



**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 2023*

Company Number: 3666389
Registered Charity Number: 1072453

Trustees' Annual Report

Contents

Trustees' Annual Report	
About Us.....	3
Our Year	5
Chairman's Introduction – 2022-23 Trustees' Annual Report	7
Growing and Strengthening the Award internationally	9
Financial Review.....	12
Trustees' Commitment	18
Thank You.....	18
Independent Auditor's Report to Members of The Duke of Edinburgh's International Award Foundation.....	19
Consolidated statement of financial activities for the year ended 31 March 2023	23
Consolidated and Charity balance sheets at 31 March 2023	24
Consolidated cash flow statement for the year ended 31 March 2023	25
Notes to the financial statements for the year ended 31 March 2023	26
Trustees' Annual Report (Continued)	54
Structure, Governance and Management	54
Managing Responsibly	59
Statement of Trustees' Responsibilities.....	64
Thank You.....	65

The Duke of Edinburgh's International Award Foundation's 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 2023. In preparing this report the Foundation's 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. This report has been prepared in accordance with the Companies Act 2006 and with regard to Charity Commission guidance on public benefit. Disclosures required in the Trustees' report (including the strategic report) by the Companies Act 2006 and Charities SORP (FRS102) are also contained within the appendix.

About Us

THE AWARD

The Foundation and Association share the ambition that one day every eligible person aged 14 to 24 will have the opportunity to participate in the Award.

We refer to this as 'Universal Access'; reaching everyone geographically and societally and giving them equal opportunity is the charity's greatest challenge, and our most important quality; the Founder stipulated The Award must be open and available to all, a principle that continues to underpin our future endeavours.

The Duke of Edinburgh's International Award is a global framework for Non-Formal Education and Learning; inspiring and empowering, millions of young people to transform their lives. It allows young people's achievements to be consistently recognised worldwide and gives them a unique international accreditation of their experiences; celebrating their achievements and playing a critical role in their development outside the classroom. Currently, the Award operates in 129 countries and territories.

Founded in 1956 by HRH The Prince Philip, the late Duke of Edinburgh, KG, KT. He believed that by creating opportunities for young people to develop skills, get physically active, give service and experience adventure, they could discover their infinite potential, whatever their background. Although the Award's framework remains the same wherever it is delivered, no two Awards are the same. Instead, each young person designs and creates their own bespoke programme.

Since 1956, some 7 million Awards have been gained by young people who have given approximately 250 million hours of voluntary service to their local communities across 168 countries. Like millions today, they challenged themselves to find their purpose, passion and place in the world.

THE FOUNDATION

The Foundation is the engine that increases the access, reach and impact of the Award around the world ensuring as many young people as possible can benefit from and achieve this world-recognised accreditation.

The Foundation manages the Award through a social franchise, licensing 501 operators, ranging from National Award Operators to individual organisations. The Award is delivered to young people through the Award Family of 21,206 Award Centres, such as schools, youth groups, custodial institutions and other operators.

The Foundation's charitable purpose is "advancing the adoption and effective administration of The Award for the development of character, good citizenship and education of young people worldwide." The Foundation does this by:

- Communicating - providing advocacy for the importance of non-formal education and learning; managing the Award brand and its communications to ensure relevant, consistent messaging and material to promote the Award and its impact worldwide

- Operating - overseeing the delivery of the Award around the world, assisting current and prospective Award Operators and organisations and enabling them to deliver the Award effectively and consistently. We help these organisations to develop and improve access to the Award particularly amongst 'at risk' and marginalised young people
- Resourcing - supporting the Award across the world by generating and developing the human, financial and technical resources to meet and sustain our mission, vision and ambitions

THE ASSOCIATION

The Duke of Edinburgh's International Award Association is the collective name for all the constituents of the Award family and is established by the consent of all the parties concerned, to encourage mutual cooperation, share responsibility for development and foster collective ownership in our brand. Its main body of constituents comprises the 501 operators licensed by the Foundation.

