>	<b>27,051</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>4,184,420</b>	<b>(596,738)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>15,893,018</b>	<b>16,489,756</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>ii 23</b>	<b>20,077,438</b>	<b>15,893,018</b>

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

<b>Net income/ ( expenditure) for the reporting period (as per the statement of financial activities)</b>		<b>518,443</b>	<b>2,069,493</b>
<b>Adjustments for:</b>			
Depreciation, amortisation and impairment charges	13,15	1,540,885	2,528,758
Interest paid		-	(245)
Interest element of hire purchase and finance lease rental		-	235
(Gains)/ losses on fixed asset valuation		-	(2,261,876)
(Gains)/Losses on disposal of fixed asset		294,471	681
(Gains)/Losses on investments	16	(291,242)	444,970
Investment income	16	(856,490)	(193,409)
(Increase)/decrease in stock	17	(112,661)	(267,196)
(Increase)/decrease in debtors	18	383,827	(878,744)
(Decrease)/increase in creditors excluding overdraft & hire purchase	19	3,659,847	1,011,904
<b>Net cash provided by (used in) operating activities</b>		<b>5,137,080</b>	<b>2,454,571</b>

**Note ii**

**Reconciliation of net cash flow**

<b>Increase/(Decrease) in cash in the period</b>		<b>4,184,420</b>	<b>(596,738)</b>
<b>Net cash at start of the year</b>		<b>15,893,018</b>	<b>16,489,756</b>
<b>Movement in net funds in the period</b>	<b>23</b>	<b>4,184,420</b>	<b>(596,738)</b>
<b>Net cash at the end of the year</b>	<b>23</b>	<b>20,077,438</b>	<b>15,893,018</b>



**Foundation cash flow statement**  
**For the year ended 31 March 2024**

Cash flow statement	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>	<b>i</b>	5,037,701	1,954,755
Interest paid		-	245
Interest element of hire purchase and finance lease rental		-	(235)
<b>Net cash provided by (used in) operating activities</b>		<u>5,037,701</u>	<u>1,954,765</u>
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets	15	(1,655,672)	(3,225,273)
Proceeds on disposal of tangible fixed assets		52	(820)
Purchase of fixed asset investments	16	(1,516,630)	(1,082,930)
Proceeds on disposal of fixed asset investments	16	1,535,909	1,169,322
Net cash movement in investments	16	23,603	(71,570)
Investment income	16	817,538	179,616
<b>Net cash provided by (used in) investing activities</b>		(795,200)	(3,031,655)
<b>Cash flow from financing activities</b>			
New hire purchase contracts		334,738	241,388
Repayment of capital element of hire purchase contracts		(336,228)	(180,640)
<b>Net cash flow from financing activities</b>		(1,490)	60,748
<b>Change in cash and cash equivalents in the reporting period</b>		4,241,011	(1,016,142)
<b>Cash and cash equivalents at the beginning of the period</b>		<u>13,589,822</u>	<u>14,605,964</u>
<b>Cash and cash equivalents at the end of the period</b>	<b>ii 23</b>	<u><u>17,830,833</u></u>	<u><u>13,589,822</u></u>
<b>Note i Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>			
<b>Net income/ ( expenditure) for the reporting period (as per the statement of financial activities)</b>		(178,858)	487,174
<b>Adjustments for:</b>			
Depreciation, amortisation and impairment charges	13,15	1,200,460	2,080,708
Interest paid		-	(245)
Interest element of hire purchase and finance lease rental		-	235
(Gains)/ losses on fixed asset valuation		292,807	(434,771)
(Gains)/Losses on disposal of fixed asset		-	1,501
(Gains)/Losses on investments	16	(372,917)	431,184
Investment income	16	(817,538)	(179,615)
Decrease/(increase) in debtors	18	1,369,317	(946,763)
(Decrease)/increase in creditors excluding overdraft & hire purchase	19	3,544,430	515,347
<b>Net cash provided by (used in) operating activities</b>		<u>5,037,701</u>	<u>1,954,755</u>
<b>Note ii</b>			
<b>Reconciliation of net cash flow</b>			
<b>Increase/(Decrease) in cash in the period</b>		<u>4,241,011</u>	<u>(1,016,142)</u>
<b>Net cash at start of the year</b>		13,589,822	14,605,964
<b>Movement in net funds in the period</b>	<b>23</b>	<u>4,241,011</u>	<u>(1,016,142)</u>
<b>Net cash at the end of the year</b>	<b>23</b>	<u><u>17,830,833</u></u>	<u><u>13,589,822</u></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 Trustees Investment (Scotland) Act 2005. The financial statements have been prepared under the historic cost convention rules modified to include revaluation of heritage assets, 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 prior 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 August 2024 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 page 26. The country of incorporation and registration numbers are detailed in the Trustees report on page 26. 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, its subsidiary undertakings and funds held with The King's Foundation America Inc.

The financial statements of The King's Foundation's subsidiary entities:

- Dumfries House Trust Trading Limited
- AG Carrick Limited
- Dumfries House 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.

**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.

Transfers between funds are made in respect of restricted funds utilised on capital projects and the utilisation of general funds where required.

**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. Where income is received for which goods or services are yet to be provided the income is included as a creditor within deferred income.

The following policies are applied to particular categories of income:

**Income and endowments from:**

**Donations and donated services**

Income is recognised upon entitlement which, in the case of most donations, is upon receipt of funds. When a donation is restricted to activity spanning multiple financial years a portion of the donation may be deferred and included as a creditor within deferred income. In the case of legacies, income is recognised upon legal entitlement being met.

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 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 Swimming Pool and Town Hall facilities in New Cumnock, as well as Dumfries House admissions, functions and income from a bed and breakfast business, health and wellbeing and architectural consultancy services. Income from other commercial activities is recognised in the period in which it is received. Other commercial income received is recognised on entitlement.

Consultancy income represents income from the School of Traditional Arts, International outreach programmes and UK higher level education programmes.

Income from AG Carrick Limited includes shop, café and restaurant and garden tour income at the Highgrove Estate. Other income received through AG Carrick 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 payments attributed to architectural and building consultancy services in a prior period.

Income from Castle and Gardens of Mey Limited represents income in respect of net sales of bed and breakfast bookings, shop purchases, Castle admissions 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.

Income from The Queen Elizabeth Castle of Mey Trust represents income from the charitable activities undertaken at the Castle of Mey including the livestock sales by Longoe farm.

##### Investment income

Interest receivable is credited to income in the period to which it relates and is recorded in either General, Restricted or Endowment Funds based on the monetary deposits that generated the income.

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

In 2024, £908,305 of gift aid was received from subsidiaries (2023: £115,040).

##### 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 governance of the charity, 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, the Dumfries House Collection and the Castle of Mey.

The Dumfries House Collection dates back to the commissioning of the House in the 1750s, and is 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.

In June 2023, a fair value valuation of Dumfries House, the stables and coach house was undertaken by Stanley Wright, Chartered Surveyors in accordance with RICS Valuation – Global Standards. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023.

In June 2023, a fair value valuation of the Dumfries House Collection was undertaken by Lyon and Turnbull, auctioneers. The valuation was based on similar previous sale estimates and results. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023.

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 of Mey 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.

In June 2023, a fair value valuation of The Castle and the land and buildings owned by The Queen Elizabeth Castle of Mey Trust was undertaken by Savills in accordance with RICS Valuation – Global Standards. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023.

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.

The carrying value of the Heritage assets are reviewed on an annual basis and continue to be deemed appropriate by The Foundation's Trustees.

Heritage assets are accounted for in note 14.

**Notes (continued)**

**1 Accounting policies (continued)**

**Intangible assets**

Intangible assets refer to trademarks and sporting rights.

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.

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

**Other tangible fixed assets (excluding heritage assets) and depreciation**

A revaluation of the non-heritage land and buildings assets took place in June 2023. Land and buildings are stated at fair 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".

The fair value valuation of the non-heritage land and buildings owned by The Queen Elizabeth Castle of Mey Trust was undertaken by Savills. The non-heritage land and buildings at the Dumfries House Estate, Knockroon and New Cumnock was undertaken by Stanley Wright, and the property held in London was valued by Gerald Eve LLP. Each valuation was conducted in accordance with the RICS Valuation – Global Standards. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023.

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 Castle of Mey furnishings were revalued by the Trustees on 31 December 2004 at £583,570. This value is held as the deemed cost 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 applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). The valuation basis used by the Trustees was market value and the current Trustee is content with the valuation and is not aware of any changes.

Other tangible fixed assets are stated at historic cost.

The King'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 as is standard practice for subsidiaries who gift aid profits to a group charitable parent.

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 and the deferral of donation and grant income.

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 heritage assets and other tangible fixed 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 independent professional valuers with 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. The carrying value of the assets are reviewed for impairment on an annual basis and continue to be deemed appropriate by The Foundation's Trustees.

A revaluation of the land and buildings and heritage assets on the Dumfries House estate and at the Castle of Mey, the land and buildings at Charlotte Road in London, and the Dumfries House Collection, took place in June 2023. These valuations were undertaken by Chartered Surveyors in accordance with the RICS Valuation - Global Standards - and in the case of the Dumfries House Collection by auctioneers with a working knowledge of the Dumfries House Collection.

#### Deferral of income

As described in the accounting policies, income is recognised upon entitlement. In the case of restricted donations made for activity spanning multiple financial years, a representative portion of the donation may be deferred and included as a creditor within deferred income. Trading income is recognised when goods or services have been provided otherwise the income is included as a creditor within deferred income.



