



# **The Duke of Edinburgh's International Award Foundation**

(a Company Limited by Guarantee)

## **Trustees' Annual Report and Financial Statements**

*for the year ended*

*31 March 2017*

Company Number: 3666389

Registered Charity Number: 1072453

# Contents

<b>Our vision, ambition and values</b> .....	3
<b>Chair's Introduction</b> .....	4
<b>Overview</b> .....	6
<b>Our aims, strategy, objectives and impact</b> .....	8
<b>Resourcing</b> .....	10
<b>Operating</b> .....	14
<b>Communicating</b> .....	17
<b>Our impact</b> .....	20
<b>Structure, governance and management</b> .....	20
<b>Financial Review</b> .....	27
<b>Independent auditors' report to the members</b> .....	31
<b>Consolidated statement of financial activities for the year ended 31 March 2017</b> .....	34
<b>Consolidated and charity balance sheet at 31 March 2017</b> .....	35
<b>Consolidated cash flow statement for the year ended 31 March 2017</b> .....	36
<b>Notes to the financial statements for the year ended 31 March 2017</b> .....	37
<b>Trustees' commitment</b> .....	55
<b>Thank you</b> .....	55
<b>Appendix - structure, governance and management</b> .....	56

# **Trustees' annual report, including the strategic report**

## **Our vision, ambition and values**

### **Our vision**

Our vision is to reach more young people from diverse backgrounds and equip them as individuals to succeed in life.

### **Our ambition**

Our long term ambition is that every eligible young person will have the opportunity to participate in the Award.

### **Our values**

Our values are to be progressive and empowering, to ensure we are connected throughout our network to enable more collaborative working and to be diverse in our approaches to engaging with people and in encouraging challenging activities.

The Trustees present their annual report, including the strategic report, and the audited financial statements of the company limited by guarantee for the year ended 31 March 2017. In preparing this report the Trustees have complied with the Charities Act 2011, the Companies Act 2006, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("Charities SORP (FRS102)"), UK Generally Accepted Practice and the provisions of the Memorandum and Articles of Association for The Duke of Edinburgh's International Award Foundation (also referred to as the Foundation). This report has been prepared in accordance with the Companies Act 2006 and also with regard to Charity Commission guidance on public benefit.

## Chair's Introduction

In this, The Duke of Edinburgh's International Award's sixtieth year, we have much to celebrate. The Award continues to thrive in many different ways, but most especially among young people who continue to accept and overcome the challenges in ever increasing numbers and from ever widening circles. Our Award Operators and delivery partners around the world continue to demonstrate their willingness to embrace change and to innovate both the way they manage the Award and in how they reach young people. The Duke of Edinburgh's International Award Foundation, too, has had a good year with much better end of year results.

The Award in the UK celebrated its, and therefore the International Award's, Diamond anniversary with great success. The range of the international dimension was celebrated at two events: a Service of Thanksgiving at Westminster Abbey and a Gold Award Presentation at Buckingham Palace for a thousand achievers. Certain events also created news stories which travelled across the world, most especially the "Diamonds are Forever" gala evening masterminded by The Countess of Wessex, my wife, and attended by the Founder, my father, on the eve of his 95th birthday. The Foundation supported the year by producing 60 very short promotional films to demonstrate its diversity and impact on lives.

The year's headlines are not just about sparkling events, our statistics are pretty sparkling too; more young people than ever before started their Award journeys (663,463 up 7%) and achieved Awards (344,809 up 6%). More importantly, the proportion of young people who are "at risk" or "marginalised" is improving (11% compared with 8% last year). Although a relatively new definition which is still evolving from a previous measure of "diversity", it is a clear demonstration that we are achieving our broad aims of improving access, geographic reach and social impact.

These aims are the intended outcomes of the three key services with which the Foundation supports its delivery partners and is how we report our effort: Resourcing, Operating and Communicating. We set ourselves an ambitious fundraising target and very nearly achieved it to the credit of our fundraisers, volunteers and staff, as well as our donors. Our largest expenditure items were Special Projects or Grant Aid (£330,000) and investing in the development of our Online Record Book (£436,000). We received 48 applications for project funding from 31 countries of which a record 25 were successful. Our most important digital tool is the Online Record Book, but to be effective we need all Award Operators and the majority of our participants to use it so it needs to be capable and user-friendly. Luckily most of our operators see the potential and some have been actively helping us develop some exciting ideas, including a mobile app. The plan is to roll it out across the International Award Association in mid-2017.

The Association used to be a separately constituted membership body of our National Award Operators, however this year the membership voted to replace the Constitution with a Memorandum of Understanding. This redefines the purpose and broadens the composition to ensure there is meaningful consultation and discussion between the Foundation and all constituents, or stakeholders, of the Association. The formal working relationship between Award Operators and the Foundation, the franchisor, is governed by their operational licence. This process of change has required considerable trust in the Foundation by Award Operators, alumni and supporters for which I am personally enormously grateful. It is almost the final piece of work on updating our governance since introducing the social franchise business model and I, for one, will be looking forward to completing this project as I am sure will most of my colleagues.

Initiating research and capturing empirical evidence of our impact as well as our social value is becoming increasingly important, so this year we created a dedicated research team which forms part of our

Communicating service. This has traditionally provided help and advice on content for all sorts of media as well as managing the Foundation's own media needs, in particular making the most of our Three Anniversaries (60th in 2016, 30th of the World Fellowship in 2017 and the Association's 30th in 2018). The aim of the new research team is to develop definitions that can be applied around the world in terms of data collection and analysis so that the underlying data and results can be used in other countries. This is, as far as we are aware, a world first.

Of course, most young people do not start their Award in order to make themselves better citizens or to make an impact on society. They may come to realise, in time, that these are the outcomes of their participation, but they generally come to us because they want to have fun, taking part in activities that they want to do with other young people. This can only happen with the support of hundreds of thousands of committed volunteer adults who support these young people, backed up by further support from staff in Award Operators worldwide. My thanks go to all of them for bringing the Award to more than 1.3 million participants this year.

As ever we would be unable to do any of this without the extraordinary support we receive from our donors, including the World Fellowship. This has been led by our Global Benefactor, Margaret (Maggie) Fountain, who has once again proved to be a tremendous ambassador of our work. We have introduced two new recognition levels of donor: Diamond Benefactor to mark the 60th anniversary and Pearl Champion to mark the impending 30th anniversaries. We welcomed two more Diamond Benefactors during the year and five Pearl Champions which was hugely gratifying. My fellow Trustees and I continue to be truly grateful to Maggie and all our donors for their exceptional contribution to both the Foundation and many of our National Award Operators. We are indebted to them.

Looking forward, we will start developing our strategy for the period 2018-2023 which could be a very interesting period for the Award internationally. We should have come through the major evolution phase initiated in 2012 by the adoption of the new brand and business model, have in place a suite of digital tools to support our participants, volunteers and staff, and be attracting the funds to provide substantially more grant aid to help Award Operators improve their access, geographic reach and social impact. The significant changes we have made to the way the Award is managed and delivered over the past five years have, I believe, prepared us to respond to a potential surge in demand as the notion that non-formal education has a valid place in helping young people prepare themselves for life and work is becoming more widely accepted.

Finally, on behalf of the entire Award family, I want to express our best wishes to our Founder and trust that he is truly heartened by the continuing success of his Award. What I hope is abundantly clear from this year's report is that it is as relevant today as when HRH The Duke of Edinburgh launched the Award in Great Britain back in 1956. The Award is being more widely used by those who care about the next generation and demand from young people continues to exceed our best endeavours.

**His Royal Highness The Earl of Wessex KG, GCVO**

**Chair of Trustees**

## Overview

The Duke of Edinburgh's International Award is the world's leading youth achievement award, equipping young people for life and work, regardless of their backgrounds, circumstances and abilities. We are ambitious for young people, in particular those aged between 14 and 24.

The Duke of Edinburgh's International Award Foundation is the owner and international licensor of the Award intellectual property and brand whose charitable purpose is to advance the adoption and effective administration of the Award for the development of character, good citizenship and education of young people worldwide. It achieves this charitable purpose through a social franchise model, establishing and administering licences and validations of National Award Operators and Independent Award Centres. Generally, in countries where the Award runs on a substantial basis, the Foundation licenses National Award Operators to run and maintain the operation of the Award, but in other countries the Award may be run by schools or organisations as licensed Independent Award Centres.

The role of the Foundation is primarily to:

- Set the overall strategy for all our licensed operators.
- Work with our licensed operators to deliver the Award through our network of volunteers and partners who operate in more than 140 countries and territories.
- Help those licensed operators who do not have the skills and resources to achieve our aims for 2020.
- Provide assistance through our three specialist teams:
  - **Resourcing** – generate and develop human, financial and technical resources to meet and sustain the charity's mission, vision and ambition
  - **Operating** – provide support, advice and assistance to prospective and current National Award Operators and Independent Award Centres to enable them to start, flourish and improve the quality of delivery and participation
  - **Communicating** – develop, maintain, refresh, modernise and provide suitable content for our media with operators and wider audiences

## Developing young people

The Award transforms individuals, communities and societies around the world, helping young people to exceed expectations. It allows their achievements to be recognised consistently worldwide through a unique, international accreditation.

The Award is:

- Open to all young people aged 14-24, regardless of their background and circumstances.
- About personal development and individual challenge: it is a non-competitive, enjoyable, voluntary and balanced programme, which requires sustained effort over time.
- A non-formal educational framework which can complement formal education or offer a substitute where formal opportunities are not available.
- Comprised of three levels: Bronze, Silver and Gold – each progressively more challenging
- Consists of four Sections: Service, Skills, Physical Recreation and Adventurous Journey, as well as a Residential Project at Gold level.

## **Tried and tested**

The Award defines what good non-formal education looks like; provides a tried and tested framework for its delivery in any context; and allows achievement to be recognised in a way that is consistent worldwide.

The Award provides a common platform for dialogue and sharing of experiences between young people from different backgrounds and cultures; it allows donors to contribute to the development of new cohorts of empowered, forward thinking young people across the world.

## **Transforming lives**

The Award has expanded from the United Kingdom to more than 140 countries and territories. More than 1.3 million participants each year and over 200,000 volunteers are now involved.

For those who already have some access to non-formal education, the framework of the Award helps to develop well-rounded character, rather than just a focus on academic results. For many young people such experiential learning provides the opportunity to discover talents that often don't show up in the classroom and thereby develops untapped leadership potential.

For at risk and marginalised young people, the effects can be truly transformational – providing opportunities, through genuinely life-changing experiences, to break cycles of deprivation, gain concrete experience and build the skills, behaviours and attitudes needed for a whole new life.

## **The Award's impact and outcomes**

We measure how the Award benefits young people across ten key outcomes and we also provide a framework to measure the long-term impact of Award participation on individuals and broader society.