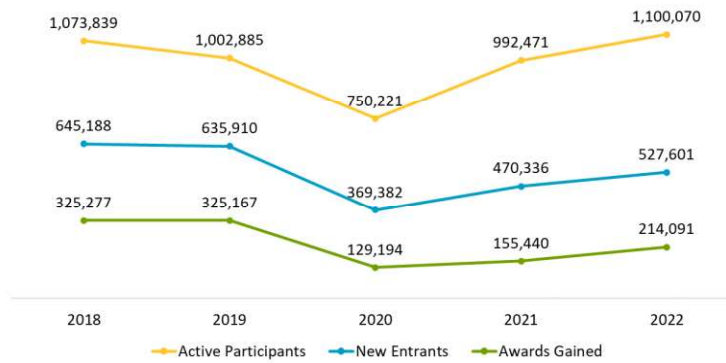
Our Year

Our motivation is that, daily, we can help inspire, transform and empower individuals, communities and societies. Over the past year, this is what we have achieved.

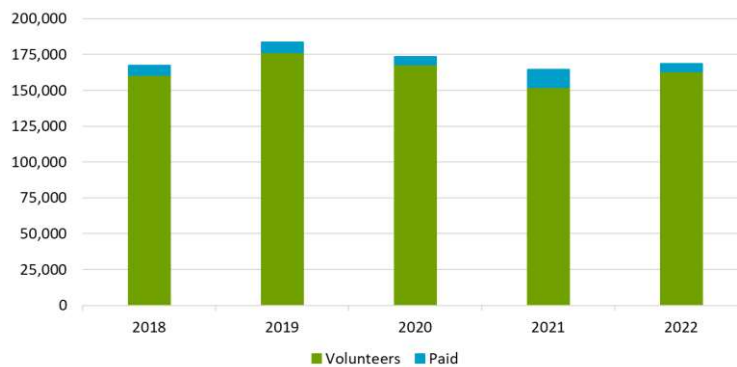
Summary

- 1,100,070 active participants
- 527,601 new entrants
- 214,091 Awards gained: Bronze - 150,108; Silver - 49,783; Gold - 14,200
- 51% of participants were female; 44% of participants were male and 5% undisclosed
- Supported by more than 160,000 volunteers_
- 21,206 Award Centres across more than 130 countries and territories in 2022

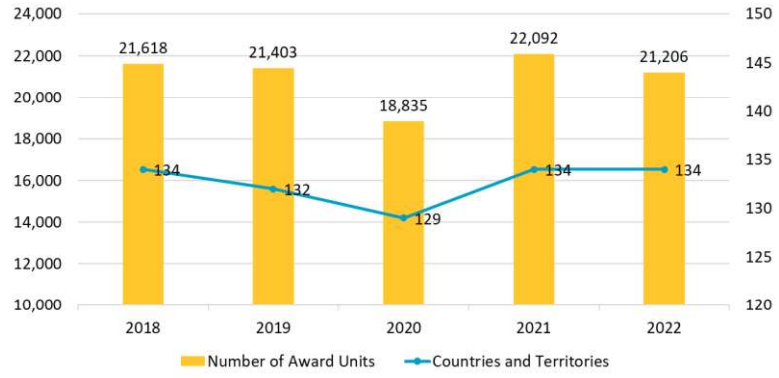
Young People: 2017 – 2022 Progression



Adults in the Award



Global reach of the Award



Chairman's Introduction – 2022-23 Trustees' Annual Report

The year has seen continued resurgence since the pandemic and setting the foundations for the future.

The Association gathered in Cluj-Napoca, Romania, for our first hybrid Forum in October. 145 delegates attended in person with another 72 joining online. It was a very positive and affirming series of meetings, the principal topic being our forward strategy and what were felt to be the biggest challenges to overcome.

It was a poignant moment as the Association acknowledged the passing of Her Majesty Queen Elizabeth just weeks before. We also remembered our Founder, His Royal Highness The Prince Philip, late Duke of Edinburgh. The tribute recounted the story of my father's early life and how it intertwined with the evolution of the International Award and ultimately shaped what is probably his greatest legacy. Much thanks must go to those who presented and contributed to the tribute.

We were delighted that Princess Margareta, Custodian of the Crown of Romania and Patron of the Award in Romania, her husband, Prince Radu as well as Prince Guillaume, Chair of the Award in Luxembourg, were able to join us in Cluj-Napoca.

The Award in Romania has been leading the Association's response to the war in Ukraine, along with Czechia and Slovakia. Collectively, they initiated a project to encourage participants to act as buddies to displaced young Ukrainians, helping them to integrate through shared passions. The *Stand By Me* project has helped to raise awareness of a particular issue for refugees as well as providing a solution and in doing so has attracted considerable interest, including the support of UNICEF.