Notes (continued)

**2 Donations and legacies**

	General Fund £	Restricted Fund £	Total 2024 £	Total 2023 £
Group donations received	<u>7,435,619</u>	<u>2,800,208</u>	<u>10,235,827</u>	<u>10,116,993</u>

For prior year funds breakdown please refer to note 11. Foundation only disclosures are detailed in note 12. Foundation donations include £452,640 of funds received by The King's Foundation restricted for The Queen Elizabeth Castle of Mey Trust. All funds were received and donated to the charitable subsidiary in year and these amounts eliminate on consolidation.

**3 Group grants and gifts in kind**

	General Fund £	Restricted Fund £	Total 2024 £	Total 2023 £
<b>Grants received</b>				
Charitable organisations	-	111,200	111,200	49,500
Corporate bodies	-	20,000	20,000	30,000
Trusts	2,500	399,489	401,989	1,962,450
Other	-	-	-	75,311
	<u>2,500</u>	<u>530,689</u>	<u>533,189</u>	<u>2,117,261</u>

Grant income in 2023 includes a grant received in year from The MacRobert Trust for the Home Farm redevelopment at Dumfries House (£1.9m). This is shown under grants received from Trusts.

For prior year funds breakdown please refer to note 11. Foundation only disclosures are detailed in note 12.

**4 Group other income**

	General Fund £	Restricted Fund £	Total 2024 £	Total 2023 £
Health Initiative Income	12,739	-	12,739	400
Other Income	71,289	-	71,289	81,589
	<u>84,028</u>	<u>-</u>	<u>84,028</u>	<u>81,989</u>

Other income is incidental income from non core activities such as renewable heat incentives and wood sales. For prior year funds breakdown please refer to note 11. Foundation only disclosures are detailed in note 12.

Notes (continued)

5 Raising and trading activities

	General Fund £	Restricted Fund £	Endowment Fund £	Total 2024 £	Total 2023 £
Building costs	(518,622)	-	-	(518,622)	(525,906)
Portfolio management	(469)	-	(32,114)	(32,583)	(40,047)
<u>Dumfries House Trust Trading costs</u>					
Trading cost of sales including wages	(2,722,992)	-	-	(2,722,992)	(2,168,596)
Admin costs	(641,670)	-	-	(641,670)	(656,006)
	<u>(3,364,662)</u>	<u>-</u>	<u>-</u>	<u>(3,364,662)</u>	<u>(2,824,602)</u>
<u>AG Carrick trading costs</u>					
Trading cost of sales	(1,952,851)	-	-	(1,952,851)	(1,288,177)
Admin costs and wages	(2,645,388)	-	-	(2,645,388)	(2,197,324)
	<u>(4,598,239)</u>	<u>-</u>	<u>-</u>	<u>(4,598,239)</u>	<u>(3,485,501)</u>
<u>Home Farm costs</u>					
Farm cost of sales	(224,846)	-	-	(224,846)	(255,783)
Admin costs and wages	(170,168)	-	-	(170,168)	(190,168)
	<u>(395,014)</u>	<u>-</u>	<u>-</u>	<u>(395,014)</u>	<u>(445,951)</u>
<u>Dumfries Farming &amp; land costs</u>					
Admin costs	(8,600)	-	-	(8,600)	(8,300)
	<u>(8,600)</u>	<u>-</u>	<u>-</u>	<u>(8,600)</u>	<u>(8,300)</u>
<u>Community Capital costs</u>					
Cost of sales	(4)	-	-	(4)	-
Admin costs	-	-	-	-	(3,988)
	<u>(4)</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(3,988)</u>
<u>Castle &amp; Gardens of Mev costs</u>					
Cost of sales	(122,961)	-	-	(122,961)	(121,118)
Admin costs and wages	(392,384)	-	-	(392,384)	(312,257)
	<u>(515,345)</u>	<u>-</u>	<u>-</u>	<u>(515,345)</u>	<u>(433,375)</u>
<u>Fundraising costs</u>					
Admin costs	(304,214)	-	-	(304,214)	(151,058)
Costs of raising funds	(149,956)	-	-	(149,956)	(120,420)
	<u>(454,170)</u>	<u>-</u>	<u>-</u>	<u>(454,170)</u>	<u>(271,478)</u>
	<u>(9,855,125)</u>	<u>-</u>	<u>(32,114)</u>	<u>(9,887,239)</u>	<u>(8,039,148)</u>

For prior year funds breakdown please refer to note 11.

Notes (continued)

6 Charitable activities

	Direct costs £	Support Costs £	Total 2024 £	Total 2023 £
<b>General fund</b>				
Wages & salaries	-	(3,895,704)	(3,895,704)	(3,425,925)
Administration costs	-	(53,369)	(53,369)	(52,472)
Exhibition & promotions costs	-	(429,377)	(429,377)	(369,844)
Preservation of contents	(591,215)	(92,621)	(683,836)	(569,421)
Restoration of buildings	-	(547,590)	(547,590)	(1,373,787)
Net losses on fixed asset valuation	-	-	-	(11,653,262)
Maintenance of the estate	(1,527,755)	(147,463)	(1,675,218)	(1,239,487)
Education department	(1,804,139)	-	(1,804,139)	(1,239,114)
Community events	(38,474)	-	(38,474)	(20,830)
Patronage and heritage costs	-	-	-	(39,645)
Donations made	(109,776)	-	(109,776)	(222,124)
The Queen Elizabeth Castle of Mey Trust	(303,303)	(253,747)	(557,050)	(601,860)
	<u>(4,374,662)</u>	<u>(5,419,871)</u>	<u>(9,794,533)</u>	<u>(20,807,771)</u>
<b>Restricted fund</b>				
Wages & salaries	-	(2,557,552)	(2,557,552)	(2,825,590)
Administration costs	-	-	-	-
Exhibition & promotion costs	-	(130,189)	(130,189)	(129,999)
Preservation of contents	(2,577)	-	(2,577)	-
Restoration of buildings	-	(327,622)	(327,622)	(400,517)
Net losses on fixed asset valuation	-	-	-	(189,215)
Maintenance of estate	(676,917)	-	(676,917)	(631,037)
Education department	(796,368)	-	(796,368)	(817,590)
Community events	-	-	-	(12)
Patronage and heritage costs	(40,328)	-	(40,328)	(28,963)
Donations made	(513,310)	-	(513,310)	(310,319)
The Queen Elizabeth Castle of Mey Trust	-	-	-	(4,478)
	<u>(2,029,500)</u>	<u>(3,015,363)</u>	<u>(5,044,863)</u>	<u>(5,337,720)</u>
<b>Endowment fund</b>				
Restoration of buildings	-	(85,358)	(85,358)	(58,274)
Net losses on fixed asset valuation	-	-	-	(213,654)
	<u>-</u>	<u>(85,358)</u>	<u>(85,358)</u>	<u>(271,928)</u>
<b>Total</b>	<u>(6,404,162)</u>	<u>(8,520,592)</u>	<u>(14,924,754)</u>	<u>(26,417,419)</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 2024 £	Total 2023 £
<b>Support costs</b>					
Staff costs	(3,895,704)	(2,557,552)	-	(6,453,256)	(6,251,515)
Marketing, communication and exhibition costs	(429,377)	(130,189)	-	(559,566)	(499,843)
Depreciation and amortisation	(1,041,421)	(327,622)	(85,358)	(1,454,401)	(2,438,418)
Net losses on fixed asset valuation	-	-	-	-	(12,056,131)
Administration costs	(53,369)	-	-	(53,369)	(52,472)
	<u>(5,419,871)</u>	<u>(3,015,363)</u>	<u>(85,358)</u>	<u>(8,520,592)</u>	<u>(21,298,379)</u>
<b>Governance costs</b>					
Legal	(142,850)	-	-	(142,850)	(160,180)
Charitable auditor's remuneration including SECR compliance	(111,913)	-	-	(111,913)	(74,697)
Bank interest and charges	(92,381)	-	-	(92,381)	(76,339)
Irrecoverable VAT expense	(184,391)	-	-	(184,391)	(138,234)
Consulting & professional fees	(200,794)	-	-	(200,794)	(211,365)
Other	(14,005)	-	-	(14,005)	-
	<u>(746,334)</u>	<u>-</u>	<u>-</u>	<u>(746,334)</u>	<u>(660,815)</u>

For prior year funds breakdown please refer to note 11.

**8 Donations made**

	2024 £	2023 £
Architecture & Heritage projects donations	104,716	113,453
Donations to Education institutions including bursaries and student support	515,197	417,284
Community events and initiatives donations	3,173	1,706
	<u>623,086</u>	<u>532,443</u>

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

	2024 £	2023 £
<b>Auditor's remuneration:</b>		
Audit of Foundation financial statements	42,250	49,500
Non-audit services provided to the Foundation	-	-
Audit of subsidiary financial statements	49,315	51,746
Non-audit services provided to subsidiaries	10,600	9,900
	<u>102,165</u>	<u>111,146</u>
<b>Depreciation and amortisation</b>	<u>1,540,885</u>	<u>2,528,758</u>

Notes (continued)

10 Staff Costs

	The King'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	5,500,414	1,572,835	1,180,363	76,255	192,803	248,360	299,432
Social security costs	496,650	81,177	81,048	7,592	11,366	13,034	29,736
Other pension costs	230,932	39,185	68,017	3,050	21,091	9,614	9,744
	<u>6,227,996</u>	<u>1,693,197</u>	<u>1,329,428</u>	<u>86,897</u>	<u>225,260</u>	<u>271,008</u>	<u>338,912</u>

	Community Capital Limited £	The King's Foundation America Incorporated £	2024 £	2023 £
Wages and salaries	-	-	9,070,462	8,362,098
Social security costs	-	-	720,603	680,014
Other pension costs	-	-	381,633	359,873
	<u>-</u>	<u>-</u>	<u>10,172,698</u>	<u>9,401,985</u>

Staff costs as a result of the charitable activities total £6,453,256 (2023: £6,251,515). This amount comprises the wages, salaries and related staff costs of The King'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 and The Prince's Regeneration Trust have no employee costs.