### **Outcomes for young people**

The Award's immediate value for participants

- Confidence
- Managing feelings
- Resilience and determination
- Relationships and leadership
- Creativity and adaptability
- Planning and problem solving
- Civic competence
- Intercultural competence
- Personal and social well-being
- Communication

### **Impact measures**

The Award's long term value for participants and society

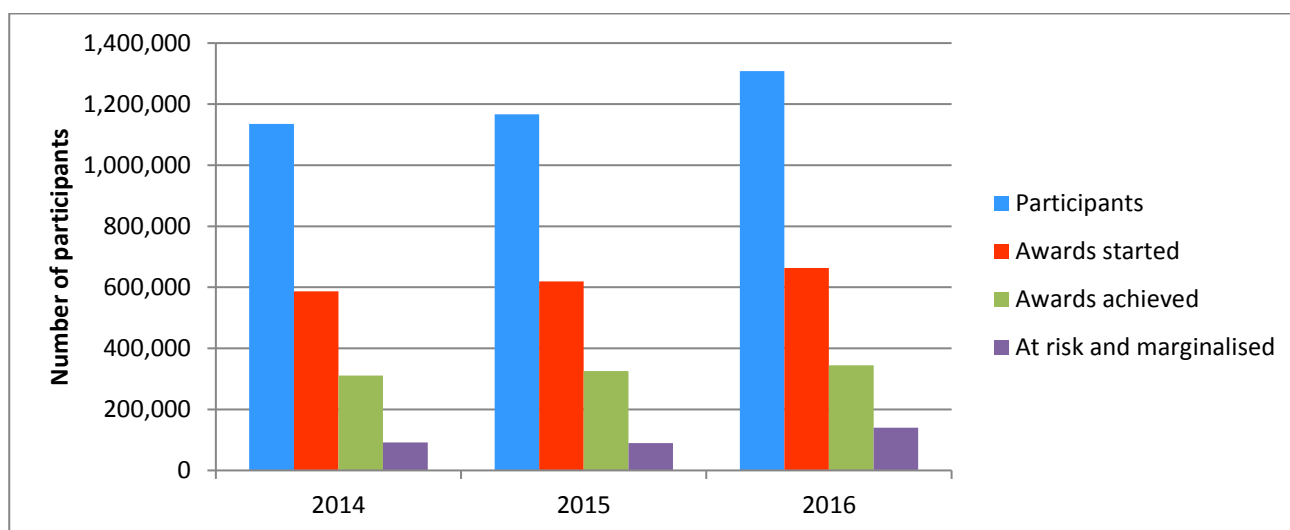
- Improved educational attainment
- Improved employability and sustainable livelihoods
- Improved health and well-being
- Increased participation in civic life
- Social inclusion
- The environment
- Gender equality and the empowerment of women
- Reduction and prevention of violence, conflict resolution and peace-building
- Reduced reoffending (recidivism) rates

## Our aims, strategy, objectives and impact

### Our aims

By 2020 we aim to:

- Increase the number of young people starting an Award to 750,000 each year
- Increase the number of Awards gained to 500,000 each year
- Engage with more at risk and marginalised young people (making up 20% of all participants)



The chart above shows continued growth in the number of Award participants up 11% on last year. The number of Awards achieved and Awards started also grew by 6% and 7% respectively with a significant increase in the number of Silver and Gold Awards started.

The number of Award participants is an estimate of the number of young people striving to achieve their Award. The 12% increase to 1,308,000 Award participants in the current year reflects a combination of real growth and more reliable recording by Award Operators. As more operators start to use the Online Record Book, the accuracy of this data collection is expected to improve.

There was a significant increase in the total number (140,297) and percentage (11%) of at risk and marginalised young people Award participants. This is still a relatively new measurement and evolving from a previous definition, nevertheless the increase and trends are encouraging.

	2015		2016		% Growth	
	Male	Female	Male	Female	Male	Female
Awards Gained	158,448	166,817	164,850	179,959	4.0%	7.9%
Participation	590,461	576,302	645,105	662,939	9.3%	15.0%



Our gender balance remains surprisingly even. The greatest differences are in the Americas and Europe, Mediterranean & Arab States regions where 54% of participants are female, but overall the current proportion is 48% male to 52% female.

		2016	2015	% growth
<b>Awards started</b>	Bronze	408,130	391,964	4%
	Silver	186,461	166,768	12%
	Gold	68,872	60,381	14%
	Total	663,463	619,113	7%
<b>Awards gained</b>	Bronze	210,438	201,464	4%
	Silver	98,126	89,140	10%
	Gold	36,245	34,661	5%
	Total	344,809	325,265	6%
<b>Awards gained</b>	Male	164,850	158,448	4%
	Female	179,959	166,817	8%
		344,809	325,265	6%
<b>Awards gained</b>	Male	48%	49%	
	Female	52%	51%	
<b>At risk and marginalised participants</b>	140,297	11%	89,991	8%

By at risk and marginalised we mean:

**At risk:** those young people whose circumstances mean they are vulnerable to negative influences or consequences and who, through the Award, can reduce many if not all the risks and permanently change their circumstances for the better.

**Marginalised:** those young people experiencing isolation from society either physically or psychologically and who, through the Award, can feel included and become positive contributors to society.

### Our strategy and objectives

Our strategy 2014 - 2020 and business plan 2014 - 2017 were first conceived at Forum 2012, a meeting that takes place every three years and brings together leaders from the Association worldwide. They were developed during 2013 and were agreed by the Trustees in early 2014. They confirmed the Foundation's social franchise business model and established our priorities and critical initiatives over this period including:

- licensing, quality assurance and improvement planning with operators
- development and strategic use of grant aid
- a focus on growth from existing National Award Operators, new National Award Operators and Independent Award Centres
- income growth from existing sources and more diverse sources
- development and implementation of suitable digital infrastructure
- raising the profile of the Award

The Foundation's annual work plan 2016/17 identified a number of objectives which advance these critical initiatives. Progress is regularly reviewed by the Trustees with remedial actions and revisions agreed where necessary. The objectives are grouped into three principal areas of activity: Resourcing, Operating and Communicating.

## **Resourcing**

We seek to secure the financial resources that fund our core work, our project development and regular operations. These resources enable us to support specific targeted communities undertaking the Award worldwide through our Special Projects, to ensure we have skilled and capable teams and that our operators have the appropriate support, infrastructure and delivery capability.

In 2016/17, our objectives were to:

- implement a fundraising plan and events programme to capitalise on our three significant anniversaries
- develop and implement the concept of Three Funds to help donors identify opportunities and increase our grant aid
- develop and increase the use of digital tools

## **How we did during 2016/17**

Resourcing accounts for 84% of our income and 50% of our expenditure. We achieved a 27% increase in income having set an ambitious fundraising target and except for the timing of one significant donation would have met it. Our donations from individuals and events income were our most significant income improvements on the previous year. Expenditure increased by 23% which illustrates the amount of activity and effort undertaken by this area of the charity with charitable development projects being our biggest rise in expenditure.

We are enormously grateful to all our donors and supporters, especially those who have responded so encouragingly and generously as the demands for the Award around the world and the services of the Foundation continue to grow. We are also delighted to have welcomed new supporters to the Foundation's family, each of whom brings fresh insights and introductions to their network, which in turn helps us to expand the reach of the Award.

## **Global and Diamond Benefactors**

Our Global Benefactor, Margaret Fountain, completed her fourth year of her six-year commitment. Her generosity and commitment is more than just financial and we are immensely grateful for the many different ways in which Maggie supports, encourages and represents the Award wherever she travels throughout the world. It is not just the Foundation which benefits from this invaluable engagement of our Global Benefactor, but also the wider Award Family.

To mark the Award's 60<sup>th</sup> 'Diamond' anniversary in 2016 we sought and were delighted to find a small number of Diamond Benefactors. Mr Muhoho Kenyatta and Mr James Dicke II joined our first Diamond Benefactor, Dr Johnny Hon MH. Each Diamond Benefactor has been working closely with our regional and country teams to expand the Award's activities in Africa, the USA and Asia respectively, sharing their professional expertise and insights as well as promoting the Award, wherever possible.

## **World Fellowship**

The World Fellowship is a global network of influential individuals, drawn from over 40 countries, who are financially and personally committed to The Duke of Edinburgh's International Award Foundation. The World Fellowship is also a gateway into our global philanthropic work and a wonderful starting point for those seeking to make gifts of a more personal and transformational nature. This year 78% of our Donations from Individuals, Companies, Trusts and Foundations were contributed by the World Fellowship.

In the 29th year of the World Fellowship, we welcomed 17 new World Fellows, one new Young Fellow and one new World Fellow Benefactor with a further two World Fellows upgrading to World Fellowship Benefactors.

During the year, World Fellows and Benefactors supported a number of events most especially the Fellowship's Annual Dinner held this year at Windsor Castle and joined by His Royal Highness The Duke of Edinburgh KG, KT.

## **Three Anniversaries**

By maximising the opportunity presented by key anniversaries over three years – 60<sup>th</sup> anniversary of the Award (2016), 30<sup>th</sup> anniversary of the World Fellowship (2017) and 30<sup>th</sup> anniversary of the International Award Association (2018) – we aim to generate the awareness and necessary support to enable a step change in the numbers and diversity of young people able to participate in the Award. To mark the impending 30<sup>th</sup> anniversaries we started to seek a number of Pearl Champions, so far we have successfully recruited five with other supporters interested. We also began to look for potential hosts for a series of events entitled '30-4-30' to help raise funds and new friends.

## **Events Programme**

This year's events served to build key relationships, widen knowledge of the Award and generate income. They included a Ferrari driving event and a Gala Dinner at The Queen's House, Greenwich. Overall our events and associated fundraising activities contributed £493,000 (2016: £386,000) of unrestricted income and provided many opportunities to engender future support.

## **Grant Aid**

Our Special Projects fund was established to encourage and enable our licensed operators to be more ambitious, especially when engaging the harder to reach communities and young people such as those who are at risk and marginalised. Participation in the Award can transform the lives of these young people, so that they are no longer at risk and can become fully engaged members of society.

Forty-eight applications were received from 31 countries in September 2016, with 25 successful applications and £330,000 (2016: £225,000) paid in grants and other expenditure. Successful applications included working with young offenders in correctional centres across Kenya; reaching indigenous young people living in hard to reach rural areas of Belize; partnering with specialists to include young people living with severe disabilities from cerebral palsy and muscular dystrophy in Australia; providing the Award in a variety of different languages to reach the rural areas of India; and encouraging the integration of young people living with HIV/AIDS in Romania.

TRH the Earl and Countess of Wessex hosted the annual Special Projects dinner in November 2016, at Bagshot Park. The dinner and other Special Projects donations generated £314,000 (2016: £206,000) in the year.

## The Three Funds

Building upon the success of the Special Projects grant programme, we want to make it easier for more individuals and corporations to understand how they can support our work and make a difference. We have therefore tried to simplify the Foundation's aims when it comes to supporting Award Operators and to dedicate a grant aid fund for each area:

- Improving access and overcoming barriers to participation
- Improving the geographic and social reach of the Award
- Improving the impact and quality of delivery of the Award

The projects and grants will be enhancing the Foundation's and Operators' work rather than being additional or supplementary. In addition to the annual dinner at Bagshot Park, there will be a new event aimed at promoting the projects to corporations and businesses, hopefully encouraging them to become partners. The Special Projects Advisory Board are considering a proposal to re-allocate their funds for use as a new reserve fund serving the new Three Funds and to transfer their role to a new Advisory Board overseeing the management of grants and receiving reports.

## Supporting National Award Operators

World Fellows can opt to direct up to 50% of their donation to a National Award Operator of their choice. This revenue-share approach resulted in £679,000 (2016: £348,000) raised for National Award Operators, to promote and deliver the Award within their own countries.

The Royal Bank of Canada continues its very generous annual commitment of C\$200,000, which is helping to support Award Operators in the United Kingdom, United States and Canada.

We have continued to be proactive in supporting National Award Operators develop their funding models. There is now a greater understanding of the need for financially sustainable business management, but the capacity to turn around some existing National Award Operators from within is limited.

## Digital Tools

The Foundation's digital strategy is to support the development, integration and delivery of our digital tools. These tools enable us to support Award Leaders, National Award Operators, Independent Award Centres, Foundation staff, the young people taking part in their Award and our supporters. In addition to our Brand Centre and website there are three key digital tools:

- the **Online Record Book**, which enables young people worldwide taking part in the Award to register, record their progress, upload evidence and have their Awards signed off and enables volunteers and staff to better manage and deliver the young people's Awards and obtain key performance and statistical data
- the **Online Learning Hub**, which enables volunteers and staff to undertake Award training online, communicate with one another digitally and share best practice
- **Salesforce**, which enables Foundation staff to manage the business processes and stakeholder relationships.

### Online Record Book

This year significant progress was made on the development and testing of the next iteration of the Online Record Book, designed primarily for a mobile application (app). This iteration will be much more efficient for our volunteers and will offer enhanced accessibility and usability. A web-based

interface has also been developed for those who do not wish to or are unable to access the mobile app.

Development expenditure of £436,000 represents excellent value considering what is expected of Online Record Book and ongoing support and hosting costs will be significantly less than the current system. Although slightly behind schedule due to challenges with data migration, the new tool has received very positive feedback from pilots and pre-release testing.

### **Online Learning Hub**

The Online Learning Hub (OLH) now has multiple guidance and training courses, including, but not limited to: Introduction to the Award, Award Leader, Risk Register and Online Record Book. The Risk Register training supports National Award Operators when completing their licence reviews and the Online Record Book modules provide users with a step by step guide of how to perform all key functions.