Not long after the Forum, John May stood down as Secretary General after nearly eleven years in the role. His tenure has seen some remarkable changes and developments, notably the One Award Alliance which introduced our social franchise business model, our digital transformation, and our quality assurance programme, all of which are fundamental to our brand. Policy makers and educationalists worldwide have become much more aware of the importance of non-formal education and learning. John also helped to create a much stronger working partnership with the 'Big 6' youth organisations which, in turn, developed partnerships with the World Health Organisation and the Commonwealth. We wish him well in his future endeavours.

The Foundation continues to support our Award Operators to invest in the development of young people which is at the heart of what do. Our absolute priority is supporting Award participants and volunteers. Our activities span the non-formal education and learning sector and The Award is a unique and global recogniser and accreditor of young people's achievements. We do this through our three teams.

Our Operating team (page 9) lead our efforts to maintain and develop key partnerships. In addition to those mentioned already, we also work with Cambridge International, the World Bank and Mastercard Foundation on a variety of projects empowering young people in very different circumstances. The team also supports recipients of the Foundation's own *International Special Projects* and the process to identify Award Operators who could benefit from our new major grants programme through the *Founder's Fund*. The team is looking to significantly grow the number of directly licensed and managed Operators or Independent Award Centres due to demand.

Our Communicating team (page 10) is at the forefront of maintaining the Award's profile by supporting key initiatives, notably The Award's involvement with the Commonwealth Heads of Government Meeting in Rwanda where, as one of the 'Big 6' youth organisations, we signed a Memorandum of Understanding to promote *Quality Youth Leadership*. They were instrumental in delivering the Forum, supporting *Stand By Me* and running virtual events to showcase the Award in action. The team is also responsible for building our alumni network as well as our research and evaluation. The production of our first estimate of The Award's present and future global social value of £1.35 billion won the team a Social Value Award for third sector leadership.

Our Resourcing team (page 11) is led by a new Chief Finance Officer who has carried on the task of moving the Foundation to be more financially sustainable. The experience is helping the team to set the conditions for Award Operators to consider similar exercises. They also look after our digital tools and systems. The priority this year has been our global intranet which provides online training programmes as well as a means for Operators to exchange information more easily. In terms of people, we have seen a substantial uptake in the number of applicants for the tailored 3-tier business management courses run by Herriot Watt University. The newly created Development team has taken on a wider remit of fundraising as well as grant-giving, both of which are experiencing a welcome resurgence. The most notable success has been the partnership agreed with Mastercard Foundation which will be critical to not only extending the reach of the Award, but also ensuring it is accessible to all.

The Financial Review (page 12) presents an increasingly healthier set of finances and, I'm delighted to report, a General Fund in better condition. Our investment portfolios suffered from turbulent markets, but crucially, we increased the amount of income by just short of £2m over the previous year. Our reserves have been affected positively by *Stand By Me* and the *Founder's Fund*, although this will alter as we implement the associated grant schemes.

Our Year (page 5) illustrates the continued resurgence since the pandemic. The number of active participants in The Award has increased by 11% on the previous year. The number of young people starting their Award journey is up by 12% and is equivalent to 1,450 starting every day while those who achieved either their Bronze, Silver or Gold Awards is up by 38%.

Our Future endeavours will be determined by our forward strategy currently taking shape. While the overall statistics are encouraging, there is consensus within the Association that we can and ought to be reaching more young people. Seeking Financial and Operational sustainability or viability are key goals. We will be striving to reach our financial target for the *Founder's Fund* as it will be crucial to achieving these goals. We will be looking at ways to accelerate our digital transformation as well as how to refine our research and evaluation, the latter being particularly important if we are to demonstrate our positive impact.

My fellow Trustees and I are hugely grateful to all our donors who have maintained their financial support over this period. We bade farewell to four Trustees this year and welcomed four new ones. We wish to thank our Operators for their understanding and excellent collaboration as well as all who work for the Foundation; this has been a demanding year and we are immensely grateful to them for their dedication. Particular thanks must go to our Chief Operating Officer – who has stepped up as Interim Secretary General – and Chief Finance Officer for valiantly holding the fort to give us time to find the best possible candidate to lead, shape and influence the future development of The Award.