There were no redundancy or termination payments in the year to 31 March 2024 (2023: £42,664). All payments from the prior year were settled in the prior year.

Number of employees whose total employee benefits (excluding employer pension costs) > £60,000

	2024	2023
From -		
£60,001 to £70,000	6	9
£70,001 to £80,000	6	3
£80,001 to £90,000	1	1
£90,001 to £100,000	2	1
£100,001 to £110,000	-	-
£110,001 to £120,000	1	-
£120,001 to £130,000	-	1
£130,001 to £140,000	-	-
£140,001 to £150,000	2	1

All of the employees above received pension contributions.

	2024 £	2023 £
Employer pension contributions for the employees above	<u>75,839</u>	<u>66,328</u>

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

	2024 Number	2023 Number
The King's Foundation	176	166
AG Carrick Limited	114	114
Dumfries House Trust Trading Limited	108	106
Dumfries House Home Farm Limited	2	3
Dumfries Farming and Land Limited	8	8
The Queen Elizabeth Castle of Mey Trust	9	18
Castle and Gardens of Mey Limited	22	17
Community Capital Limited	-	-
	<u>439</u>	<u>432</u>

206 (2023: 210) 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 (SMT) as noted on pages 26 and 27. The total employee benefits (excluding employer pension costs) of the key management personnel of the Foundation were £1,380,973 (2023: £1,010,561). This increase is due primarily to an expansion of the SMT membership in year.

Notes (continued)

11 2023 Comparatives for the Consolidated Statement of Financial Activities

	Notes	General Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
<b>Donations and legacies</b>						
Donations	2	5,095,915	5,021,078	-	10,116,993	14,027,365
Grants and gift in kind	3	35,061	2,082,200	-	2,117,261	500,000
<b>Other trading activities</b>						
Rental income		68,317	-	-	68,317	63,442
Consultancy income		2,123,194	-	-	2,123,194	1,269,899
Dumfries House Trust Trading Limited		2,953,152	-	-	2,953,152	2,012,614
AG Carrick Limited		3,871,336	-	-	3,871,336	2,849,869
Dumfries House Home Farm Limited		308,460	-	-	308,460	359,524
Dumfries Farming & Land Limited		1,898	-	-	1,898	1,749
Community Capital Limited		78,305	-	-	78,305	64,789
Castle & Gardens of Mey Limited		405,045	-	-	405,045	265,433
Education income		701,837	-	-	701,837	514,271
The Queen Elizabeth Castle of Mey Trust		294,523	-	-	294,523	311,147
Investment income	16	13,793	-	179,616	193,409	166,274
Other income	4	81,989	-	-	81,989	70,549
<b>Total</b>		<b>16,032,825</b>	<b>7,103,278</b>	<b>179,616</b>	<b>23,315,719</b>	<b>22,476,925</b>
<b>Expenditure on:</b>						
<b>Raising funds and trading activities</b>						
Building costs	5	(525,906)	-	-	(525,906)	(254,735)
Portfolio management costs	5	(7,907)	-	(32,140)	(40,047)	(39,703)
Dumfries House Trust Trading Limited	5	(2,824,602)	-	-	(2,824,602)	(2,274,733)
AG Carrick Limited	5	(3,485,501)	-	-	(3,485,501)	(2,291,703)
Dumfries House Home Farm Limited	5	(445,951)	-	-	(445,951)	(481,861)
Dumfries Farming & Land Limited	5	(8,300)	-	-	(8,300)	(8,390)
Community Capital Limited	5	(3,988)	-	-	(3,988)	(72,221)
Castle & Gardens of Mey Limited	5	(433,375)	-	-	(433,375)	(341,559)
Fundraising costs	5	(271,478)	-	-	(271,478)	(240,508)
	5	<b>(8,007,008)</b>	<b>-</b>	<b>(32,140)</b>	<b>(8,039,148)</b>	<b>(6,005,413)</b>
<b>Charitable activities</b>						
Wages & salaries	6, 10	(3,425,925)	(2,825,590)	-	(6,251,515)	(5,991,686)
Administration costs	6	(52,472)	-	-	(52,472)	(73,367)
Exhibition & promotion costs	6	(369,844)	(129,999)	-	(499,843)	(391,939)
Preservation of contents	6	(569,421)	-	-	(569,421)	(529,326)
Restoration of buildings and depreciation	6	(1,373,787)	(400,517)	(58,274)	(1,832,578)	(1,654,770)
Net losses on fixed asset valuation*		(11,653,262)	(189,215)	(213,654)	(12,056,131)	-
Maintenance of the estate	6	(1,239,487)	(631,037)	-	(1,870,524)	(1,710,342)
Education	6	(1,239,114)	(817,590)	-	(2,056,704)	(1,388,533)
Community events	6	(20,830)	(12)	-	(20,842)	(37,352)
Patronage & heritage costs	6	(39,645)	(28,963)	-	(68,608)	(99,435)
Donations made	6, 8	(222,124)	(310,319)	-	(532,443)	(285,098)
The Queen Elizabeth Castle of Mey Trust	6	(601,860)	(4,478)	-	(606,338)	(633,723)
		<b>(20,807,771)</b>	<b>(5,337,720)</b>	<b>(271,928)</b>	<b>(26,417,419)</b>	<b>(12,795,571)</b>
<b>Other resources expended</b>						
Gains/(losses) on fixed asset disposal		(1,501)	-	-	(1,501)	5,802
		<b>(1,501)</b>	<b>-</b>	<b>-</b>	<b>(1,501)</b>	<b>5,802</b>
<b>Governance costs</b>	7	<b>(660,815)</b>	<b>-</b>	<b>-</b>	<b>(660,815)</b>	<b>(1,004,190)</b>
<b>Total expenses</b>		<b>(29,477,095)</b>	<b>(5,337,720)</b>	<b>(304,068)</b>	<b>(35,118,883)</b>	<b>(19,799,372)</b>
Net gains on fixed asset valuation*	14/15	7,161,429	4,019,551	3,137,027	14,318,007	-
Net gains/(losses) on investments		27,392	-	(124,148)	(96,756)	81,798
Change in market value of investments		(41,556)	-	(307,038)	(348,594)	446,917
<b>Net income/(expenditure) for the year before transfers</b>		<b>(6,297,005)</b>	<b>5,785,109</b>	<b>2,581,389</b>	<b>2,069,493</b>	<b>3,206,268</b>

\* The revaluation of fixed assets resulted in a consolidated net gain of £2,261,876 for the year ended 31 March 2023.

Notes (continued)

**11 2023 Comparatives for the Consolidated Statement of Financial Activities (continued)**

	<i>Notes</i>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total 2023</b>	<b>Total 2022</b>
		£	£	£	£	£
<b>Net income/(expenditure) for the year before transfers</b>		(6,297,005)	5,785,109	2,581,389	2,069,493	3,206,268
Gross transfers between funds		(2,661,518)	(3,091,306)	5,752,824	-	-
Transfer - investment disbursement		156,000	-	(156,000)	-	-
<b>Total transfers between funds</b>	<b>28</b>	<b>(2,505,518)</b>	<b>(3,091,306)</b>	<b>5,596,824</b>	<b>-</b>	<b>-</b>
<b>Net movements in funds</b>		<b>(8,802,523)</b>	<b>2,693,803</b>	<b>8,178,213</b>	<b>2,069,493</b>	<b>3,206,268</b>
<b>Reconciliation of funds:</b>						
Fund balances at 1 April 2022	20, 21	45,109,139	13,392,430	71,112,980	129,614,549	126,408,281
Net movements in funds		(8,802,523)	2,693,803	8,178,213	2,069,493	3,206,268
<b>Fund balances at 31 March 2023</b>	<b>20, 21</b>	<b>36,306,616</b>	<b>16,086,233</b>	<b>79,291,193</b>	<b>131,684,042</b>	<b>129,614,549</b>

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 loss £422,695 (2022: gain £2,731,766).

Notes (continued)

12 2024 Statement of financial activities - Foundation only

Foundation statement of financial activities  
(incorporating an income and expenditure account)  
for the year ended 31 March 2024