The OLH is our main tool for communicating, messaging and circulating documents as a result we have seen a steady increase in the number of registered users. To improve the functionality of the OLH, a new landing or home page is being developed which will improve the user experience and allow the Foundation to direct users to important content.

### **Salesforce**

The use of Salesforce now forms part of our staff working practices, including a contacts database and internal communications tool. Progress on further developments has been slower than planned with additional functionality due to be implemented during 2017/18.

## **Future Plans 2017/18**

Our resourcing activities will continue to seek to secure funding for our core, project development and regular operations, to ensure we have skilled and capable teams and that we develop and deliver appropriate support, including digital tools, for our Operators. Key priorities are:

- Celebrating the 30<sup>th</sup> anniversary of the World Fellowship
  - finding hosts for 30-4-30 events
  - securing an Anniversary Partner
  - recruiting up to 15 Pearl Champions and the next Global Benefactor
  - preparing for the virtual Baton Relay and HRH's Global Tennis Challenge
- setting up Three Funds Advisory Boards and a new event aimed at promoting Three Funds projects to corporations and businesses, encouraging them to become partners
- releasing the next iteration of the Online Record Book with increased take up by existing Operators and roll out to new users
- improve OLH landing page, add content and upgrade learning management system

## Operating

Our operating activities include providing support for and growing the number of National Award Operators and Independent Award Centres, supporting the development of the Award worldwide and using our Special Project fund to improve access to the Award, particularly among at risk and marginalised young people.

Our objectives for 2016/17 were to:

- identify and analyse the viability of new territories and markets for expansion
- develop and implement plans to operate nationally in the USA, the UAE and China
- increase the numbers and improve the management of Independent Award Centres
- complete outstanding validations and put in place supported improvement plans
- grow our operating income
- agree and put to a vote a Memorandum of Understanding to replace the International Award Association (IAA) Constitution

### How we did during 2016/17

Operating accounted for 16% of our income and 40% of our expenditure. Income grew by 3% with increased licence fees offsetting a reduction in training income there was increased spend on the redevelopment and relaunch of the Award in a number of countries. As at 31 March 2017 there were 69 National Award Operators, 345 Independent Award Centres and 34 Internationally Trained Activity Providers. During the year we re-established the Award in the USA, re-started the Award in Indonesia and planned for further growth in China and the UAE. In addition, we continued to support Operators in implementing their improvement and growth plans and agreed the International Award Association Memorandum of Understanding.

### National Award Operators (re-development and launches)

A review of our operation in **Indonesia** identified a clear potential in terms of operational partners, but was less conclusive on the type of infrastructure required and individuals to govern it. Trustees agreed to commence working with the two organisations identified as potential national delivery partners to re-start the Award in Indonesia. Other possible partners were also identified, but these will be approached as phase two.

In early 2016 we held a seminar for potential partners, supporters and government representatives from the Arabian Peninsula. As a result we have been working closely with The Ministry of Youth and Sports Affairs in **Bahrain**. A preliminary licence was prepared in December 2016 and following some further discussions and clarifications it was signed in May 2017. Bahrain is due to become a National Award Operator in November 2019.

Discussions with a potential partner organisation in **Rwanda** have continued including a meeting to consider the National Award Operator application requirements. A visibility study with key individuals is planned for summer 2017/18.

The **Slovakian** National Award Operator was formally licensed and operations were launched in February 2016. During 2016/17 we have supported the National Award Operator to complete the initial set up and implement their business plan.

The Award in the **USA** has been re-established and has obtained 501c3 (not for profit) tax status from the US Internal Revenue Service. A new Board and staff team have been recruited, they've signed an Award Operator licence with the Foundation, developed a three year strategy and operating plan, agreed pilot partnerships with a range of local operators and early in 2017 they signed their first national partnership Memorandum of Understanding. During the year, the Foundation provided financial support to The Duke of Edinburgh's International Award USA in the form of a social investment of £309,000 and a grant of £75,000.

### **Independent Award Centres**

As at March 2017 there were 345 (2016: 329) licensed Independent Award Centres. This is an increase of 5% in the year with notable growth achieved in the UAE and Spain. Across the Independent Award Centres, 5,746 (2016: 4,638) Awards were gained and this year 15,592 (2016: 15,055) young people embarked on their Award journeys. In the spring of 2017 we revised our support structures for Award Centre volunteers and are refining business processes, creating standardised ways of working across all regions and managing historic inconsistencies that have arisen across the regions. This will enable continued high quality Award delivery and further long-term growth.

Nineteen more Internationally Trained Activity Provider licences were issued during the year to ensure that outdoor activity organisations delivering of the Adventurous Journey section of the Award are properly registered and trained. This brings the total at March 2017 to 34.

With over 50 Independent Award Centres in the **United Arab Emirates**, the Trustees approved the recruitment of a dedicated staff member based in the UAE. Apart from completing licence reviews and delivering training to the Independent Award Centres, there are ongoing discussions at federal level to best determine how the Award can be delivered universally across the country.

We also appointed a staff member based in Beijing to support the 58 Independent Award Centres in **China**. The plan initially is to balance the income and costs before seeking potential partners for expansion.

### **Regional Operations**

Quality assurance processes, including validations, licensing/re-licencing, licence reviews and improvement planning, support and enable National Award Operators as they work to adhere to the international objectives, philosophy and standards of the Award and deliver the Award in their individual countries.

By March 2017 over 80% of National Award Operator validations had been completed and by the end of June 2017 69 Independent Award Centres had completed their licence reviews with the remainder due to be undertaken in the next two years. In response to learning and feedback from the initial Award Centre licence reviews, simplifications and streamlining are being introduced.

Regional teams have been focussing on licence reviews and monitoring and supporting the implementation of the improvement plans and validation recommendations.

#### **Africa**

Benin, Cameroon, Gambia, Ghana, Kenya, Madagascar, Mauritius, Nigeria, Seychelles, South Africa, Togo, Uganda and Zambia have, with the support of the regional office, all prepared growth plans and targets that are realistic. The regional team have been providing coaching and mentoring support on specific focus areas including governance, programme development and growth. In addition, ongoing support is being provided to the above countries plus Cote d'Ivoire and Guinea to ensure effective sub-licensing.

### **Americas**

Operators have been supported in implementing their respective improvement plans including revising business models in Barbados, Bahamas, Jamaica and Trinidad and Tobago as they begin to using sub-licences. In addition we have worked with the Award in Canada to strengthen the capacity of the national office as well as standardising the participation cost across the country. The Ministry of Education in St. Lucia has agreed to establish and host an Eastern Caribbean Development Officer and an extracurricular co-ordinator to work part-time for the Award.

### **Asia Pacific**

The Asia Pacific regional team have been undertaking in-depth in-country reviews and remotely supporting Operators to progress validation recommendations. The majority of outstanding recommendations relate to governance issues and record keeping. The latter should be addressed when the Operators implement the Online Record Book. We have also been supporting some Operators to plan for more aggressive growth targets, to look beyond the secondary school sector for Award participants and to introduce alternative sub-licensing structures, such as Operating Authorities.

### **Europe, Mediterranean & Arab States**

Following the completion of most of the validations in the region in 2015, the focus has been on following up on validation recommendations and supporting Operators to develop strategies to ensure that they are planning for realistic growth targets based on their structure, local circumstances and current size of organisation. To date, more than 55% of the outstanding validation recommendations have been met. As with the Asia Pacific region, many of the recommendations not yet met relate to record keeping and governance.

As we move from validations to licence reviews we have started to modify our approach to licence reviews and monitoring to be more aligned to Operator growth strategies. In addition, we are developing online modular quality assurance tools to help support National Award Operators through their licence review. These will be introduced in late 2017.

### **Operating Income**

Fees paid by Award Operators for the Foundation's services continued to grow during 2016/17, with total income from charitable activities growing by 6% to £682,000 (2016: £643,000). Within this, total Operator licence fees increased by 17% and fees for the use of digital tools were broadly unchanged.

Income from training events delivered to National Award Operators and Independent Award Centres reduced by 13%, reflecting the smaller scale of the events delivered. Training events included Award Leader training, Supervisor and Assessor training, Award management specifically for Independent Award Centres and Training for Trainers. Delivery of these events was supported in the Africa, Asia Pacific and Europe, Mediterranean & Arab States regions by teams of Regional Support Group volunteers. Participation in these groups often also provides positive continuing professional development and can act as a springboard for career development.

### **International Award Association (IAA) Memorandum of Understanding**

The Association discussed the proposed Memorandum of Understanding at the 2016 Regional Conferences and the final version was agreed by the International Council in November 2016. The vote to adopt the new IAA Memorandum of Understanding and replace the Constitution in March 2017 received nearly unanimous support.



Having accepted that the Operator licences govern membership or inclusion in the Association as well as quality assurance this challenged the key role and function of the former Constitution. The Memorandum of Understanding is a more appropriate means of governing the Association. It retains many of the elements of the former Constitution, but has revised the purpose, composition and objectives of the Association as well as its processes and procedures. The purpose is to encourage mutual cooperation between all constituents of the Award, share responsibility for development and foster collective ownership of our brand, effectively incorporating the whole Award family and providing the means to ensure discussion and consultation for all. It also makes the Foundation a more accountable and responsible governing body.

### **Strategy 2018-2023**

Initial discussions around the development of a new Association-wide strategy for the period 2018 – 2023 were had at the 2016 Regional Conferences and International Council. There was strong agreement for any future targets to be set by Award Operators rather than by the Foundation. The aim is to have the strategy agreed and published in time for the next Forum in 2018. We have termed this development of the Strategy 2018-2023 ‘Mapping the Future’.

### **Future Plans 2017/18**

Our operating activity will continue to focus on the licensing, monitoring and improvement planning with Operators, to ensure that the structure of the Award is fit for growth and based on a sustainable financial model. Other plans include:

- further development of the Award in Bahrain, China, Indonesia, USA and the UAE
- assisting National Award Operators with their improvement plans, growth strategies and specific support
- carrying out validations for Belize, Brazil, Grenada, Sierra Leone, Sri Lanka and Turks & Caicos
- ongoing Award Centre licence reviews
- refinement of the global training framework for Independent Award Centres (as a precursor to wider use)
- delivering the International Gold Event & International Council 2017
- preparations for Forum 2018
- developing the global Award strategy 2018–2023

### **Communicating**

Our communicating activity focuses on the engagement and empowerment of the Award's internal and external audiences, ensuring the Foundation and our Award Operators are equipped with suitable and relevant material to support the growth and development of the Award and to promote the importance of non-formal education. This includes managing the Award's brand and developing relevant collateral and content as well as our research to provide empirical evidence of the Award's impact, outcomes and social value.

During 2016/17, we particularly focused on:

- promoting the Brand Centre and digital tools
- providing materials for fundraising
- supporting the Award's 60<sup>th</sup> anniversary, specifically the 60 films project
- developing our Award operator communications

- improving techniques for researching, measuring and reporting the Award's impact and outcomes
- developing the tools to assess, measure and communicate the social value of the Award

### **How we did during 2016/17**

Communicating accounts for 10% of our expenditure and while it does not bring in any income directly it is critical to our marketing and relationship management, outcomes and impact evaluations as well as providing a key service to the International Award Association. We successfully delivered all projects, supporting activities and created a new research team.

### **Brand Management**

Developing the use and awareness of the Award brand remains a priority as well as consistency in our presentation of the brand. This includes managing the Brand Centre which allows Award Operators to develop their own bespoke materials for their market, using approved templates. This is an invaluable tool with 1,181 products ordered through the Brand Centre in the past year – over 200% higher than the previous year.

We have also provided specific support to a number of Award Operators. We supported The Duke of Edinburgh's Hillary Award (New Zealand) by providing them with a comprehensive new logo suite when they wanted to reroute their logo from endorsement to monolithic. The Award in the USA was helped with the creation of a new logo and corresponding material such as a promotional brochure and website development. As a rule, all new Operators receive a briefing on the brand and how it can be used.