Finally, and in case it causes confusion, I ought to mention that I have a new title. His Majesty The King very kindly bestowed our father's title onto me so that my wife, Sophie, and I are now The Duke and Duchess of Edinburgh. It's taking time to get used to, especially the weight of responsibility to sustain the reputation and all that so many associate with the Dukedom of Edinburgh, not least The Award and its legacy. We have both been genuinely heartened by the positive reaction we have received from so many people. Thank you.

HRH The Duke of Edinburgh KG GCVO
Chair, The Duke of Edinburgh's International Award Foundation

Growing and Strengthening the Award Internationally

OPERATING

The Foundation supports and encourages our Operators, ensures effective governance of the Award internationally, provides training to Award Operators and organisations delivering the Award, and enables them to deliver the Award effectively and consistently so that young people enjoy and benefit from a quality experience. We help these organisations to develop and improve, especially in terms of access to the Award among at risk, disadvantaged and marginalised young people.

The Award is currently operating in 129 countries and territories through a network of licensed organisations, including:

- 62 National Award Operators¹ (NAOs) and
- 3 Operating Partners (OPs)²
- 436 Independent Award Centres³ (IACs)

In the past year, the Foundation has worked diligently and innovatively through a variety of initiatives to further grow the Award across the world. Operators continue to deliver a successful Award experience (both in person and virtually), utilising and enhancing digital tools and online platforms that allow more young people to access the Award; sharing solutions and best practice and strengthening global cooperation. This flexible approach to delivering the Award has gone on to create more opportunities for young people to take part, further increasing the access, reach and impact the Award has across the world.

Awareness of the value and importance of non-formal education and learning continues to grow at pace. We remain a proud member of The Big 6, with Secretary General John May attending CHOGM (Commonwealth Heads of Government Meeting) in Rwanda in June where championing Non-Formal Education and Learning (NFE&L) among member states of the Commonwealth was the central area of focus.

In the past year, the Foundation has worked diligently and innovatively through a variety of initiatives to further grow the Award across the world.

- In order to respond to growing demand, we introduced a new growth plan to more than double the number of IACs to 1,100, with 33,000 participants across the world
- We have supported NAOs to continue with their digital adoption with innovative new delivery mechanics that have created new opportunities for growth
- We have developed and enhanced accessibility to our digital training suite which is now available to Award Leaders in 13 languages
- We formed a corporate partnership with Stonehage Fleming in South Africa. Of the first cohort of young people who commenced their Bronze Award, 88% completed which is above the 70% that was predicted and budgeted. This is a big win in running the Award in institutions working with disadvantaged young people, a model which can be replicated as they target township institutions and rural South Africa
- We joined forces with the Mastercard Foundation for an initial three year flagship partnership which will span across three key areas of activity in the Africa region: support of the Foundation's global advocacy work, investment to increase access to our digital platforms and training and integrating the Gold Award into the Mastercard Foundation Scholars Program
- We developed our collaboration opportunities with the Commonwealth Secretariat and Cambridge Assessment International Education

¹ A National Award Operator (NAO) is the body responsible for the operation of the Award within a country or dependent territory. There can only be one NAO in each country or dependent territory.

² An Operating Partner (OP) delivers the Award to their members or students. An OP can be a national youth organisation like the Guides or YMCA or could be a single school unit.

³ An Independent Award Centre (IAC) is an organisation (such as schools, NGOs and youth clubs) directly licensed by the Foundation to deliver the Award as an IAC. An IAC is licensed to deliver the Award exclusively to their own students/members.

- We continued to build upon Association engagement and communications, creating an even stronger global network of Operators and Award supporters
- In October 2022, we delivered a successful hybrid International Forum, hosted by the Award in Romania in Cluj–Napoca which brought the entire Association together either in-person or online. Spanning four days, the Association discussed future plans for the Award’s growth and impact

A focus on partnerships will continue to grow in the coming years, with further work planned with the Mastercard Foundation and Stonehage Fleming, to name a few. We look forward to growing this area of the business which will open up new opportunities for Award delivery worldwide and further highlight the important role the Award’s non-formal education and learning framework can play in complementing a formal curriculum; resulting in top-quality holistic education.

COMMUNICATING

The Award’s brand and communications drives awareness and supports global growth with impactful, current and consistent messaging and materials to promote the Award and its impact worldwide.