	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
	£	£	£	£	£
<b>Income and endowments from:</b>					
<i>Donations and legacies</i>					
Donations	6,868,974	3,202,408	-	10,071,382	9,932,286
Grants and gift in kind	-	530,689	-	530,689	2,082,200
Other trading activities	2,759,639	-	-	2,759,639	2,191,511
Gift aid from subsidiaries	908,305	-	-	908,305	115,040
Investment income	386,707	219,230	211,601	817,538	179,616
Education income	789,139	-	-	789,139	701,837
Other income	54,508	-	-	54,508	73,358
<b>Total</b>	<b>11,767,272</b>	<b>3,952,327</b>	<b>211,601</b>	<b>15,931,200</b>	<b>15,275,848</b>
<b>Expenditure on:</b>					
<i>Raising funds and trading activities</i>					
Building costs	(518,622)	-	-	(518,622)	(525,906)
Portfolio management	-	-	(32,114)	(32,114)	(32,140)
Fundraising costs	(454,170)	-	-	(454,170)	(271,478)
	<b>(972,792)</b>	<b>-</b>	<b>(32,114)</b>	<b>(1,004,906)</b>	<b>(829,524)</b>
<i>Charitable activities</i>					
Wages & salaries	(3,672,700)	(2,555,034)	-	(6,227,734)	(5,963,038)
Administration costs	(8,366)	-	-	(8,366)	(8,846)
Exhibition & promotion costs	(429,377)	(130,189)	-	(559,566)	(499,843)
Preservation of contents	(683,836)	(2,577)	-	(686,413)	(569,421)
Restoration of buildings and depreciation	(547,590)	(327,622)	(85,359)	(960,570)	(1,832,578)
Net losses on fixed asset valuation*	-	-	-	-	(9,266,372)
Maintenance of the estate	(1,675,218)	(676,917)	-	(2,352,135)	(1,870,524)
Education	(1,804,139)	(796,369)	-	(2,600,508)	(2,056,704)
Community events	(38,474)	-	-	(38,474)	(20,842)
Patronage and heritage costs	-	(40,328)	-	(40,328)	(68,608)
Donations made	(109,776)	(965,949)	-	(1,075,725)	(480,711)
	<b>(8,969,476)</b>	<b>(5,494,985)</b>	<b>(85,359)</b>	<b>(14,549,820)</b>	<b>(22,637,487)</b>
<i>Other resources expended</i>					
Gains/(losses) on fixed asset disposal	(292,807)	-	-	(292,807)	(1,501)
<i>Governance costs</i>	<b>(635,442)</b>	<b>-</b>	<b>-</b>	<b>(635,442)</b>	<b>(590,119)</b>
<b>Total expenses</b>	<b>(10,870,517)</b>	<b>(5,494,985)</b>	<b>(117,472)</b>	<b>(16,482,975)</b>	<b>(24,058,631)</b>
Net gains/(losses) on fixed asset valuation*	-	-	-	-	9,701,143
Net gains/(losses) on investments	-	-	14,497	14,497	(124,148)
Change in market value of investments	-	-	358,420	358,420	(307,038)
<b>Net income/(expenditure) for the year before transfers</b>	<b>896,755</b>	<b>(1,542,658)</b>	<b>467,045</b>	<b>(178,858)</b>	<b>487,174</b>
Gross transfers between funds	339,951	(333,585)	(6,366)	-	-
Transfer - investment disbursement	216,000	-	(216,000)	-	-
<b>Total transfers between funds</b>	<b>555,951</b>	<b>(333,585)</b>	<b>(222,366)</b>	<b>-</b>	<b>-</b>
<b>Net movements in funds</b>	<b>1,452,706</b>	<b>(1,876,243)</b>	<b>244,679</b>	<b>(178,858)</b>	<b>487,174</b>
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2023	24,572,937	16,056,883	79,291,193	119,921,013	119,433,839
<b>Fund balances at 31 March 2024</b>	<b>26,025,643</b>	<b>14,180,640</b>	<b>79,535,873</b>	<b>119,742,155</b>	<b>119,921,013</b>

\* The revaluation of fixed assets resulted in a consolidated net gain of £434,772 for the year ended 31 March 2023.



Notes (continued)

12 2023 Comparative Statement of financial activities - Foundation only

Foundation statement of financial activities  
(incorporating an income and expenditure account)  
for the year ended 31 March 2023

	General Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
<b>Income and endowments from:</b>					
<i>Donations and legacies</i>					
Donations	4,911,208	5,021,078	-	9,932,286	13,868,513
Grants and gift in kind	-	2,082,200	-	2,082,200	497,500
Other trading activities	2,191,511	-	-	2,191,511	1,333,341
Gift aid from subsidiaries	115,040	-	-	115,040	300,000
Investment income	-	-	179,616	179,616	157,618
Education income	701,837	-	-	701,837	514,271
Other income	73,358	-	-	73,358	1,055,639
<b>Total</b>	<b>7,992,954</b>	<b>7,103,278</b>	<b>179,616</b>	<b>15,275,848</b>	<b>17,726,882</b>
<b>Expenditure on:</b>					
<i>Raising funds and trading activities</i>					
Building costs	(525,906)	-	-	(525,906)	(254,735)
Portfolio management	-	-	(32,140)	(32,140)	(32,202)
Fundraising costs	(271,478)	-	-	(271,478)	(240,508)
	<b>(797,384)</b>	<b>-</b>	<b>(32,140)</b>	<b>(829,524)</b>	<b>(527,445)</b>
<i>Charitable activities</i>					
Wages & salaries	(3,138,229)	(2,824,809)	-	(5,963,038)	(5,773,209)
Administration costs	(8,846)	-	-	(8,846)	(7,956)
Exhibition & promotion costs	(369,844)	(129,999)	-	(499,843)	(391,939)
Preservation of contents	(569,421)	-	-	(569,421)	(529,326)
Restoration of buildings and depreciation	(1,373,787)	(400,517)	(58,274)	(1,832,578)	(1,654,770)
Net losses on fixed asset valuation*	(8,863,503)	(189,215)	(213,654)	(9,266,372)	-
Maintenance of the estate	(1,239,487)	(631,037)	-	(1,870,524)	(1,711,148)
Education	(1,239,114)	(817,590)	-	(2,056,704)	(1,388,533)
Community events	(20,830)	(12)	-	(20,842)	(37,352)
Patronage and heritage costs	(39,645)	(28,963)	-	(68,608)	(99,435)
Donations made	(170,393)	(310,318)	-	(480,711)	(370,150)
	<b>(17,033,099)</b>	<b>(5,332,460)</b>	<b>(271,928)</b>	<b>(22,637,487)</b>	<b>(11,963,818)</b>
<i>Other resources expended</i>					
Gains/(losses) on fixed asset disposal	(1,501)	-	-	(1,501)	5,812
<i>Governance costs</i>	<b>(590,119)</b>	<b>-</b>	<b>-</b>	<b>(590,119)</b>	<b>(879,317)</b>
<b>Total expenses</b>	<b>(18,422,103)</b>	<b>(5,332,460)</b>	<b>(304,068)</b>	<b>(24,058,631)</b>	<b>(13,364,768)</b>
Net gains on fixed asset valuation*	2,544,565	4,019,551	3,137,027	9,701,143	-
Net gains/(losses) on investments	-	-	(124,148)	(124,148)	57,331
Change in market value of investments	-	-	(307,038)	(307,038)	417,169
<b>Net income/(expenditure) for the year before transfers</b>	<b>(7,884,584)</b>	<b>5,790,369</b>	<b>2,581,389</b>	<b>487,174</b>	<b>4,836,614</b>
Gross transfers between funds	(2,664,478)	(3,088,346)	5,752,824	-	-
Transfer - investment disbursement	156,000	-	(156,000)	-	-
<b>Total transfers between funds</b>	<b>(2,508,478)</b>	<b>(3,088,346)</b>	<b>5,596,824</b>	<b>-</b>	<b>-</b>
<b>Net movements in funds</b>	<b>(10,393,062)</b>	<b>2,702,023</b>	<b>8,178,213</b>	<b>487,174</b>	<b>4,836,614</b>
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2022	34,965,999	13,354,860	71,112,980	119,433,839	114,597,225
Fund balances at 31 March 2023	<b>24,572,937</b>	<b>16,056,883</b>	<b>79,291,193</b>	<b>119,921,013</b>	<b>119,433,839</b>

\* The revaluation of fixed assets resulted in a consolidated net gain of £434,772 for the year ended 31 March 2023.

Notes (continued)

13 Intangible assets

Group	Trademarks £	Sporting rights £	Total
<b>Cost or valuation</b>			
At 1 April 2023	6,280	50,500	56,780
Additions	-	-	-
Disposals	-	-	-
At 31 March 2024	<u>6,280</u>	<u>50,500</u>	<u>56,780</u>
<b>Amortisation</b>			
At 1 April 2023	5,130	-	5,130
Charge for the period	200	-	200
At 31 March 2024	<u>5,330</u>	<u>-</u>	<u>5,330</u>
<b>Net book value</b>			
At 31 March 2024	<u>950</u>	<u>50,500</u>	<u>51,450</u>
At 31 March 2023	<u>1,150</u>	<u>50,500</u>	<u>51,650</u>

Foundation	Sporting rights £	Total
<b>Cost or valuation</b>		
At 1 April 2023	50,500	50,500
Additions	-	-
Disposals	-	-
At 31 March 2024	<u>50,500</u>	<u>50,500</u>
<b>Net book value</b>		
At 31 March 2024	<u>50,500</u>	<u>50,500</u>
At 31 March 2023	<u>50,500</u>	<u>50,500</u>

Cost or valuation at 31 March 2024 is represented by:

	Trademarks £	Sporting Rights £
Cost	6,280	65,000
Revaluation	-	(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:

	2024 £	2023 £
Cost of sporting rights	<u>65,000</u>	<u>65,000</u>

14 Heritage assets

Group	Heritage assets £
<b>Cost or valuation and Net book value</b>	
At 1 April 2023	71,971,345
At 31 March 2024	<u>71,971,345</u>

Cost or valuation at 31 March 2024 is represented by:

	Heritage assets £
Cost	52,902,484
Revaluation	<u>19,068,861</u>
	<u>71,971,345</u>

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

	2024 £	2023 £
Cost of heritage assets	<u>52,902,484</u>	<u>52,902,484</u>

Notes (continued)

14 Heritage Assets (continued)

Foundation	Heritage assets
	£
Cost or valuation	
At 1 April 2023	67,971,345
Additions	-
Revaluations	-
Transfers	-
At 31 March 2024	<u>67,971,345</u>
Depreciation	
At 1 April 2023	-
Charge	-
At 31 March 2024	<u>-</u>
Net book value	
At 31 March 2024	<u>67,971,345</u>
At 31 March 2023	<u>67,971,345</u>

Cost or valuation at 31 March 2024 is represented by:

	Heritage assets
	£
Cost	48,926,307
Revaluation	<u>19,045,038</u>
	<u>67,971,345</u>

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

	2024	2023
	£	£
Cost of heritage assets	<u>48,926,307</u>	<u>48,926,307</u>
	<u>48,926,307</u>	<u>48,926,307</u>

Heritage assets within the Endowment Funds comprise Dumfries House, the stables and coach house and the Collection 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.