### **Digital Tools**

The Foundation manages a number of digital tools, including the website, social media channels and the Brand Centre. In the year to April 2017, the website received 835,541 views; slightly down on the previous year. We continue to add new content to the website, such as Award and news stories, and are actively working on creating more user-friendly content, such as infographics and videos.

### **Fundraising Communication**

Marketing and information materials are critical to successful fundraising. In addition to the regular digital and printed publications for events and donor engagement, we produced an '[Annual Statement to Donors](#)' which illustrates the Award's impact, as well as some of our incredibly inspirational participants and dedicated supporters. We have also introduced a system to allow our World Fellows to sign-up for an event online through our website.

### **The Award's 60<sup>th</sup> Anniversary**

To mark this special occasion, 60 films each lasting just 60 seconds were produced, featuring Award participants from around the world. The theme was "There is more in you than you think" and the films showcased the global nature and diversity of the Award.

The films were launched in May 2016 and supported by social media directing people to a dedicated microsite at [www.intaward.org/awardat60](http://www.intaward.org/awardat60). So far the films have been viewed over 70,000 times and they've become very useful testimonies we can incorporate into presentations and promotional films not just for the Foundation, but also for Award Operators.

A special Gold Award Presentation was held in the garden of Buckingham Palace in May 2016, where over 1,000 Gold Award holders, including 40 from 26 countries other than the UK, were presented with their

Awards by HRH The Duke of Edinburgh and TRH The Earl and Countess of Wessex. During the presentation several of the international Award holders were interviewed by Phillip Schofield for a TV documentary produced to mark the Award's 60<sup>th</sup> anniversary.

In November 2016 a Service of Thanksgiving was held at Westminster Abbey, attended by HM The Queen, HRH The Duke of Edinburgh and TRH The Earl and Countess of Wessex, to mark the Award's 60th anniversary. During the service, HRH The Earl of Wessex gave an address that thanked HRH The Duke of Edinburgh for founding the Award. He hoped that the Duke felt an 'immense sense of satisfaction in how the values instilled by your Award are inspiring young people to step forward: prepared to serve, prepared to lead and prepared to make a difference in their communities'.

### **Communications Support**

We are developing new ways to communicate with and support Award Operators, as they promote the Award locally and nationally. The initial focus has been on better understanding the regions and their respective Operator's needs. In January the communications team visited The International Award for Young People India, to learn how this National Award Operator works on the ground. During the visit the team undertook a communications audit in collaboration with our Indian colleagues. This enabled both teams to enhance their understanding of appropriate communication techniques as well as gaining a few practical tips to communicate better with our audiences. The learning and insight that the communications team gained from the visit has since been applied when helping other Award Operators remotely.

### **Research**

Our aim is to produce better evidence of the outcomes for young people of participating in the Award, the resulting impact on society and a means of measuring the financial value of the contribution the Award makes to communities around the world. This year we created a new research team to manage a number of partnerships with respected universities and research organisations. Their task is to develop definitions that can be applied around the world in terms of data collection and analysis so that the underlying data and results can be used in other countries. This is a bold challenge and, as far as we know, a world first.

#### **Outcomes**

In 2016/2017 we piloted our Outcomes Research survey and developed guidance notes for National Award Operators and Independent Award Centres. During the year we received nearly 2,000 pre-survey responses from Slovakia, New Zealand and South Africa and from all Award Centre countries. During the first half of 2017/2018 we expect to receive the accompanying post-survey responses prior to publishing the initial results from this first data set.

#### **Impact**

We commenced working with NEF Consulting to further develop our Impact Framework in consultation with alumni, National Award Operators and the International Council. Recommendations will be submitted to International Council in October 2017 followed by publication of the new Impact Framework.

#### **Social Value Research**

Following an initial exercise to measure the social value of the Award with a couple of pilot countries during 2016/17 we reassessed the methodology and the tools used. In July 2017 we commenced working with PricewaterhouseCoopers as our partner to further progress this important initiative.

## **Future Plans**

In 2017/18 we will continue to develop how we communicate better with and support our Award Operators to further drive awareness, engagement and participation in the Award. We will also continue to research, collect and publish empirical evidence of the Award's impact, outcomes and social value. Key activities include:

- support key Award initiatives, such as the International Gold Event 2017 and Online Record Book
- develop the Foundation's website
- continue to provide brand support
- publish the initial results of the Outcomes Research and new Impact Framework
- develop how to measure the social value of the Award

## **Our impact**

The successful achievement of the above objectives, along with many other activities undertaken by the Foundation, has had a significant impact across the Award family. These changes are supporting the operators to meet the needs of the ever growing numbers of young people, from increasingly diverse backgrounds, who are benefitting from the Award.

The Trustees consider that these results provide considerable public benefit, notably to the advancement of citizenship and community development, to education and to working with groups of disadvantaged young people. These are three of the areas which the Charity Commission uses to determine charitable purpose and the Trustees are therefore satisfied that the charity complies with the Charity Commission guidance on reporting on public benefit (section 4 of the Charities Act 2011).

## **Structure, governance and management**

### **Reference and Administration Details**

The Founder, the Trustees and Secretary General are listed on page 56 together with advisers to the charity and details of registered company and charity numbers and the registered office.

### **Structure of the Foundation**

The Duke of Edinburgh's International Award Foundation was originally established and registered as a United Kingdom based charitable trust on 10 November 1986. On 6 November 1998 it transferred its assets and business to this limited company, which is regulated by its Memorandum and Articles of Association.

The Founder of the Foundation is His Royal Highness The Duke of Edinburgh KG, KT. There is a maximum of ten Trustees.

### **Relationship with licenced operators**

The Foundation has responsibility for facilitating the worldwide development of The Duke of Edinburgh's

International Award. Generally, in countries where the Award runs on a substantial basis, the Foundation licenses National Award Operators, that are self-governing entities, to run and maintain the operation of the Award. In other countries the Award may be run by licensed Independent Award Centres (schools or organisations operating in a country where usually no National Award Operator exists) that are directly managed by the Foundation.

### **The Duke of Edinburgh's International Award Association**

The Association is the collective name for all the constituents of The Award family and is established by the mutual consent of all the parties concerned in order to encourage mutual cooperation, share responsibility for development and foster collective ownership in our brand. As of March 2017 the Association is now established through a Memorandum of Understanding which sets out the formation and purpose. It also outlines the relationships, practices and procedures through which all constituent parts of the Association shall operate to ensure responsible and transparent governance, consultation and discussion.

The Association meets at the Forum every three years for which the Foundation provides all the administrative support. The next Forum will be in Ghana in 2018. In the interim, consultation and discussion is carried out through Regional Conferences and the International Council.

### **The International Council**

Between one Forum and the next, the International Council acts on behalf of the Association and gives effect to decisions taken at Forum especially in relation to international development and operational policy. Membership of the International Council comprises the Trustees of the Foundation, three representatives of each of the four Award regions, eight Emerging Leader representatives, the Founder and the Deputy Chair of the Association as well as the Secretary General as an ex-officio member.

The hosting and participant costs for Association meetings including Regional Conferences, the Forum and the International Council are met by the individual members themselves. The Foundation bears the participant costs for its staff, Trustees and guests and the costs directly relating to its support activities.

### **The Joint Funding Board**

An advisory committee with representation from The Duke of Edinburgh's Award (the National Award Operator in the UK) and The Duke of Edinburgh's International Award Foundation operates to ensure that fundraising initiatives organised by the two organisations do not compete with each other.

### **The Development Group**

The Development Group's purpose is to assist the Trustees and senior management with overseeing the implementation of the Foundation's development plan and achieving its aims and objectives. It is not a committee of the Board of Trustees although it may make recommendations to the Trustees. Its membership consists of Trustees, major donors and supporters who have the ability to attract income to the Foundation.

### **Trading Subsidiaries**

Intaward Limited is a wholly owned subsidiary of the Foundation that was established to carry out fundraising events on behalf of the charity. The company has not yet traded and, due to its immateriality, is not consolidated with the Foundation's financial statements.

The Duke of Edinburgh's International Award Foundation (Canada) is a Canadian registered charity that the Foundation exercises significant management and operational control over. The results of this body have been consolidated with the Foundation's financial statements.

## Governance

The Foundation is a registered charity whose Board of Trustees takes all decisions collectively. All Trustees are equal in the duties and responsibilities that they owe to stakeholders, and accordingly they work together as one body within which the Chair takes the lead.

The Trustees are responsible for determining all important matters of policy. They meet at least three times each year and also whenever necessary at more frequent intervals to carry out their responsibilities. They review strategy and performance annually and approve budgets and operating plans in line with strategy. In addition to the main Board meetings, governance over the Foundation is exercised through a number of committees which hold responsibility for specific areas of governance activity as follows:

- *Finance, Audit and Property Committee* manages the charity's relationship with the external auditors, determines the integrity of the financial statements, and reviews the business risk management framework including compliance and internal controls. It also manages the Foundation's external relationship with the investment managers, reviews the investment strategy, monitors the performance of the investment portfolio, oversees the maintenance of the Foundation's properties and is responsible for negotiating the terms of leases for suitable office accommodation.
- *Nomination Committee* makes recommendations to the Board for senior appointments, including new Trustees, after considering a wide variety of possible candidates. It meets when circumstances require.
- *Digital Steering Committee* supports Trustees and management in developing the Foundation's use of digital technology and maximising the potential of the digital tools that form part of the Foundation's operations.
- *Remuneration Committee* reviews and recommends to the Board the Secretary General's and senior management team's salaries and the Secretary General's recommendation on staff salaries.
- *Mapping the Future Committee* supports the Board in overseeing the delivery and outcomes of the Mapping the Future exercise.

Trustee membership of these committees is set out on page 56.

The corporate governance of the Foundation is monitored against guidelines for best practice as set out by the Charity Commission in its framework for sound governance and accountability (Hallmarks of an Effective Charity). It is the Trustees' practice to develop the corporate governance procedures whenever appropriate.

Each Trustee is a member of the company, with a limited guarantee of £1 per member. Trustees have no rights to any distribution on dissolution of the company.

With two exceptions, Trustees serve for a maximum period of 12 years continuous service. The Chair of the International Council is appointed for a three year term with no limit to the number of times they can be re-appointed and the Chair of the Foundation can serve for a period of up to ten years, regardless of prior service as a Trustee. The Foundation expects Trustees to retire at the age of 70.

Trustees are all non-executive, have no beneficial shares or options and receive no remuneration or other benefits. The independence of the Trustees and their willingness to act in the best interests of the charity are not impaired by their gifts of time and in some cases financial support to the charity.

## **Induction and Training of Trustees**

The Nomination Committee identifies candidates to be future Trustees. The Trustees, as a body, are responsible for their appointment. The induction and familiarisation process of new Trustees may start years before their appointment, depending on their background and experience of the Foundation or of the context in which the Foundation operates. The induction process when a new Trustee is appointed contains certain common elements, including information about the Foundation and about the responsibilities of Trustees, but the extent of development and familiarisation is flexible. Further induction and training is provided for Trustees during their term of office as necessary.

## **Statement of Trustees' responsibilities**

The Trustees (who are also directors of The Duke of Edinburgh's International Award Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

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

## Management

The Trustees review strategy and performance annually and approve budgets and operating plans in line with the strategy. Authority to implement the strategies and policies on behalf of the Trustees and to conduct the day-to-day operations of the Foundation is delegated to the Secretary General. The Secretary General is accountable to the Trustees for the efficient running of the Foundation with the help of the senior management team and senior leadership team. As well as implementing the Trustees' approved strategy for the Foundation, the Secretary General is responsible for promoting the benefits of the Award to the widest possible audience, ensuring the Foundation operates efficiently, raising the funds necessary to support the Association, administering the charity's finances and making the Trustees aware of the need for any changes to the main principles or conditions of the Award's international licensing arrangements.

The Foundation operates on a regional basis with a Regional Director and a regional office in each of the Americas (Jamaica), Europe, Mediterranean and Arab States (UK), Africa (Kenya) and Asia Pacific (Australia) regions. The Regional Directors report to the Secretary General and they are responsible for guiding and advising Award Operators within their region to ensure consistency of approach.

Regional Directors also promote and develop the Award to new organisations and different groups of young people, and maintain and enhance the quality of Award delivery.