The potential of the Alumni network is great and with plenty of untapped opportunities still to explore, we are reviewing its strategy to create stronger, more efficient engagement across the network and beyond. Communications, research and advocacy partnerships will continue to make a vital contribution to the work of the Foundation, particularly in support of initiatives such as *Stand By Me* and the *Founder’s Fund* (see below) as recognition of the Award and its impact around the world becomes increasingly important.

In March, HRH Prince Edward, Earl of Wessex and Forfar received the new title of Duke of Edinburgh. In addition, The Duke of Edinburgh’s International Award was delighted to announce that HRH would be the charity’s new Patron; a position previously held by his father, Prince Philip, who founded the Award in 1956. The news of the Duke’s new title and role reinforced his dedication to the charity and his desire to sustain and enhance his father’s great legacy around the world by pursuing the Award’s long-term ambition of universal access so that every eligible young person has the opportunity to take part.

This past year, the Communications team created opportunities for increased brand awareness through various initiatives, helping to amplify the profound global impact of the Award and facilitating the Foundation to further widen its reach and scope, including:

- We supported NAOs with Award visits, which were undertaken by HRH Prince Edward, Duke of Edinburgh including two visits to USA; Canada; Romania; Cyprus; Bahamas; Turks & Caicos, and Cayman Islands. The Duke met with Award participants and education ministers alike to discuss the impacts and outcomes of the Award. Both trips created great media interest which served to grow awareness of the Award in-country
- We supported Foundation-led international event, Forum 2022 which was hosted by the Award in Romania
- We maintained our advocacy and global partnerships, expanding on our work with the world’s largest youth movements, the [Big 6 Youth Organizations](#) and participating in the UN’s Unlock Coalition. The Big 6 continued their commitment to the Global Youth Mobilization project, supported by the WHO and the United Nations Foundation, which enabled young people to take action to improve their lives and their wider communities on a wide range of issues, from improving universal skills to mental health
- We launched a marketing campaign, supported by UNICEF, to support the launch of the *Stand By Me* project in Romania, Czech Republic and Slovakia. Press conferences and events were held in each country and promotional materials such as flyers, videos and social media assets were developed to support the project’s growth which reached almost 300,000 young people
- We launched a photo competition to engage with participants, alumni and volunteers around the world and encourage them to share images of and showcase their Award experience through photography
- We created a new suite of Award Centre marketing materials to engage with heads of schools, parents, volunteers and potential Award Centres. The material has also been made available to NAOs
- We made great strides with our international research which found that almost 4 million hours were devoted to volunteering activities by participants who completed their Award in 2021

- We continued to build upon our Global Award Alumni Network (GAAN), growing our engagement initiatives such as the Alumni Spotlight profiles and quarterly Alumni Connect events

RESOURCING

After an unsettling period created by the global pandemic, in which charities and other industries alike had to dramatically adapt their efforts in order to respond to the changing environment, we are now in a more stable position. In the past year:

- We awarded 7 Special Projects grants, across 7 countries enabling 983 young people to start their Awards, of which 642 were reported to be at risk or marginalised
- The Founder's Fund has continued to grow, bringing the total pledged to £12.7m on a £25m target (with an additional £4.8m in pledges in 22/23), with 16 months still to run of the initial campaign so is well on target. The policy of engaging with Ultra High Net Worth Individuals continues to pay off with further prospects in the pipeline
- We invested in greater partnership and collaboration opportunities with organisations, such as UNICEF, the Commonwealth Secretariat and Cambridge Assessment International Education.
- We have continued to invest in the Foundation and Award's digital infrastructure, including the ongoing development of our use of Salesforce, the Online Record Book (ORB) and Award Community
- We continued to build upon our grant giving programmes, distributing £212,954 through the Special Projects fund
- The operational elements of Global Youth Mobilisation were completed after two years. The Award undertook 8 National Projects and numerous local initiatives across many Award countries
- We continued to invest in adult training and learning through our partnership with Herriot Watt University offering a programme which consists of a CBA, DipBA and MBA

These developments have been hugely successful in contributing to the growth and sustainability of the Foundation and the Award around the world.