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. 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.

Dumfries House has an unrivalled collection (the "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. 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. Assets acquired are purchased to enhance the Collection within the House.

A full revaluation of the heritage assets was conducted in June 2023 the results of which were reflected in the accounts to 31 March 2023. There is no intention to either acquire or dispose of heritage assets.

In June 2023, a fair value valuation of Dumfries House, the stables and coach house was undertaken by Stanley Wright, Chartered Surveyors in accordance with RICS Valuation – Global Standards. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023 and are currently held at a valuation of £9,315,000.

In June 2023, a fair value valuation of the Dumfries House Collection was undertaken by Lyon and Turnbull, auctioneers. The valuation was based on similar previous sale estimates and results. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023 and are currently held at a valuation of £58,656,345.

In June 2023, a fair value valuation of the Castle of Mey, owned by The Queen Elizabeth Castle of Mey Trust, was undertaken by Savills in accordance with RICS Valuation – Global Standards. The carrying value of these assets were updated in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), in the financial year to 31 March 2023 and are currently held at a valuation of £4,000,000.

Summary analysis of Group Heritage Asset transactions

	2024	2023	2022	2021	2020
	£	£	£	£	£
Purchases and additions	-	-	-	-	-
Revaluation	-	3,586,910	-	-	-
Impairment	-	(1,302,270)	-	-	-
Transfers	-	7,935,178	-	-	-
	<u>-</u>	<u>10,219,818</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disposals	-	-	-	-	-

Notes (continued)

15 Other tangible fixed assets

Group	Land & Buildings £	Leasehold Land & Buildings £	Improvements to Property £	Improvements to Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor vehicles £	Assets under Construction £	Total 2024 £
<b>Cost or valuation</b>									
At 1 April 2023	31,584,522	690,000	-	2,138,052	564,444	5,029,742	254,520	2,726,533	42,987,813
Additions	43,589	-	129,578	21,451	96,480	293,380	-	1,285,336	1,869,814
Disposals	-	-	-	-	(93,517)	(900,251)	(17,539)	(292,864)	(1,304,171)
Transfers	2,393,275	-	374,159	-	1,577	40,098	-	(2,809,109)	-
At 31 March 2024	34,021,386	690,000	503,737	2,159,503	568,984	4,462,969	236,981	909,896	43,553,456
<b>Depreciation</b>									
At 1 April 2023	456,075	25,300	-	303,296	390,939	3,803,412	126,466	-	5,105,488
Charge for period	917,224	13,800	8,637	89,659	94,788	377,581	38,996	-	1,540,685
Disposals	-	-	-	-	(93,517)	(898,651)	(17,539)	-	(1,009,707)
Transfers	-	-	-	-	-	-	-	-	-
At 31 March 2024	1,373,299	39,100	8,637	392,955	392,210	3,282,342	147,923	-	5,636,466
<b>Net book value</b>									
At 31 March 2024	32,648,087	650,900	495,100	1,766,548	176,774	1,180,627	89,058	909,896	37,916,990
At 31 March 2023	31,128,447	664,700	-	1,834,756	173,505	1,226,330	128,054	2,726,533	37,882,325

Cost or valuation at 31 March 2024 is represented by:

	Land & Buildings £	Leasehold Land & Buildings £	Improvements to Property £	Improvements to Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor vehicles £	Assets under Construction £	Total 2024 £
Cost	51,124,947	690,000	518,737	2,159,503	568,984	4,462,969	236,981	1,145,848	60,907,969
Revaluation	(17,103,561)	-	(15,000)	-	-	-	-	(235,952)	(17,354,513)
	34,021,386	690,000	503,737	2,159,503	568,984	4,462,969	236,981	909,896	43,553,456

In relation to fixed asset additions, subsidiary Dumfries Farming and Land Limited provides building and construction services to The King's Foundation. During the year, sales to The King's Foundation amounted to £1,607,766 (2023: £1,595,984).

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

	2024 £	2023 £
Cost of freehold land & buildings	51,124,947	48,688,083
Assets under construction	1,145,848	2,962,485

Notes (continued)

15 Other tangible fixed assets (continued)

Foundation	Land & Buildings	Leasehold Land & Buildings	Improvements to Property	Improvements to Leasehold Property	Plant & Machinery	Fixtures & Fittings	Motor vehicles	Assets under Construction	Total 2024
	£	£	£	£	£	£	£	£	£
<b>Cost or Valuation</b>									
At 1 April 2023	24,287,197	690,000	-	1,815,683	399,170	2,832,695	226,518	2,726,534	32,977,797
Additions	43,589	-	129,578	-	25,939	171,234	-	1,285,332	1,655,672
Disposals	-	-	-	-	(45,742)	(874,639)	(17,539)	(292,864)	(1,230,784)
Transfers	2,393,277	-	374,156	-	1,577	40,098	-	(2,809,109)	-
At 31 March 2024	26,724,063	690,000	503,734	1,815,683	380,944	2,169,388	208,979	909,893	33,402,685
<b>Depreciation</b>									
At 1 April 2023	456,069	25,300	-	42,301	255,608	2,517,761	111,533	-	3,408,571
Charge for period	865,327	13,800	8,637	72,627	73,733	132,942	33,396	-	1,200,460
Disposals	-	-	-	-	(45,742)	(874,644)	(17,539)	-	(937,925)
Transfers	-	-	-	-	-	-	-	-	-
At 31 March 2024	1,321,396	39,100	8,637	114,928	283,599	1,776,059	127,390	-	3,671,106
<b>Net book value</b>									
At 31 March 2024	25,402,668	650,900	495,097	1,700,755	97,346	393,328	81,589	909,893	29,731,578
At 31 March 2023	23,831,128	664,700	-	1,773,382	143,563	314,934	114,985	2,726,534	29,569,226
Cost or valuation at 31 March 2024 is represented by:									
	Land & Buildings	Land & Buildings	Improvements to Property	Improvements to Leasehold Property	Plant & Machinery	Fixtures & Fittings	Motor vehicles	Assets under Construction	Total 2024
	£	£	£	£	£	£	£	£	£
Cost	46,004,069	690,000	503,734	1,815,683	380,944	2,169,388	208,979	1,145,845	52,918,643
Revaluation	(19,280,006)	-	-	-	-	-	-	(235,952)	(19,515,958)
	26,724,063	690,000	503,734	1,815,683	380,944	2,169,388	208,979	909,893	33,402,685

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

	2024	2023
	£	£
Cost of freehold land & buildings	46,004,069	43,567,203
Assets under construction	1,145,845	2,962,486

Notes (continued)

16 Investments

Group	2024 £	2023 £
Investments	<u>7,430,849</u>	<u>7,183,786</u>
Parent charity		
	2024 £	2023 £
Investments in subsidiary undertakings	991,607	991,607
Investments	<u>6,584,383</u>	<u>6,254,348</u>
	<u>7,575,990</u>	<u>7,245,955</u>

The King'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 2NJ.

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 King'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 King's Foundation is the controlling party of the following charities as of 31 March 2024:

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 King's Foundation America is a US 501(c)(3) corporation formed under the not-for-profit Corporation Law in New York (Federal I.D. number:61-2055366). The King's Foundation is the sole Member of The King's Foundation America Inc since it's incorporation on 28 October 2022. There is no share capital.

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 King's Foundation indirectly owns the following subsidiaries as of 31 March 2024:

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, EC21 3SG.

The summarised financial results of all of these subsidiaries for the period ended 31 March 2024 are disclosed in note 30 to these accounts.

Notes (continued)

16 Investments (continued)

Investments - Group

	2024 £	2023 £
Market value at 31 March 2023	7,183,786	7,651,870
Additions at cost	2,450,142	1,950,877
Disposals at carrying value	(2,434,786)	(2,067,767)
Revaluations	291,242	(444,970)
Investment cash movement	(59,535)	93,776
Market value at 31 March 2024	<u>7,430,849</u>	<u>7,183,786</u>
Analysis of market value of investments:		
UK equities	880,089	1,018,455
International equities	2,363,360	2,038,696
UK bonds	1,248,079	1,396,664
International bonds	621,529	772,109
Multi-Asset Funds	63,946	389,725
Global Fund	846,466	134,410
Alternatives	1,200,006	1,207,942
Cash	<u>207,374</u>	<u>225,785</u>
	<u>7,430,849</u>	<u>7,183,786</u>
Analysis of investment income for the period:		
UK equities	43,791	49,553
International equities	38,997	39,865
UK bonds	43,877	33,763
International bonds	12,391	22,213
Multi-Asset Funds	822	888
Global Fund	19,396	258
Alternatives	55,800	45,551
Interest on listed investments	16,497	1,319
Interest on bank deposits	<u>624,919</u>	<u>-</u>
	<u>856,490</u>	<u>193,409</u>

Notes (continued)

16 Investments (continued)

Investments - Parent charity

	2024 £	2023 £
Market value at 31 March 2023	6,254,348	6,700,354
Additions at cost	1,516,630	1,082,930
Disposals at carrying value	(1,535,910)	(1,169,322)
Revaluations	372,917	(431,184)
Investment cash movement	(23,602)	71,570
Market value at 31 March 2024	<u>6,584,383</u>	<u>6,254,348</u>

Analysis of market value of investments:

UK equities	880,089	974,798
International equities	2,363,360	1,902,605
UK bonds	1,248,079	948,934
International bonds	621,529	772,109
Multi-Asset Funds	63,946	125,042
Global Fund	-	-
Alternatives	1,200,007	1,305,072
Cash	<u>207,373</u>	<u>225,788</u>
	<u>6,584,383</u>	<u>6,254,348</u>