The Foundation had an average of 46 (2016: 44) employees throughout the year. We seek to offer pay rates and a package of terms and conditions that will attract, retain and motivate high calibre staff. The Foundation seeks to maintain a median pay position, where pay is sufficiently in line with valid market comparators to enable the organisation to conduct effective recruitment, selection and retention. All positions are graded against a common objective set of factors and regularly tested against the market. All roles, except for the senior management team, have a defined incremental scale.

The Foundation is by its nature an international organisation, with roles based in different locations around the world. All roles which are not based in the UK will be subject to the same principles and structures in relation to pay and grading as those in the UK. However, there will be regional variations and national differences in the actual pay and terms to ensure that they are relevant to the local environment medians.

When periodically reviewing both our pay and reward systems and the specific rates of pay and benefits we offer, we have due regard to a number of considerations. First and foremost the rates of pay and benefits that we are able to offer will be dictated by our financial position and constraints. Other considerations include our broader strategic objectives as an organisation, competitiveness, consistency and transparency, valid market comparisons, any evidence of difficulties in recruiting or retaining staff that are related to pay or benefits and fairness and equity, including equal pay for work of equal value. We currently have in place remuneration packages which include salary, performance related pay and benefits, including pension and private medical insurance.

The Award Operators work with Foundation staff as well as employing their own people to operate the Award. In the delivery of the Award to young people, over 200,000 volunteers are engaged in various capacities by the bodies to which the Award is licensed.

The Foundation carries out quality assurance tests on the National Award Operators and Independent Award Centres but is not responsible for their employees or for the volunteers.



## **Risk Management**

The Trustees have reviewed the major strategic, business and operational risks and uncertainties to which the charity is exposed to ensure that systems have been established, in addition to the existing internal control procedures, to manage those risks. Periodic reviews are carried out to ensure that these systems are effective and still meet the needs of the charity.

The Trustees consider the main operational and reputational risks for the Foundation to be ensuring the National Award Operators' adhere to the objectives, philosophy and standards of the Award and are able to deliver the Award in their individual countries. This is managed through regular contact with the National Award Operators through the Foundation's regional structure together with regular staff conferences where strategy and new developments are discussed. Part of the success of developing our global brand is an increase in reputational risk in terms of the behaviours of licensed Award Operators around the world. The Trustees and senior management have reviewed specific higher risks, including fraud risk and cyber security risk, enhancing controls and procedures where necessary. They are developing an improved risk management process which will include the quality assurance protocols that have been put in place for all licensees. In addition, the Trustees are aware of the risks associated with maintaining the relevance of the Award to today's society and this is managed through maintaining the profile of the Award in the youth development arena while being aware of global developments in this field.

The main financial risks for the Foundation are to maintain income from donors, to grow fee income and to further diversify our income to fund current levels of activity and provide for continuing growth. As explained below in the Financial Review, in 2016/17 we achieved a significantly improved financial performance. We reduced our operating deficit (excluding expenditure on development projects) by £607,000 to £341,000 (2016: deficit of £948,000) and achieved an overall surplus in the year to March 2017 of £116,000 (2016: deficit of £1,637,000). The Trustees and senior management monitor the Foundation's financial performance on a regular basis. They are confident that, based on future income growth plans, the financial performance will continue to improve in the medium term.

In order to develop long-lasting and mutually beneficial relationships with its donors the charity's fundraising team maintains close contact with all donors, involves them in the work undertaken by the Foundation and promotes the benefits of the Award to young people. This is further supported by the Development Group.

Other financial risks of the Foundation and the actions taken to manage these risks include the following:

### **Investment**

The Foundation holds significant investments and the values of these are inevitably subject to market movements. In order to manage the risk of a sustained fall in the value of its investment portfolio the Finance, Audit and Property Committee monitors the performance of the charity's investments with advice from its investment managers, have sought to reduce the volatility risk in our portfolio and structures the investment portfolio for long term sustainability.

### **Expenditure**

The main expenditure for the Foundation is salaries and related staff costs. Changes in salaries are proposed by the Secretary General for approval by the Remuneration Committee and communicated to staff during the formal annual review of salaries.

**Liquidity**

The Foundation has no long term borrowings and its financial plans do not project any change in this position.

**Interest rate**

The Foundation places any surplus funds on short term deposit with its bankers and seeks to optimise the returns as well as minimise risks from holding these deposits.

**Exchange rate**

The Foundation generates income globally, including significant income from the UK, USA and Canada, with expenditure mainly incurred in the UK, USA, Australia, Kenya and Jamaica. We primarily receive income and incur expenditure in the currencies of the above countries as well as in Euros. Exchange risks associated with budgeting in currency are mitigated by purchasing currencies in advance and matching material currency receipts with payments where possible.

**Employee Involvement and Employment of People with Disabilities**

The Foundation continues to develop its human resource policies and procedures to ensure compliance with best practice. In accordance with the Foundation's equal opportunities policy, we operate fair employment practices in the recruitment, selection, retention and training of staff with disabilities. Employees are consulted on issues of concern to them by means of regular staff meetings and are kept informed on specific matters directly by management. The charity has developed its appraisal process and offers exit interviews for all staff leaving the organisation.

During the year the Foundation undertook a staff survey. All staff were invited to participate in the survey and the findings have been shared with all staff. The Foundation's management team are addressing the key points identified in the survey.

**Social Responsibility**

The Foundation is committed to social responsibility. As part of this commitment the Foundation seeks to integrate social and environmental concerns in its business strategy and operations. The Foundation addresses its social responsibility in seven key areas:

**Employees**

The Foundation aims to offer a workplace that encourages development, allows for free communication and provides a positive work-life balance. The Foundation has clear and accessible employee policies relating to equal opportunities, maternity leave, paternity leave, lone working, grievances etc. and all employees are encouraged to act in a socially responsible manner and respect the environments in which they operate.

**Environment**

The Foundation actively seeks ways to reduce the impact of its activities on the environment through recycling and energy reduction. It has an established recycling programme for all waste paper, encourages all employees to be aware of their use of resources and works closely with its maintenance supplier to keep up to date with energy saving initiatives. It continues to develop and employ business practices that restrict air travel to essential business having first considered other options such as conference calls and video conferencing.

### **Investment Managers**

The Finance, Audit and Property Committee manages the Foundation's relationship with its investment managers which includes reviewing their social responsibility reports. These cover their global voting activity, their research approach that helps to assess how companies manage environmental and social issues and the steps they have taken to ensure they remain an active and responsible steward of our assets.

### **Constituents**

The constituents of the Award family are the young people who participate in the Award, Award holders, donors, volunteer network, National Award Operators, Independent Award Centres, the Founder, employees and Trustees. To all these groups the Foundation aims to be an organisation that is open, responsive and aware of their particular interests and needs. To achieve this and as reflected in the IAA Memorandum of Understanding, the Foundation encourages participation by way of consultation, provides feedback through regular publications and ensures the charity website ([www.intaward.org](http://www.intaward.org)) is kept up to date and accessible to all.

### **Use of scarce resources**

The Foundation acknowledges that the resources it uses should enable more young people from diverse backgrounds to gain a positive experience of participating in their Award, equipping them to succeed in life. The Foundation, therefore, aims to minimise support service expenditure and maximise the resources available to extend access to the Award in all parts of the community.

To this end, management ensures that all staff are aware of the financial procedures and all monies are accurately accounted for by the Foundation. Together with the investment managers, the Foundation aims to maximise the returns on its resources whilst periodically reviewing the types of investments it holds.

### **Community**

The Foundation operates internationally and the regional structure of our operations as well as the structure of the Award family helps to develop strong ties in local communities throughout the countries where the Award operates.

### **Suppliers**

Where practicable the Foundation purchases Fair Trade and recycled products. However, it recognises that further work needs to be done in this area including reviewing existing suppliers to ensure that they share its social responsibility philosophy and developing an ethical purchasing policy.

## **Financial Review**

2016/17 saw an improvement in the Foundation's financial performance. The Foundation realised an operating deficit (excluding expenditure on development projects) of £341,000 (2016: deficit of £948,000) and an overall surplus in the year to March 2017 of £116,000 (2016: deficit of £1,637,000). The improvement was due to growth in philanthropic, operator licence and event income as well as significant investment gains. This was partly offset by higher operational expenditure from a combination of investing in the re-development and relaunch of the Award in a number of countries, additional staff supporting the increased number of Award participants from Independent Award Centres and increased development expenditure investing in the Online Record Book.

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Income and endowments	4,592	3,737
Operating expenditure	(4,933)	(4,685)
<b>Net Operating income/(expenditure)</b>	<b>(341)</b>	<b>(948)</b>
Expenditure on development projects	(436)	(193)
<b>Net income/(expenditure)</b>	<b>(777)</b>	<b>(1,141)</b>
Gains/(losses) on investment assets	887	(532)
Gains/(losses) on investment properties	6	36
<b>Net Movement in Funds</b>	<b>116</b>	<b>(1,637)</b>

### **Incoming Resources**

Income from donations of £3,362,000 (2016: £2,650,000) was an increase of £712,000 on the previous year primarily due to the successful introduction of our new supporter categories, in particular our Diamond Benefactors. Donations from the World Fellowship and Benefactors were £2,428,000 enhanced by two new Diamond Benefactors, five new Pearl Champions, one new World Fellow Benefactor, 18 new World and Young Fellows and two upgrades from Fellow to World Fellow Benefactors. The option for World Fellowship donors to share part of their donation with a National Award Operator enabled a total of £679,000 (2016: £348,000) to directly support 15 Operators.

Our Charitable Activities income comprises training event income, licensing activity and Online Record Book income. At £682,000 (2016: £643,000), our income from the above sources was £39,000 higher than in 2015/16 with operator licence income growing by £38,000.

Other Trading Activities comprise fundraising events, auctions and World Fellowship jewellery sales. At £513,000 (2016: £391,000), our income saw growth on last year of £122,000 reflecting the increased number of events held this year.

Investment income of £35,000 was £18,000 lower than in 2015/16 due to the departure of the tenants who shared our central London office, Award House. Investment income is derived from property income from our investment property, other property income and income from our investment portfolio.

### **Resources Expended**

The costs of raising funds of £907,000 (2016: £834,000) increased by £73,000 in the year reflecting the nature and increased number of fundraising event activities.

We spent £436,000 (2016: £193,000) on Charitable Activities – development projects – to develop the Online Record Book. In addition, expenditure on Charitable Activities – core activities – at £4,026,000 (2016: £3,851,000) was an increase of £175,000 (5%) on the previous year. The increase was principally in operating (£109,000), reflecting investment in the redevelopment and relaunch of the Award in a number of countries and the costs of supporting our Independent Award Centres.

## **Investment Policy and Performance**

Our constitution contains general powers for the Trustees to invest funds at their discretion. The Trustees' policy is to protect and, over the long term, increase the value of the investment portfolio in real terms whilst at the same time generating funds that may be used to support the charity's operations.

Our investment portfolio is held within three total return funds with a long term objective to deliver an average annual growth of inflation plus 5%. In the year to 31 March 2017 the three total return funds achieved gains of £887,000 (8%) (2016: losses of £532,000 (4%)) and the funds continue to meet their long term objective. The charity receives monthly updates on the funds' performance and the Finance, Audit and Property Committee regularly meets with the investment managers to discuss performance and volatility.

The value of the charity's investment portfolio at 31 March 2017 was £11,433,000 (2016: £11,606,000), a decrease in the year of £173,000 (2016: £1,299,000 decrease). During 2016/17 £1,060,000 was withdrawn from the portfolio in order to meet short term cash flow needs and invest in the development of the improved Online Record Book.

The Foundation also holds social investments, which are held to further its charitable aims.

## **Net Current Assets**

Net current assets at the year-end were £710,000 (2016: £653,000), an increase of £57,000 in the year. Cash and bank balances at the year-end totalled £1,018,000 (2016: £761,000) and debtors totalled £470,000 (2016: £665,000).

## **Reserves and Reserves Policy**

At 31 March 2017 total reserves stood at £12,770,000 (2016: £12,654,000) of which £360,000 (2016: £316,000) were restricted income funds. Unrestricted reserves stood at £12,410,000 (2016: £12,338,000). Of these unrestricted reserves, £8,562,000 (2016: £8,771,000) are designated to enable the Trustees to support development projects and grant making activities. The remainder of the Foundation's unrestricted reserves are general funds of £3,848,000 (2016: £3,567,000) representing over 9 months (2016: 9 months) of core general expenditure.