Analysis of investment income for the period:

UK equities	43,791	46,524
International equities	38,563	37,600
UK bonds	43,877	26,526
International bonds	12,391	22,213
Multi-Asset Funds	821	630
Global Fund	-	-
Alternatives	55,800	44,802
Interest on listed investments	16,358	1,321
Interest on bank deposits	<u>605,937</u>	<u>-</u>
	<u>817,538</u>	<u>179,616</u>

17 Stock

	Group 2024 £	Foundation 2024 £	Group 2023 £	Foundation 2023 £
Farming livestock & consumables - Dumfries House Home Farm and The Queen Elizabeth Castle of Mey Trust	623,585	-	582,102	-
Goods for resale - Dumfries House Visitor Centre	45,285	-	39,612	-
Goods for resale - Castle and Gardens of Mey	66,111	-	67,282	-
Goods for resale - AGC	605,917	-	547,732	-
Food & beverage stock - Dumfries House	33,031	-	30,421	-
Food & beverage stock - AGC	9,400	-	9,638	-
Dumfries Farming and Land Ltd:				
Development land at Knockroon	610,000	-	610,000	-
WIP	<u>16,517</u>	<u>-</u>	<u>10,398</u>	<u>-</u>
	<u>2,009,846</u>	<u>-</u>	<u>1,897,185</u>	<u>-</u>



Notes (continued)

18 Debtors

	Group 2024	Foundation 2024	Group 2023	Foundation 2023
	£	£	£	£
<i>Amounts falling due within one year</i>				
Trade debtors	627,610	66,142	605,168	118,687
Other debtors	24,456	700	43,949	20,800
Other taxation recoverable	90,887	68,129	151,825	134,502
Amounts due from subsidiaries	-	2,495,715	-	3,246,968
Prepayments and accrued income	923,368	591,632	1,249,205	1,070,678
	<u>1,666,321</u>	<u>3,222,318</u>	<u>2,050,147</u>	<u>4,591,635</u>

At the financial year end The King's Foundation is owed £2,495,715 (2023: £3,246,968) from subsidiaries, made up as follows: Dumfries House Trust Trading Limited £968,127 (2023: £1,723,549), Dumfries House Home Farm Limited £1,086,116 (2023: £1,041,261), Dumfries Farming and Land Limited £444,450 (2023: £471,891), The Queen Elizabeth Castle of Mey Trust Enil (2023: £8,867), AG Carrick limited -£2,978, (2023: £228), The King's Foundation America Inc Enil (2023: £1,172). All amounts are repayable on demand and subject to interest in accordance with loan agreements.

19 Creditors

	Group 2024	Foundation 2024	Group 2023	Foundation 2023
	£	£	£	£
<i>Amounts falling due within one year</i>				
Bank overdrafts	-	-	-	-
Trade creditors	1,066,646	644,666	738,361	300,518
Other creditors	144,567	16,624	109,007	3,714
Hire purchase	177,565	158,776	179,055	160,267
Other taxation payable	514,605	151,487	496,217	129,121
Corporation tax	-	-	-	-
Accruals and deferred income	6,994,980	5,668,855	3,717,362	2,503,849
	<u>8,898,363</u>	<u>6,640,408</u>	<u>5,240,002</u>	<u>3,097,469</u>

*Amounts falling due after more than one year*

Hire purchase due in 2-5 years	<u>23,391</u>	<u>-</u>	<u>5,422</u>	<u>-</u>
	<u>23,391</u>	<u>-</u>	<u>5,422</u>	<u>-</u>

The King'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 2023	Prior year balance released	Additions in year	Released in year	Balance 31 March 2024
Deferred income	2,149,404	(1,274,404)	6,188,031	(1,899,830)	5,163,201
Deposits and gift vouchers	780,823	(582,718)	1,051,574	(179,193)	1,070,486
	<u>2,930,227</u>	<u>(1,857,122)</u>	<u>7,239,605</u>	<u>(2,079,023)</u>	<u>6,233,687</u>
Foundation	Balance 1 April 2023	Prior year balance released	Additions in year	Released in year	Balance 31 March 2024
Deferred income	1,961,904	(1,086,904)	5,938,031	(1,837,330)	4,975,701
Deposits and gift vouchers	-	-	-	-	-
	<u>1,961,904</u>	<u>(1,086,904)</u>	<u>5,938,031</u>	<u>(1,837,330)</u>	<u>4,975,701</u>

Notes (continued)

20 Fund movements

Group	Note	Balance 1 April 2023	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2024
		£	£	£	£	£	£
Endowment fund	20.1	79,291,193	211,601	(117,472)	372,917	(222,366)	79,535,873
Restricted funds	20.2	16,086,233	3,550,127	(5,044,863)	-	(334,022)	14,257,475
General funds	20.3	36,306,616	22,316,607	(20,688,799)	(81,675)	556,388	38,409,137
Total funds		<u>131,684,042</u>	<u>26,078,335</u>	<u>(25,851,134)</u>	<u>291,242</u>	<u>-</u>	<u>132,202,485</u>

Foundation	Note	Balance 1 April 2023	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2024
		£	£	£	£	£	£
Endowment fund	20.1	79,291,193	211,601	(117,472)	372,917	(222,366)	79,535,873
Restricted funds	20.2	16,056,883	3,952,327	(5,494,985)	-	(333,585)	14,180,640
General funds	20.3	24,572,937	11,767,272	(10,870,517)	-	555,951	26,025,643
Total funds		<u>119,921,013</u>	<u>15,931,200</u>	<u>(16,482,974)</u>	<u>372,917</u>	<u>-</u>	<u>119,742,156</u>

20.1 Endowment fund

Group		Balance 1 April 2023	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2024
		£	£	£	£	£	£
The King's Foundation - Endowment assets		73,036,846	-	(85,356)	-	-	72,951,490
The Traditional and Islamic Arts Education Fund		2,009,187	52,360	(15,446)	245,805	(49,026)	2,242,880
Abdul Latif Jameel Centre for Traditional Arts and Crafts		4,245,161	159,241	(16,670)	127,112	(173,340)	4,341,503
		<u>79,291,193</u>	<u>211,601</u>	<u>(117,472)</u>	<u>372,917</u>	<u>(222,366)</u>	<u>79,535,873</u>

Foundation		Balance 1 April 2023	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2024
		£	£	£	£	£	£
The King's Foundation - Endowment assets		73,036,846	-	(85,357)	-	-	72,951,489
The Traditional and Islamic Arts Education Fund		2,009,187	52,360	(15,446)	245,805	(49,026)	2,242,880
Abdul Latif Jameel Centre for Traditional Arts and Crafts		4,245,161	159,241	(16,670)	127,112	(173,340)	4,341,504
		<u>79,291,193</u>	<u>211,601</u>	<u>(117,473)</u>	<u>372,917</u>	<u>(222,366)</u>	<u>79,535,873</u>

The King's Foundation - Endowment assets - Included in endowment funds are heritage assets of £67,971,345, freehold land & buildings of £4,929,643 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 2023 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2024 £
Group restricted - Various Funds	6,016,482	2,913,029	(3,602,553)	-	738,304	6,065,262
Highgrove Project	2,856,966	90,081	(1,179,107)	-	(70,184)	1,697,756
Farm Education Centre	623,037	482,502	(103,397)	-	(1,002,142)	-
Glenside Build	1,472,888	63,155	(69,366)	-	-	1,466,677
King's School of Traditional Arts - Property fund	5,083,334		(87,929)	-	-	4,995,405
Printmaking studio	33,527	1,360	(2,512)	-	-	32,375
	<u>16,086,233</u>	<u>3,550,127</u>	<u>(5,044,863)</u>	<u>-</u>	<u>(334,022)</u>	<u>14,257,475</u>

Foundation	Balance 1 April 2023 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2024 £
The King's Foundation - Various Funds	5,987,131	3,315,229	(4,479,388)	-	1,165,454	5,988,427
Highgrove Project	2,856,966	90,081	(752,395)	-	(496,896)	1,697,756
Farm Education Centre	623,037	482,502	(103,397)	-	(1,002,142)	-
Glenside Build	1,472,888	63,155	(69,366)	-	-	1,466,677
King's School of Traditional Arts - Property fund	5,083,334		(87,929)	-	-	4,995,405
Printmaking studio	33,527	1,360	(2,512)	-	-	32,375
	<u>16,056,883</u>	<u>3,952,327</u>	<u>(5,494,985)</u>	<u>-</u>	<u>(333,585)</u>	<u>14,180,640</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.

Farm Education Centre - consists of funds held for the development of new education facilities at the Dumfries House estate.

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

King'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.

Printmaking studio - consists of funds held for the development of the printmaking studio on the Dumfries House estate.

20.3 Unrestricted funds

Group	Balance 1 April 2023 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2024 £
General funds	28,378,111	22,316,607	(20,688,799)	(81,675)	8,484,893	38,409,137
Queen Elizabeth Castle of Mey Trust - Fixed asset fund	<u>7,928,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,928,505)</u>	<u>-</u>
	<u>36,306,616</u>	<u>22,316,607</u>	<u>(20,688,799)</u>	<u>(81,675)</u>	<u>556,388</u>	<u>38,409,137</u>

Foundation	Balance 1 April 2023 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2024 £
General funds	<u>24,572,937</u>	<u>11,767,272</u>	<u>(10,870,517)</u>	<u>-</u>	<u>555,951</u>	<u>26,025,643</u>

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. This fund includes the net book value of the charity's other one third share of 19-22 Charlotte Road, London EC2A 3SG.

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 2022	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2023
		£	£	£	£	£	£
Endowment fund	20.5	71,112,980	179,616	(304,068)	2,705,841	5,596,824	79,291,193
Restricted funds	20.6	13,392,430	7,103,278	(5,337,720)	4,019,551	(3,091,306)	16,086,233
General funds	20.7	45,109,139	16,032,825	(29,477,095)	7,147,265	(2,505,518)	36,306,616
Total funds		<u>129,614,549</u>	<u>23,315,719</u>	<u>(35,118,883)</u>	<u>13,872,657</u>	<u>-</u>	<u>131,684,042</u>

Foundation - prior year

	Note	Balance 1 April 2022	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2023
		£	£	£	£	£	£
Endowment fund	20.5	71,112,980	179,616	(304,068)	2,705,841	5,596,824	79,291,193
Restricted funds	20.6	13,354,860	7,103,278	(5,332,460)	4,019,551	(3,088,346)	16,056,883
General funds	20.7	34,965,999	7,992,954	(18,422,103)	2,544,565	(2,508,478)	24,572,937
Total funds		<u>119,433,839</u>	<u>15,275,848</u>	<u>(24,058,631)</u>	<u>9,269,957</u>	<u>-</u>	<u>119,921,013</u>

20.5 Endowment fund

Group - prior year

	Balance 1 April 2022	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2023
	£	£	£	£	£	£
The King's Foundation - Endowment assets	64,420,819	-	(58,272)	2,923,373	5,750,927	73,036,846
The Traditional and Islamic Arts Education Fund	2,127,573	45,757	(228,359)	109,047	(44,832)	2,009,187
Abdul Latif Jameel Centre for Traditional Arts and Crafts	4,564,588	133,859	(17,437)	(326,577)	(109,271)	4,245,161
	<u>71,112,980</u>	<u>179,616</u>	<u>(304,068)</u>	<u>2,705,841</u>	<u>5,596,824</u>	<u>79,291,193</u>

Foundation - prior year

	Balance 1 April 2022	Incoming resources	Resources expended	Gains or losses	Transfers between funds	Balance 31 March 2023
	£	£	£	£	£	£
The King's Foundation - Endowment assets	64,420,819	-	(58,272)	2,923,371	5,750,927	73,036,845
The Traditional and Islamic Arts Education Fund	2,127,573	45,757	(228,359)	109,047	(44,832)	2,009,187
Abdul Latif Jameel Centre for Traditional Arts and Crafts	4,564,587	133,859	(17,437)	(326,577)	(109,271)	4,245,161
	<u>71,112,980</u>	<u>179,616</u>	<u>(304,068)</u>	<u>2,705,841</u>	<u>5,596,824</u>	<u>79,291,193</u>

The King's Foundation - Endowment assets - Included in endowment funds are heritage assets of £67,971,345, freehold land & buildings of £5,015,000 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 2022 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2023 £
Group restricted - Various Funds	6,650,499	2,703,278	(4,512,917)	1,046,217	129,404	6,016,482
Highgrove Project	2,669,669	2,500,000	(578,620)	-	(1,734,083)	2,856,966
Farm Education Centre	137,796	1,900,000	(128,668)	-	(1,286,091)	623,037
Glenside Build	1,559,687	-	(8,148)	-	(78,651)	1,472,888
King's School of Traditional Arts - Property fund	2,140,666	-	(30,666)	2,973,334	-	5,083,334
Printmaking studio	234,113	-	(78,701)	-	(121,886)	33,526
	<u>13,392,430</u>	<u>7,103,278</u>	<u>(5,337,720)</u>	<u>4,019,551</u>	<u>(3,091,306)</u>	<u>16,086,233</u>
Foundation - prior year	Balance 1 April 2022 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2023 £
The King's Foundation - Various Funds	6,612,929	2,703,278	(4,507,657)	1,046,216	132,363	5,987,131
Highgrove Project	2,669,669	2,500,000	(578,620)	-	(1,734,083)	2,856,966
Farm Education Centre	137,796	1,900,000	(128,668)	-	(1,286,091)	623,037
Glenside Build	1,559,687	-	(8,148)	-	(78,651)	1,472,888
King's School of Traditional Arts - Property fund	2,140,666	-	(30,666)	2,973,334	-	5,083,334
Printmaking studio	234,113	-	(78,701)	-	(121,885)	33,527
	<u>13,354,860</u>	<u>7,103,278</u>	<u>(5,332,460)</u>	<u>4,019,551</u>	<u>(3,088,346)</u>	<u>16,056,883</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.

King'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.

Printmaking studio – consists of funds held for the development of the printmaking studio on the Dumfries House estate.

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 2022 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2023 £
General funds	36,910,809	16,032,825	(29,477,095)	7,060,412	(2,148,840)	28,378,111
Queen Elizabeth Castle of Mey Trust - Fixed asset fund	8,198,330	-	-	86,853	(356,678)	7,928,505
	<u>45,109,139</u>	<u>16,032,825</u>	<u>(29,477,095)</u>	<u>7,147,265</u>	<u>(2,505,518)</u>	<u>36,306,616</u>
Foundation - prior year	Balance 1 April 2022 £	Incoming resources £	Resources expended £	Gains or losses £	Transfers between funds £	Balance 31 March 2022 £
General funds	34,965,999	7,992,954	(18,422,103)	2,544,565	(2,508,478)	24,572,937

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 2024	Total 2023
	£	£	£	£	£
Tangible fixed assets	29,634,050	8,200,711	79,535,873	117,370,634	117,089,116
Current assets	15,967,207	7,786,398	-	23,753,605	19,840,350
Current liabilities	(7,168,729)	(1,729,634)	-	(8,898,363)	(5,240,002)
Non current liabilities	(23,391)	-	-	(23,391)	(5,422)
<b>Total net assets</b>	<b>38,409,137</b>	<b>14,257,475</b>	<b>79,535,873</b>	<b>132,202,485</b>	<b>131,684,042</b>

Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
	£	£	£	£	£
Tangible fixed assets	17,592,829	8,200,711	79,535,873	105,329,413	104,837,025
Current assets	13,343,589	7,709,562	-	21,053,151	18,181,457
Current liabilities	(4,910,775)	(1,729,633)	-	(6,640,408)	(3,097,469)
Non current liabilities	-	-	-	-	-
<b>Total net assets</b>	<b>26,025,643</b>	<b>14,180,640</b>	<b>79,535,873</b>	<b>119,742,156</b>	<b>119,921,013</b>

**2023 Comparatives**

Group	General Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
Tangible fixed assets	29,269,589	8,528,334	79,291,193	117,089,116	114,529,866
Current assets	10,807,118	9,033,232	-	19,840,350	19,291,153
Current liabilities	(3,764,669)	(1,475,333)	-	(5,240,002)	(4,173,224)
Non current liabilities	(5,422)	-	-	(5,422)	(33,246)
<b>Total net assets</b>	<b>36,306,616</b>	<b>16,086,233</b>	<b>79,291,193</b>	<b>131,684,042</b>	<b>129,614,549</b>

Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
Tangible fixed assets	17,017,498	8,528,334	79,291,193	104,837,025	103,704,377
Current assets	9,177,575	9,003,882	-	18,181,457	18,250,837
Current liabilities	(1,622,136)	(1,475,333)	-	(3,097,469)	(2,521,375)
Non current liabilities	-	-	-	-	-
<b>Total net assets</b>	<b>24,572,937</b>	<b>16,056,883</b>	<b>79,291,193</b>	<b>119,921,013</b>	<b>119,433,839</b>

Notes (continued)

21 Analysis of net assets between funds (continued)

Reserve analysis between funds

Group	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
	£	£	£	£	£
At the beginning of period	36,306,616	16,086,233	79,291,193	131,684,042	129,614,549
Profit/(loss) for the period before revaluation	1,540,761	(1,494,736)	108,626	154,651	156,211
Gross transfers between funds	556,388	(334,022)	(222,366)	-	-
Net gains/ (losses) on fixed asset valuation	-	-	-	-	2,261,876
Gains/(losses) on revaluation of investments	5,372	-	358,420	363,792	(348,594)
	<u>38,409,137</u>	<u>14,257,475</u>	<u>79,535,873</u>	<u>132,202,485</u>	<u>131,684,042</u>

Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
	£	£	£	£	£
At the beginning of the period	24,572,937	16,056,883	79,291,193	119,921,013	119,433,839
Profit/(loss) for the period before revaluation	896,755	(1,542,658)	108,625	(537,278)	359,441
Gross transfers between funds	555,951	(333,585)	(222,366)	-	-
Net gains/ (losses) on fixed asset valuation	-	-	-	-	434,772
Gains/(losses) on revaluation of investments	-	-	358,420	358,420	(307,038)
	<u>26,025,643</u>	<u>14,180,640</u>	<u>79,535,872</u>	<u>119,742,155</u>	<u>119,921,013</u>

2023 Comparatives

Group	General Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
At the beginning of period	45,109,139	13,392,430	71,112,980	129,614,549	126,408,281
Profit/(loss) for the period before revaluation	(1,763,616)	1,954,773	(34,946)	156,211	2,759,351
Gross transfers between funds	(2,505,518)	(3,091,306)	5,596,824	-	-
Net gains/ (losses) on fixed asset valuation	(4,491,833)	3,830,336	2,923,373	2,261,876	-
Gains/(losses) on revaluation of investments	(41,556)	-	(307,038)	(348,594)	446,917
	<u>36,306,616</u>	<u>16,086,233</u>	<u>79,291,193</u>	<u>131,684,042</u>	<u>129,614,549</u>