The Trustees review the reserves policy in line with our strategic planning cycle and monitor the level of unrestricted reserves throughout the year. They have concluded that the current level of general funds is adequate for the short term and that in the long term the target level should be 12 months' core general expenditure. The desired long term level of unrestricted designated reserves was set in 2011 at a minimum of £8.5 million in order to ensure that the Foundation retained the ability to fund development projects to meet our strategic goals and to help ensure that the Foundation's total reserves did not fall below £10 million as agreed with the Charity Commission at that time. At 31 March 2017 total reserves amounted to £12.8 million (2016: £12.7 million) being £2.8 million (2016: £2.7 million) above the minimum agreed level. Both the level of unrestricted general reserves and unrestricted designated reserves were below the long-term target levels, reflecting the extent of development activity that has been undertaken in the last few years, in particular investment in the Online Record Book. Medium term financial plans have been put in place to seek to achieve the target levels of unrestricted general and designated reserves.

The Trustees confirm that, given the success in the year of our new income streams and the planned introduction of further new income streams, including the income generating initiatives detailed above, and the overall level of reserves, the Foundation remains a going concern for the foreseeable future. We continue to face a number of challenges in what remain difficult economic circumstances. Of primary

importance is the need to deliver on our income projections, particularly the projected medium term growth in philanthropic income, licence fees, Online Record Book fees and other income streams.

To ensure that our new and existing income streams and expenditure plans are in line with our projections, we continue to develop our internal financial monitoring and decision making procedures. These include a high level monthly income, expenditure and income pipeline report that is produced promptly after each month end, a monthly income profile risk report and a quarterly financial and cash flow forecast that is used as the basis for both monitoring performance and reviewing financial plans.

### **Subsidiary Undertakings**

The financial statements of the Foundation's subsidiary, The Duke of Edinburgh's International Award Foundation (Canada) are consolidated with the financial statements of the Foundation on a line by line basis. Full details of the consolidation are included in Note 1.

**Andrew Smith**  
**Trustee**  
**14 September 2017**

Registered office: Award House, 7-11 St Matthew Street, London SW1P 2JT  
Company Number: 3666389

# **Independent auditors' report to the members of The Duke of Edinburgh's International Award Foundation**

## **Report on the financial statements**

### **Our opinion**

In our opinion, The Duke of Edinburgh's International Award Foundation's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **What we have audited**

The financial statements, included within the Trustees' Annual Report and Financial Statements (the "Annual Report"), comprise:

- the consolidated and charity balance sheet as at 31 March 2017;
- the consolidated statement of financial activities (incorporating the income and expenditure account) for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Opinion on other matter 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, including 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, including the Strategic Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Annual Report, including the Strategic Report. We have nothing to report in this respect.

## **Other matters on which we are required to report by exception**

### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate 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 financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Trustees' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## **Responsibilities for the financial statements and the audit**

### **Our responsibilities and those of the Trustees**

As explained more fully in the Trustees' Responsibilities Statement on page 23, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.



In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Trustees' Report, including the Strategic Report, we consider whether those reports include the disclosures required by applicable legal requirements.

**Guy Flynn (Senior Statutory Auditor)**

**for and on behalf of PricewaterhouseCoopers LLP**

**Chartered Accountants and Statutory Auditors**

**London**

**25 September 2017**

- (a) The maintenance and integrity of The Duke of Edinburgh's International Award Foundation website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Consolidated statement of financial activities for the year ended 31 March 2017  
(incorporating the income and expenditure account)**

		Unrestricted general fund	Restricted fund	Total	Total
				2017	2016
	Note	£000	£000	£000	£000
<b>Income and endowments from:</b>					
Donations and legacies	2	3,217	145	3,362	2,650
Charitable activities	3	681	1	682	643
Other trading activities	4	513	-	513	391
Investments	5	35	-	35	53
<b>Total Income and endowments</b>		<b>4,446</b>	<b>146</b>	<b>4,592</b>	<b>3,737</b>
<b>Expenditure on:</b>					
Raising funds	6	(907)	-	(907)	(834)
Charitable activities – development project	6	(436)	-	(436)	(193)
Charitable activities - core activities	6	(3,925)	(101)	(4,026)	(3,851)
<b>Total expenditure</b>	6	<b>(5,268)</b>	<b>(101)</b>	<b>(5,369)</b>	<b>(4,878)</b>
<b>Net operating (expenditure)/ income</b>		<b>(822)</b>	<b>45</b>	<b>(777)</b>	<b>(1,141)</b>
Net gains/(losses) on investments	9	887	-	887	(532)
<b>Net income/(expenditure)</b>		<b>65</b>	<b>45</b>	<b>110</b>	<b>(1,673)</b>
Transfers between funds	15	1	(1)	-	-
Gains on revaluation of investment properties	8	6	-	6	36
<b>Net movement in funds</b>		<b>72</b>	<b>44</b>	<b>116</b>	<b>(1,637)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 April		12,338	316	12,654	14,291
Total funds carried forward at 31 March	15	<b>12,410</b>	<b>360</b>	<b>12,770</b>	<b>12,654</b>

All the above results are derived from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities; therefore, a separate statement of recognised gains and losses has not been prepared. The £887,000 gain (2016: £532,000 loss) on investments comprises £218,000 realised gains and £669,000 unrealised gains (2016: realised gains of £135,000 and unrealised losses of £667,000). The results for the Charity are disclosed in Note 1. The prior year funds brought forward of £14,291,000 were made up of £13,891,000 unrestricted funds and £400,000 restricted funds.

# Consolidated and charity balance sheet at 31 March 2017

Company number 3666389

		Group	Charity	Group	Charity
	Note	2017	2017	2016	2016
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Tangible assets	7	147	147	155	155
Investment Property	8	246	246	240	240
Investment Portfolio	9	11,433	11,433	11,606	11,606
Social Investments	9	309	309	-	-
Total fixed assets		12,135	12,135	12,001	12,001
<b>Current Assets</b>					
Debtors	11	470	470	665	665
Cash at bank and in hand		1,018	437	761	118
Total current assets		1,488	907	1,426	783
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12	(778)	(774)	(773)	(768)
<b>Net Current Assets</b>		710	133	653	15
<b>Total Assets less Current Liabilities</b>		12,845	12,268	12,654	12,016
Creditors: amounts falling due after more than one year	12	(75)	(75)	-	-
<b>Total Net Assets</b>		<b>12,770</b>	<b>12,193</b>	<b>12,654</b>	<b>12,016</b>
<b>The Funds of the Charity</b>					
Restricted Income Funds	15	360	360	316	316
Unrestricted Income Funds:					
- General Funds	15	3,848	3,271	3,567	2,929
- Designated Funds	15	8,562	8,562	8,771	8,771
Total Unrestricted Income Funds		12,410	11,833	12,338	11,700
<b>Total Charity Funds</b>		<b>12,770</b>	<b>12,193</b>	<b>12,654</b>	<b>12,016</b>

The financial statements set out on pages 34 to 54 were approved by the Trustees on and signed on their behalf by:

**Andrew Smith, Trustee**

**14 September 2017**

## Consolidated cash flow statement for the year ended 31 March 2017

	Total	Total
	2017	2016
	£000	£000
<b>Cash flows from Operating Activities</b>		
Net cash provided used in operating activities	(511)	(1,104)
<b>Cash flows from Investing Activities:</b>		
Dividends, interest and rents from investments	35	53
Purchase of property, plant and equipment	(18)	-
Proceeds from sale of investments	1,060	767
Purchase of social investments	(309)	-
<b>Net cash provided by/(used in) investing Activities</b>	768	820
<b>Change in cash and cash equivalents in the reporting year</b>	257	(284)
<b>Cash and cash equivalents at the beginning of the reporting year</b>	761	1,045
<b>Cash and cash equivalents at the end of the year</b>	1,018	761
<b>Net income/(expenditure) for the reporting year (as per the SOFA)</b>	110	(1,673)
Adjustments for:		
Depreciation charges	26	26
(Gains)/losses on investments	(887)	532
Dividends, interest and rents from investments	(35)	(53)
Decrease/(Increase) in debtors	195	(220)
Increase in creditors	80	284
<b>Net cash used in operating activities</b>	(511)	(1,104)

# Notes to the financial statements for the year ended 31 March 2017

## 1: Accounting policies

### (a) Basis of preparation of financial statements

The annual report and financial statements for the year ended 31 March 2017 have been prepared on a going concern basis, under the historical cost convention as modified by revaluation of investments and investment properties, in compliance with the Companies Act 2006, the Charities Act 2011, the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102), and with UK Generally Accepted Practice. The principal accounting policies, which have been applied consistently throughout the year, except for changes arising on the adoption of Charities SORP (FRS102), are set out below.

As detailed in the Trustees' reports, the Trustees have reviewed the future activities and planned performance of the Foundation and confirm that it remains appropriate to prepare the financial statements on the going concern basis.

The Duke of Edinburgh's International Award Foundation meets the definition of a public benefit entity under FRS 102.

The financial statements do not include the financial statements of any National Award Operators or Independent Award Centres as these are independent of the charity and, in some cases, are charities in their own right.

### (b) Fund accounting

Funds held by the charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Unrestricted designated funds – these are funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Details are set out in Note 15.

### (c) Income and endowments

Income is recognised when the Foundation is entitled to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies includes World Fellowship donations, gifts, grants receivable and donations of facilities and services in kind. The specific bases used for recognition of such income are as follows:

- Donation income and legacies are recognised where there is entitlement, probability of receipt and measurability.
- Donated facilities and services are included at the value to the charity where this can be quantified and

a third party is bearing the cost. The value is determined by considering the amount the charity would pay for such services in the open market. An equivalent expenditure amount is included in the financial statements at the same time as the income is recognised. No amounts are included in the financial statements for services donated by volunteers.

- Donated assets are included in incoming resources and fixed assets at an estimate of their value to the charity at the date of receipt.
- Grants are recognised when the entitlement to the grant is confirmed.

Income from charitable activities includes licence fee income, participant fee income, delegate fees and income from training events. Other trading income includes fundraising event and auction income. The income from training and fundraising events is shown gross of any associated expenditure. Income received in advance of an event is deferred until entitlement to that income has arisen, at which time it is credited to the SOFA. Where income is raised through fundraising events held jointly with other charities, only the share of that income which is attributable to the Foundation is recognised.

#### **(d) Expenditure**

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Costs of raising funds relates to costs associated with attracting donations and supporting the fundraising events. Such costs comprise primarily the salaries of the fundraising department together with direct costs associated with fundraising events.
- Expenditure on charitable activities including expenditure associated with long-term contracts and providing grants comprises direct expenditure, including direct staff costs, attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources, including time spent.

#### **(e) Gains and losses on foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated to sterling at the rate ruling at the balance sheet date, or the forward currency contract rate for those balances subject to a forward contract. Income and expenditure items in foreign currencies are translated at an average rate over the year using market rates set quarterly. All gains and losses on exchange, realised and unrealised, are reflected in the SOFA.

#### **(f) Tangible assets and depreciation**

Tangible fixed assets costing more than £1,000, including incidental expenses of acquisition are capitalised at cost. Tangible fixed assets costing under £1,000 are expensed in the year the expense is incurred.

Computer hardware and infrastructure, including replacement systems, are capitalised on initial purchase at cost. Computer software, including development of our digital tools is expensed and is not recognised as an intangible asset.

Depreciation of fixed assets is charged on a straight line basis, commencing in the month of purchase, on cost or valuation as follows:

- Fixtures, fittings & furniture: 10% per annum.
- Computer systems, software and infrastructure: 33% per annum or economic life of asset, whichever is shorter.
- Motor Vehicles: 25% per annum

#### **(g) Investment properties**

Investment properties are initially recognised at cost which includes purchase cost and any attributable expenditure. Investment properties are valued and subsequently measured at fair value with any surplus/(deficit) recognised in the SOFA. Investment properties are those which are not held for social benefit and where a reliable fair value is available. Investment properties are valued by the Trustees using available market information.