Foundation	General Funds	Restricted Funds	Endowment Funds	Total 2023	Total 2022
	£	£	£	£	£
At the beginning of the period	34,965,999	13,354,860	71,112,980	119,433,839	114,597,225
Profit/(loss) for the period before revaluation	(1,565,647)	1,960,032	(34,945)	359,441	4,419,445
Gross transfers between funds	(2,508,478)	(3,088,346)	5,596,824	-	-
Net gains/ (losses) on fixed asset valuation	(6,318,937)	3,830,337	2,923,372	434,772	-
Gains/(losses) on revaluation of investments	-	-	(307,038)	(307,038)	417,169
	<u>24,572,937</u>	<u>16,056,883</u>	<u>79,291,193</u>	<u>119,921,013</u>	<u>119,433,839</u>

Notes (continued)

## 22 Office for Students Accounts direction disclosures

The King'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 2024 £	Foundation 2024 £	Group 2023 £	Foundation 2023 £
Grants income from the OfS					
Grant income from other bodies	3	533,189	530,689	2,117,261	2,082,200
Fee income for taught awards (exclusive of VAT)		232,094	232,094	203,824	203,824
Fee income for research awards (exclusive of VAT)		24,414	24,414	13,792	13,792
Fee income from non-qualifying courses (exclusive of VAT)		3,038,018	3,038,018	2,470,923	2,470,923
Other		187,591	187,591	136,492	136,492
<b>Total grant and fee income</b>		<b>4,015,306</b>	<b>4,012,806</b>	<b>4,942,292</b>	<b>4,907,231</b>

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:

	2024	Restated 2023
£100,000 to £104,999	1	1
£105,000 to £109,999	1	-
£110,000 to £124,999	-	-
£125,000 to £129,999	-	1
£130,000 to £134,999	-	-
£135,000 to £139,999	-	-
£140,000 to £144,999	2	-
£145,000 to £149,999	-	1
£150,000 or higher	-	-

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.

An additional employee has been added in the first band for the prior year.

### 22.03 Head of Provider remuneration

	Head of Provider A	Head of Provider B	Head of Provider B
	2023 From 18/07/2023 to 31/03/2024 £	2023 From 01/04/2023 to 17/07/2023 £	2023 From 01/04/2022 to 31/03/2023 £
Period as Head of Provider			
Basic salary	115,838	44,724	145,000
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)	7,326	3,578	11,600
Employee Salary Sacrifice Adjustment	(3,663)	(1,789)	(5,800)
Payment on cessation of office	-	-	-
Payments into other pension schemes	-	-	-
Other taxable benefits	-	-	-
Non-taxable benefits	-	-	-
<b>Total remuneration</b>	<b>119,501</b>	<b>46,513</b>	<b>150,800</b>

Head of Provider's basic salary as a pay multiple of the median earnings of the Group employees on an FTE basis 5.6 5.4 5.5

Head of Provider's total remuneration as a pay multiple of the median earnings of the Group employees on an FTE basis 5.6 5.4 5.5

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.

### 22.04 Severance payments

The total amount of any payment (inclusive of pension) for all staff on cessation of office in the year to 31 March 2024 was £nil (2023: £42,664). The prior year amount is the aggregate figure for 4 members of staff.



Notes (continued)

**23 Analysis of changes in net cash**

Group	1 April 2023	Cash flow	Other non cash changes	31 March 2024
	£	£	£	£
Cash :				
At bank overdraft	-	-	-	-
At bank and in hand	15,893,018	4,184,420	-	20,077,438
Hire Purchase	(184,477)	(16,479)	-	(200,956)
<b>Total</b>	<b>15,708,541</b>	<b>4,167,941</b>	<b>-</b>	<b>19,876,482</b>

Foundation	1 April 2023	Cash flow	Other non cash changes	31 March 2024
	£	£	£	£
Cash :				
At bank overdraft	-	-	-	-
At bank and in hand	13,589,822	4,241,011	-	17,830,833
Hire Purchase	(160,267)	1,491	-	(158,776)
<b>Total</b>	<b>13,429,555</b>	<b>4,242,502</b>	<b>-</b>	<b>17,672,057</b>

**24 Transactions with Trustees**

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

	2024	2023
	£	£
Expenses reimbursed to the Trustees or paid on behalf of them	8,199	8,076

**Donations**

During 2024, the Trustees of the charitable company donated £600 (2023: £50,098) to The King's Foundation.

**25 Defined contribution pension scheme**

	2024	2023
	£	£
Charge to statement of financial activities	381,633	359,873

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 2024	Foundation 2024	Group 2023	Foundation 2023
	£	£	£	£
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	1,575,434	3,154,189	1,898,322	4,457,133
Investments measured at fair value through profit or loss	7,430,849	6,584,383	7,183,786	6,254,348
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	8,921,754	6,640,408	5,245,424	3,097,469

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	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
McCarthy Denning	-	-	17,720	31,454	11,760	(29,054)
Harter Secrest & Emery LLP	-	-	4,450	-	4,450	-

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

McCarthy Denning is a legal firm based in London. Benjamin James, a partner within McCarthy Denning, is also a Trustee of The King's Foundation America Inc (US 501(c)(3)). Joseph Casion, a partner within Harter Secrest & Emery LLP, is also a Trustee of the US 501(c)(3). McCarthy Denning and Harter Secrest & Emery LLP provided legal advice regarding the incorporation and registration requirements and filings of the US 501(c)(3). McCarthy Denning also provided legal advice to The Prince's Regeneration Trust in relation to the receipt of a legacy, an entity Benjamin James is a Trustee of.

The cumulative donation income attributed to related parties of Trustees is 2024: £25,000 (2023: £1k).

## 28 Transfer between funds

	General Funds £	Restricted Funds £	Endowment Funds £
Consolidated statement of financial activities			
Transfers within projects	334,022	(334,022)	-
Transfers of VAT recovered and deferred income/ accrual movements on endowments	6,366	-	(6,366)
Investment disbursement	216,000	-	(216,000)
<b>Total transfers between funds</b>	<b>556,388</b>	<b>(334,022)</b>	<b>(222,366)</b>

## 29 Significant events and contingent liabilities

As reported in the financial statements in the years to 31 March 2021 and thereafter, in 2021 The King's Foundation was the subject of a number of press reports into historic fundraising practices, where certain donations historically received by the charity 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, and the Trustees of the Foundation asked their legal advisors to commission an independent investigation into the press reports. The Trustees also commissioned an internal governance review in 2021 and during the last year has implemented its recommendations.

The Trustees and OSCR received the findings arising from the independent investigation in November 2021 and subsequently the Trustees commissioned and reviewed legal advice on the findings of the report. In addition to reviewing the Trustee's response and the findings of the independent report in relation to the press allegations made against the Foundation, OSCR also enquired into certain historical transactions.

The risks highlighted and considered in the November 2021 report and the attendant legal advice include the potential for legal, regulatory, employee and reputational outcomes. The Trustees accept the reputational risk arising from these events as probable and note the possible risk of regulatory outcomes. Notwithstanding the risks identified and considered probable and possible, the Trustees and the Trustees' legal advisers are satisfied that the findings of the report and other ongoing enquiries 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.

In May 2023, OSCR confirmed that its investigation would split into two strands – one focussing on historic matters and the other relating to current and ongoing governance. In September 2023, OSCR confirmed that it was satisfied with the improvements that have been made to address areas of concern previously outlined in relation to the current and ongoing governance strand. At the date of approval of the financial statements OSCR's investigation into historic matters has yet to conclude.

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. The Trustees also accept that it remains possible that historic transactions could result in ongoing contingent risk to the Foundation.

Notes (continued)

30 Summarised financial results

The summarised financial results of the charity and its subsidiaries for the year ended 31 March 2024 are as follows:

	The King'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	15,931,200	4,115,387	321,641	1,612,986	-	5,613,190
Expenditure	(16,482,975)	(3,364,662)	(395,014)	(1,619,836)	-	(4,598,239)
Net Income / (expenditure)	<u>(551,775)</u>	<u>750,725</u>	<u>(73,373)</u>	<u>(6,850)</u>	<u>-</u>	<u>1,014,951</u>
Distributions to parent	-	-	-	-	-	(875,000)
Taxation	-	-	-	-	-	-
Other recognised gains/(losses)	372,917	-	-	-	-	-
Net movement in funds	<u>(178,858)</u>	<u>750,725</u>	<u>(73,373)</u>	<u>(6,850)</u>	<u>-</u>	<u>139,951</u>
Funds brought forward	119,921,013	(1,417,979)	4,617,477	56,442	-	(134,213)
Funds carried forward at 31 March 2024	<u>119,742,155</u>	<u>(667,254)</u>	<u>4,544,104</u>	<u>49,592</u>	<u>-</u>	<u>5,738</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 £	The King's Foundation America Inc £
Income	14,450	2,500	-	771,167	633,461	1,181,050
Expenditure	(4)	(2,731)	-	(885,798)	(568,142)	(1,915,144)
Net Income / (expenditure)	<u>14,446</u>	<u>(231)</u>	<u>-</u>	<u>(114,631)</u>	<u>65,319</u>	<u>(734,094)</u>
Distributions to parent	(33,305)	-	-	-	-	-
Taxation	-	-	-	-	-	-
Other recognised gains/(losses)	-	-	-	(81,675)	-	-
Net movement in funds	<u>(18,859)</u>	<u>(231)</u>	<u>-</u>	<u>(196,306)</u>	<u>65,319</u>	<u>(734,094)</u>
Funds brought forward	18,859	4,058	-	8,994,997	(345,303)	739,803
Funds carried forward at 31 March 2024	<u>-</u>	<u>3,827</u>	<u>-</u>	<u>8,798,691</u>	<u>(279,984)</u>	<u>5,708</u>