#### **(h) Investment portfolio**

Listed investments are held at fair value at the balance sheet date and the SOFA includes the realised and unrealised investment gains/losses for the year. Realised gains and losses on investments, calculated as the difference between the sales proceeds and their fair value at the start of the year, or subsequent cost, are credited or charged to the SOFA in the year of gain or loss. Unrealised gains and losses representing the movement in fair values during the year are credited or charged to the SOFA in the year of the gain or loss.

#### **(i) Social investments**

Social investments are carried at cost less any provision for impairment. Such investments are not able to be carried at fair value as there is no open market for such investments. All social investments are subject to review, and any impairment is charged to the Statement of Financial Activities.

#### **(j) Pension costs**

The Foundation contributes to The Duke of Edinburgh International Award Foundation Group Personal Pension Plan. This is a defined contribution pension scheme operated by Scottish Widows. The contributions are recognised as they fall due. Current service costs are included within the SOFA within charitable activities – core activities (unrestricted funds).

#### **(k) Consolidation**

The wholly owned subsidiary Intaward Limited is not required to be consolidated under FRS2 102 section 9 since it was dormant during the whole of the financial year and the prior financial year.

The Financial Statements of the Foundation's subsidiary, The Duke of Edinburgh's International Award Foundation (Canada), are consolidated with the financial statements of the Foundation on a line-by-line basis. This entity only included at the year-end cash at bank of £583,000 (2016: £643,000), current liabilities of £4,000 (2016: £5,000), incoming resources of £619,000 (2016: £611,000), resources expended of £37,000 (2016: £6,000) and net income of £582,000 (2016: £605,000).

The Charity's result, being the net movement in funds of the Foundation excluding the income and expenditure of the above subsidiary entities, was £3,973,000 (2016: £2,994,000) income and £472,000 (2016: £2,278,000) net expenditure for the year.

The Trustees have assessed the relationship with The Duke of Edinburgh's International Award USA (Award USA) and specifically if the Foundation has significant influence over Award USA which would require the Foundation to account for Award USA as an associate. Although the Foundation has representative membership on the Award USA Board, this membership is not considered to give significant influence as the board member cannot, on his own, make or block any decisions of the Award USA Board. However, the nature of the relationship between the Foundation and Award USA is in the spirit of cooperation and common views on key decisions. Having considered the Charities SORP (FRS102), and specifically paragraph 28.4, the Trustees do not believe significant influence exists over Award USA. Therefore Award USA's results are not consolidated into these financial statements. Any transactions between the Foundation and Award USA are accounted for on an arm's length basis.

#### **(l) Operating leases**

Rental paid under operating leases is charged to the SOFA on a straight line basis.

#### **(m) Irrecoverable VAT**

Income and expenditure is recorded gross of VAT as the Foundation has not recovered any VAT.

#### **(n) Significant management judgements**

The Trustees have exercised significant judgements over the valuation of donations in kind, foreign currency balances subject to forward contracts, the Foundation's investment property and the degree of control of significant influence over The Duke of Edinburgh's International Award USA. The basis for the valuation of donations in kind is detailed under note (c) above (income and endowments) and the basis for the judgement on the Award USA is detailed under note (j) above (consolidation).

In accordance with section 12 of FRS 102, the foreign currency balances subject to forward contracts should be accounted for at fair value. Management have obtained data from the counter-party and have concluded that the impact of accounting for these contracts at fair value would not be material to the financial statements. Management have therefore not applied the fair value rules of section 12 for these contracts and have accounted for these balances using the forward currency contract rate.

In determining fair values of the investment property the Trustees have exercised significant judgement. The values are not considered to be materially different to the respective net book values of the property.



## 2: Donations and Legacies

### (a) Donations and Legacy income

	Unrestricted general fund £000	Restricted fund £000	Total 2017 £000	Total 2016 £000
Donations - Individuals and Companies	2,610	111	2,721	2,017
Donations – Trusts and Foundations	365	34	399	359
Donations in kind	242	-	242	274
	<u>3,217</u>	<u>145</u>	<u>3,362</u>	<u>2,650</u>

Donations – Individuals and Companies includes £588,000 (2016: £565,000) in relation to The Duke of Edinburgh's International Award Foundation (Canada). These are unrestricted funds.

The 2016 total donations – individuals and companies consists of £1,945,000 unrestricted income and £72,000 restricted income; the 2016 donations – trusts and foundations consists of £327,000 unrestricted income and £32,000 restricted income; and the 2016 donations in kind consists of £267,000 unrestricted income and £7,000 restricted income.

### (b) Donations in kind

Material donations in kind received during the year are estimated to be valued as follows:

	2017 £000	2016 £000
Office accommodation	115	135
Legal & advisory services	70	89
Travel, accommodation, other	34	30
Events	23	20
	<u>242</u>	<u>274</u>

### 3: Charitable Activities

	Unrestricted Funds	Restricted Funds	2017	2016
	£000	£000	£000	£000
Operator licence	260	1	261	223
Online Record Book	250	-	250	260
Training & other	133	-	133	153
Operating/other income	38	-	38	7
	681	1	682	643

The 2016 Operator Licence income consists of £221,000 unrestricted income and £2,000 restricted income. All Online Record Book, training and other and operating/other income in 2016 was unrestricted.

### 4: Other Trading Activities

	2017	2016
	£000	£000
Fundraising Events	464	288
Fundraising Auctions	29	98
Jewellery Sales	20	5
	513	391

All fundraising events and fundraising auctions income in 2017 and 2016 was unrestricted.

### 5: Investments

	2017	2016
	£000	£000
<b>Investment income arises from:</b>		
Interest on other cash balances	1	1
Investment Property Income	9	6
Other Rental Income	25	46
	35	53

All interest on other cash balances, investment property income and other rental income in 2017 and 2016 was unrestricted.

## 6: Total resources expended

(a)	Directly charged	Staff Costs	Allocated Overheads	Total	Total
	2017	2017	2017	2017	2016
	£000	£000	£000	£000	£000
Raising Funds	372	395	140	907	834
<b>Costs of charitable activities</b>					
<b>Charitable activities – development projects</b>					
Online Record Book	436	-	-	436	60
One Award Alliance Programme	-	-	-	-	133
	436	-	-	436	193
<b>Charitable activities – core activities</b>					
Resourcing	824	397	127	1,348	1,289
Operating	355	1,353	417	2,125	2,016
Communicating	114	334	105	553	546
	1,293	2,084	649	4,026	3,851
<b>Total resources expended</b>	<b>2,101</b>	<b>2,479</b>	<b>789</b>	<b>5,369</b>	<b>4,878</b>

Charitable activities – development projects, is a long term development strategy that is funded by reserves that the Trustees designated during 2011/12 with further funds designated in 2015/16 and 2016/17. The strategy includes the development and roll out of the Online Record Book and a series of other projects that in total constitute the One Award Alliance Programme.

Staff costs include those charged directly to raising funds and charitable activities and some allocated centrally on the basis of staff time. Overhead costs not directly charged to a channel are allocated using the same staff time proportions.

Restricted expenditure of £25,000 (2016: £113,000) has been directly charged to Charitable activities – core activities resourcing. Restricted expenditure of £44,000 (2016: £103,000) has been directly charged to Charitable activities – core activities operating. Restricted expenditure of £19,000 (2016: nil) has been directly charged to Charitable activities – core activities communicating. Restricted expenditure of £8,000 (2016: nil) has been charged to staff costs.

<b>(b)</b>	<b>Net income before investment gains is stated after charging:</b>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
	Depreciation	26	26
	Audit fee	32	30
	Operating leases	79	56
	Foreign exchange (gains)/losses	(47)	18
<b>(c)</b>	<b>Staff costs</b>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
	Wages and salaries	1,828	1,722
	Social security costs	196	182
	Other Pension costs	145	145
	Other staff costs	310	286
		<hr/>	<hr/>
		2,479	2,335
<b>(d)</b>	<b>Staff numbers</b>	<b>2017</b>	<b>2016</b>
		<b>Number</b>	<b>Number</b>
	Generating funds	8	7
	Charitable activities	38	37
	Average monthly full time equivalent number of staff in the year	<hr/>	<hr/>
		46	44

**(e) Staff whose emoluments (excluding pension contributions) were in excess of £60,000**

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	2	1
£70,001 - £80,000	1	-
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£120,001 - £130,000	1	1
	<hr/>	<hr/>
	7	4
	<hr/>	<hr/>
	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Pension contributions in respect of the above members of staff	39	36
	<hr/>	<hr/>

As at 31 March the senior management team consists of the Secretary General and two Deputy Secretary Generals. Their combined emoluments for the year were £308,000 (2016: £304,000). There is no car allowance and they have the same health insurance terms and bonus scheme terms as all other UK staff. The pension rights for the two Deputy Secretary Generals are the same as all other UK staff whereas the Secretary General has enhanced pension rights.

**(f) Ex-gratia payments**

Compensation of £14,000 (2016: £17,000) was paid to one (2016: one) employee for loss of office during the year. The payment comprised of one month's salary as compensation and payment in lieu of notice period was paid with no deductions.

**(g) Grants expenditure**

Grants expenditure of £327,000 (2016: £160,000) has been charged to unrestricted charitable activities – operating activities resourcing and £23,000 (2016: £7,000) to restricted charitable activities – operating activities resourcing. During the year the Foundation made a grant of £75,000 to The Duke of Edinburgh's International Award USA to support the re-establishment of the Award in the USA and 49 (2016: 32) Special Projects grants. The maximum Special Projects grant was £11,000.

## 7: Tangible assets

	Fixtures, fittings & furniture	Computer systems, software & infrastructure	Motor vehicles	Total
	£000	£000	£000	£000
Cost at 1 April 2016	264	96	56	416
Additions	-	18	-	18
Cost at 31 March 2017	264	114	56	434
Accumulated depreciation at 1 April 2016	(109)	(96)	(56)	(261)
Depreciation charge	(25)	(1)	-	(26)
Accumulated depreciation at 31 March 2017	(134)	(97)	(56)	(287)
Net book value at 31 March 2017	130	17	-	147
Net book value at 31 March 2016	155	-	-	155

## 8: Investment Property

Portugal Property	2017	2016
	£000	£000
Fair value at 1 April	240	204
Fair value adjustment	6	36
Fair value at 31 March	246	240

The Foundation holds a donated investment property in Portugal. Small amounts of rent and related expenditure are generated by it each year. In accordance with FRS 102, no depreciation is provided in respect of the investment property. The property is held for its investment potential and not for use within the Foundation.

The property is held at £246,000 (2016: £240,000) at the balance sheet date. Based on available market information, including the recent realised sale value of other properties of a similar size, condition and location, the Trustees judge this to be a reasonable approximation of the fair value of the property. They do not consider that a formal external valuation is required.

## 9: Investments

<b>a: Investment Portfolio</b>	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Investment portfolio at 1 April	11,606	12,905
Drawdowns from Portfolio	(1,060)	(767)
Net investment gains/(losses)	887	(532)
Market value of equity holdings at 31 March	11,433	11,606

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Blackrock Absolute Return Unit Trust	3	13
Standard Life Global Absolute Return Fund	3,266	3,751
Barings Dynamic Asset Allocation Fund	3,935	3,887
Ruffer Absolute Return Fund	4,229	3,955
Investment portfolio at 31 March	11,433	11,606

The drawdowns from the portfolio reflect the management of short term cash outflows.

The Trustees believe that the carrying value of the investments is supported by their underlying net assets. The original cost of these investments was £9,180,000 (2016: £9,997,000).

<b>b: Social Investments</b>	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
The Duke of Edinburgh's International Award USA		
Cost less impairment at 1 April	-	-
Additions at cost	309	-
Cost less impairment at 31 March	309	-

## 10: Investment in subsidiary

The Foundation's wholly owned subsidiary, Intaward Limited, is registered in England with company number 03961099. The cost of this investment is £2. Intaward Limited has been created to be available for any trading activity of the Foundation. Intaward Limited is dormant, never having traded since being set up, the only asset being the £2 subscribed for the share capital. No consolidation has been prepared under the exemption allowed in the Companies Act 2006.

The Foundation's subsidiary, The Duke of Edinburgh's International Award Foundation (Canada), is registered in Ontario, Canada with corporation number 813342-5. The cost of this investment is nil (2016: nil). Throughout the year the Foundation exercised significant influence and control over The Duke of Edinburgh's International Award Foundation (Canada), with at least 50% of the directors also being Trustees of the Foundation. Its financial results for the year were:

	<b>Year to 31 March 2017 £000</b>	<b>Year to 31 March 2016 £000</b>
Income	704	680
Expenditure Grants	(801)	(664)
Expenditure Other	(37)	(26)
Deficit of income over expenditure	(134)	(10)

	<b>At 31 March 2017 £000</b>	<b>At 31 March 2016 £000</b>
Total assets	581	656
Total liabilities	5	21

## 11: Debtors

	<b>2017 £000</b>	<b>2016 £000</b>
Trade debtors	116	118
Other debtors	6	202
Accrued income	220	195
Prepayments	128	150
	470	665



## 12: Liabilities and provisions

(a) Creditors: Amounts falling due within one year	Group	Group
	2017	2016
	£000	£000
Trade creditors	108	125
Other creditors	413	413
Accruals	257	235
	<hr/> 778	<hr/> 773

Included in accruals is £4,000 (2016: £5,000) current liability of The Duke of Edinburgh's International Award Foundation (Canada).

(b) Creditors: Amounts falling due after more than one year	2017	2016
	£000	£000
Other creditors	75	-
Balance at 31 March	<hr/> 75	<hr/> -

## 13. Foreign Currency Option

On 3 March 2017, the Foundation purchased at a premium of £12,600 a £/C\$ vanilla call option hedging the £ exchange rate of C\$950,000. The option had a strike rate of C\$1.6600 = £1 (2016: the Foundation entered into a zero premium £/C\$ participator put option hedging the £ exchange rate of C\$1,100,000 and a zero premium £/C\$ participator call option hedging the £ exchange rate of C\$550,000. The options had a protection rate and a participation rate of C\$1.9500 = £1).

The option was exercised on 15 May 2017 at a rate of C\$1.6600 = £1 (2016: C\$1.9425 = £1). In accordance with section 12 of FRS 102, this contract should be accounted for at fair value. Management have obtained data from the counter-party and have concluded that the impact of accounting for these contracts at fair value would not be material to the financial statements. Management have therefore not applied the fair value rules of section 12 for these contracts.

## 14: Taxation

The tax charge for ordinary activities is £nil (2016: £nil). The charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading

activities carried on in the furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## 15: Funds

### (a) Movement

	<b>Unrestricted</b>	<b>Restricted Development Projects</b>	<b>Total Funds</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance at 1 April 2016	12,338	316	12,654
Other net (outgoing) resources	(822)	45	(777)
Unrealised gains on investments	669	-	669
Realised gains on investments	218	-	218
Revaluation of Investment Property	6	-	6
Transfer between funds	1	(1)	-
Balance at 31 March 2017	12,410	360	12,770

### (b) Net assets

	<b>Unrestricted</b>	<b>Restricted development projects</b>	<b>Total Funds</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Tangible assets	147	-	147
Investment Property	246	-	246
Investment portfolio	11,433	-	11,433
Social Investments	309	-	309
Net current assets	350	360	710
Creditors: amounts falling due after one year	(75)	-	(75)
Net assets at 31 March 2017	12,410	360	12,770

### (c) Designated funds

Included in unrestricted funds are funds set aside by the Trustees to provide support for National Award Operators and Independent Award Centres. These funds are therefore not readily available for other purposes. As at 31 March 2017 funds set aside for these purposes amount to £8,562,000 (2016: £8,771,000). The principle designated funds are:

Name of fund	Purpose	Expected timing of expenditure
Special Projects	Donations to fund unspecified Special Projects	Long term funding for appropriate project proposals
Support Funds	A variety of relatively small funds to support National Award Operators development and global Award projects.	Short to medium term small projects
Online Record Book	Costs to develop and implement the next iteration of the Online Record Book.	To be fully expended during 2017/18
Benelux Fund	To support the development of the Award in the Benelux countries	Short to medium term projects
Development Fund	Funds set aside for development projects.	Long term future development projects

### Designated funds movements

	1 April 2016 £000	Incoming resources £000	Outgoing resources £000	Transfer of funds £000	31 March 2017 £000
Special Projects	3,093	296	(307)	(17)	3,065
Support Funds	16	-	(27)	25	14
Online Record Book	585	-	(436)	150	299
Benelux Fund	-	107	-	-	107
Development Fund	5,077	-	-	-	5,077
Total	8,771	403	(770)	158	8,562

### (d) Restricted funds

Amounts received from donors that have restrictions placed on them are held as restricted funds. Funds are primarily restricted by geographical area or a particular purpose. The Foundation held 12 restricted funds at the end of the year (2016: 15 funds). The principle restricted funds are:

Region/Country Specific Funds	To support a National Award Operator in a specific country and/or the development of the Award in a specific country or region.
Kenya ORB	A donation to support 20 schools within Kenya to enable participants to complete the Award using the online record book.
Ono Photography Bursary	A donation to support Special Projects – helping youth at risk - that are to be agreed with the donor.
Special Projects	Donations to fund specific Special Projects.
Special Projects 60 <sup>th</sup> Anniversary	A donation to support Special Projects that are to be agreed with the donor.
Tanaka Funds	To support National Award Operators in specific countries that are to be agreed with the donor.

#### Restricted funds movements

	1 April 2016 £000	Incoming resources £000	Outgoing resources £000	Transfer of funds £000	31 March 2017 £000
Region/Country Specific Funds					
- Initiative Africa Award	-	8	(8)	-	-
- Nigeria	32	8	(4)	-	36
- Anglo American Brazil Fund	97	-	-	-	97
- Kenya ORB Fund	6	73	(6)	-	73
- Other Region/Country Restricted Funds	9	5	(6)	-	8
Ono Photography Bursary	28	-	(19)	-	9
Special Projects	36	18	(23)	(8)	23
Special Projects 60 <sup>th</sup> Anniversary	20	-	-	-	20
Tanaka Funds	76	34	(35)	7	82
Other Restricted Funds	12	-	-	-	12
<b>Total</b>	<b>316</b>	<b>146</b>	<b>(101)</b>	<b>(1)</b>	<b>360</b>

The transfer between Special Projects restricted funds and Special Projects designated funds relates to Special Project grant payments that were previously accounted for as Special Projects restricted outgoing resources instead of Special Projects designated outgoing resources. A corresponding transfer is included within designated funds.

## 16: Related party transactions

Three (2016: Two) Trustees or companies connected with Trustees are fully paid Members, Fellows or Corporate Fellows of the World Fellowship. During the year two Trustees made donations of £1,267 (2016: three Trustees £765).

Trustees do not receive any remuneration for their service as Trustees and no monetary value is included in these financial statements for time spent by Trustees on the affairs of the Foundation. Out of pocket expenses incurred by Trustees while carrying out their duties are reimbursed by the Foundation when claimed. During the year, expenses of £417 were reimbursed to one Trustee, to cover travel and other costs (2016: six Trustees £6,413).

The Trustees have reviewed the related party connections of themselves, their close families and other connected persons and report that no disclosable transactions, other than those described above, arose during the year from these connections.

As explained in Note 1, the results of The Duke of Edinburgh's International Award USA (Award USA) are not consolidated into these financial statements. One member of the Foundation's Senior Management Team is a member of the Board of Award USA. During the year, the Foundation provided funding to Award USA in the form of a social investment of £309,000 which is disclosed in Note 9b and a grant of £75,000 which is disclosed in Note 6 of these financial statements.

## 17: Leases

The total commitment to future minimum lease payments under non-cancellable operating leases, for each of the following periods, are:

	2017	2016
	£000	£000
Land and buildings		
- Within 1 year	51	26
- Within 1 to 5 years	112	75
- Expiring 5 years +	18	36
	<hr/> 181	<hr/> 137
	<hr/>	<hr/>
Total rentals under operating leases charged as an expense in the SOFA	79	56
	<hr/>	<hr/>

## 18: Pension schemes

During the year to 31 March 2017 the Foundation contributed £113,000 (2016: £116,000) of unrestricted expenditure to The Duke of Edinburgh International Award Foundation Group Personal Pension Plan. This is a defined contribution pension scheme operated by Scottish Widows. As at 31 March 2017 £20,000 (2016: £22,000) was due to be paid to Scottish Widows. In addition, the Foundation contributed £34,000 (2016: £26,000) of unrestricted expenditure towards pension arrangements for regional staff.

## **19: Status of company and members**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 56. They have no entitlement to distribution on dissolution of the company and they each have a limited liability up to £1.

## Trustees' commitment

The Trustees confirm that these financial statements have been produced in accordance with relevant legislation. Each Trustee confirms that:

- a) Insofar as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- b) The Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Thank you

Thank you to all our supporters and staff.

We are sincerely grateful to all our donors for their tremendous support for our work and continued confidence in our efforts.

We are grateful to all those individuals and organisations who have provided pro bono assistance over the past year. The Trustees would also like to thank all staff for their continuing hard work, loyalty and support.

**Andrew Smith**  
**Trustee**  
**14 September 2017**

Registered office: Award House, 7-11 St Matthew Street, London SW1P 2JT  
Company Number: 3666389

## Appendix - structure, governance and management

**Founder:** His Royal Highness The Duke of Edinburgh KG, KT

**Trustees:** The Trustees of the charity who were in office during the year and up to the date of signing the financial statements were:

- His Royal Highness The Earl of Wessex KG, GCVO (UK) (Chair) 1, 3, 4
- Paul Bell (UK/South Africa) 1, 3, 5
- The Rt Hon The Lord Boateng PC DL (UK) 1, 4
- Rock Chen (Hong Kong) (from June 2017) 2
- Adebayo Olawale Edun (Nigeria) 2, 3
- Muna Issa (Bahamas) 2, 5
- Andrew Smith (UK) 1, 2, 3, 5
- Garth Weston (China/UK) 2, 5
- Dr Howard Williamson CVO CBE (UK) 3, 4

1 = Digital Steering Committee Member

2 = Finance, Audit and Property Committee Member

3 = Mapping the Future Committee Member

4 = Nomination Committee Member

5 = Remuneration Committee Member

The members of the Joint Funding Board during the year and up to the date of signing the financial statements were Mr Peter Westgarth from The Duke of Edinburgh's Award (the National Award Operator in the UK), Mr John May from The Duke of Edinburgh's International Award Foundation, the respective Head of Fundraising from each organisation and Mr Ashok Rabheru.

### **Senior Management Team:**

- John May – Secretary General
- Gary Davis – Deputy Secretary General and Company Secretary
- Stephen De-Wint – Deputy Secretary General

**Company Number:** 3666389

**Registered Charity Number:** 1072453



<b>Registered Office:</b>	<p>The Duke of Edinburgh's International Award Foundation</p> <p>Award House</p> <p>7-11 St Matthew Street</p> <p>London</p> <p>SW1P 2JT</p>
<b>Investment Managers:</b>	<p>BlackRock Investment Management (UK) Limited</p> <p>12 Throgmorton Avenue, London EC2N 2DL</p> <p>Ruffer LLP</p> <p>80 Victoria Street, London SW1E 5JL</p> <p>Standard Life Investments Limited</p> <p>1 George Street, Edinburgh EH2 2LL</p> <p>Baring Assets Management (London)</p> <p>155 Bishopsgate, London EC2M 3XY</p>
<b>Independent auditors:</b>	<p>PricewaterhouseCoopers LLP</p> <p>1 Embankment Place</p> <p>London</p> <p>WC2N 6RH</p>
<b>Solicitors:</b>	<p>Bates Wells &amp; Braithwaite London LLP</p> <p>Scandinavian House</p> <p>2-6 Cannon Street</p> <p>London</p> <p>EC4M 6YH</p>
<b>Bankers:</b>	<p>NatWest</p> <p>250 Regent Street</p> <p>London</p> <p>W1B 3BN</p> <p>Lloyds Bank plc</p> <p>8 – 10 Waterloo Place</p> <p>London</p> <p>SW1Y 4BE</p>