We saw a healthy year end surplus from our Philanthropy team thanks to a combination of securing renewed commitments and vigorous new business activity which will be a key area of focus in the coming year. We are also leveraging a busy year of international events to maximise Stewardship and Engagement opportunities for supporters to come together including a corporate showcase; World Fellowship events; Gala Dinners and Award in Action opportunities.

We have made great strides towards confirming our new five-year Forward strategy for the Association ensuring that every effort is made to keep the Award relevant, accessible and appealing through the essential offer of adventure, challenge and a globally recognised achievement.

Looking ahead, the Founder's Fund continues with great momentum, allowing the fund to make transformational grants where the scale of Award delivery can be significantly increased, particularly amongst young people from at risk or marginalised backgrounds. In the new financial year we will build upon our grant giving and fundraising activity, moving to a wider engagement strategy for the Founder's Fund by engaging a broader swathe of prospects over multiple years. We continue with a central focus of increasing access, reach and impact so that, ultimately, we reach our ambition to provide universal access to the Award for all young people.

Financial Review

FINANCIAL HIGHLIGHTS

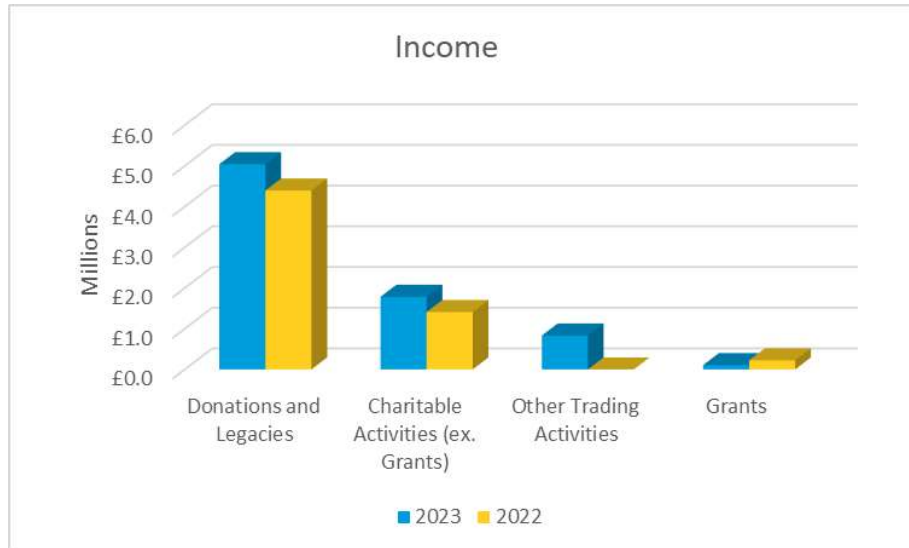
	2023	2022	Change
	£000s	£000s	£000s
Income	7,774	6,037	1,737
Expenditure	(4,720)	(3,908)	(812)
Net Operating Income	3,054	2,129	925
Development expenditure	(472)	(551)	79
Net Income	2,582	1,578	1,004
Investment gains	129	407	(278)
Loss on sale of subsidiary	(82)	-	(82)
Unrealised (losses)/gains on investment properties	(944)	186	(1,130)
Unrealised (losses)/gains on fixed assets	(747)	11	(758)
Net Surplus	938	2,182	(1,244)
Reserves	14,316	13,378	938
Unrestricted	7,521	5,031	2,490
Unrestricted long term asset reserve	3,004	4,735	(1,731)
Restricted	3,791	361	3,430
Endowment	-	3,251	(3,251)

Net income for the year before investment gains, property revaluations and sale of subsidiary, totalled £2.6 million, this is an increase of over £1 million on the previous year.

In July 2020, the Foundation was gifted Award House. During the year the Trustees took the decision to sell the property due to the significant amount of remedial work required to the roof, as such, the property has been revalued to £3 million. We have recognised an unrealised loss of £1,701,000. The Foundation also holds an investment property in Portugal, we have recognised an unrealised gain of £10,000 during the year in relation to this property.

In light of new policies and regulations published by The People's Republic of China in relation to the field of education and foreign ownership of companies operating in China, the Beijing Intaward International Culture Development Company Limited was sold during the year for consideration of £205,000. Income and Expenditure of the subsidiary has been included in the Group's consolidated results up to the date of disposal of 21 September 2022 and a loss on disposal has been recognised of £82,000.

INCOME



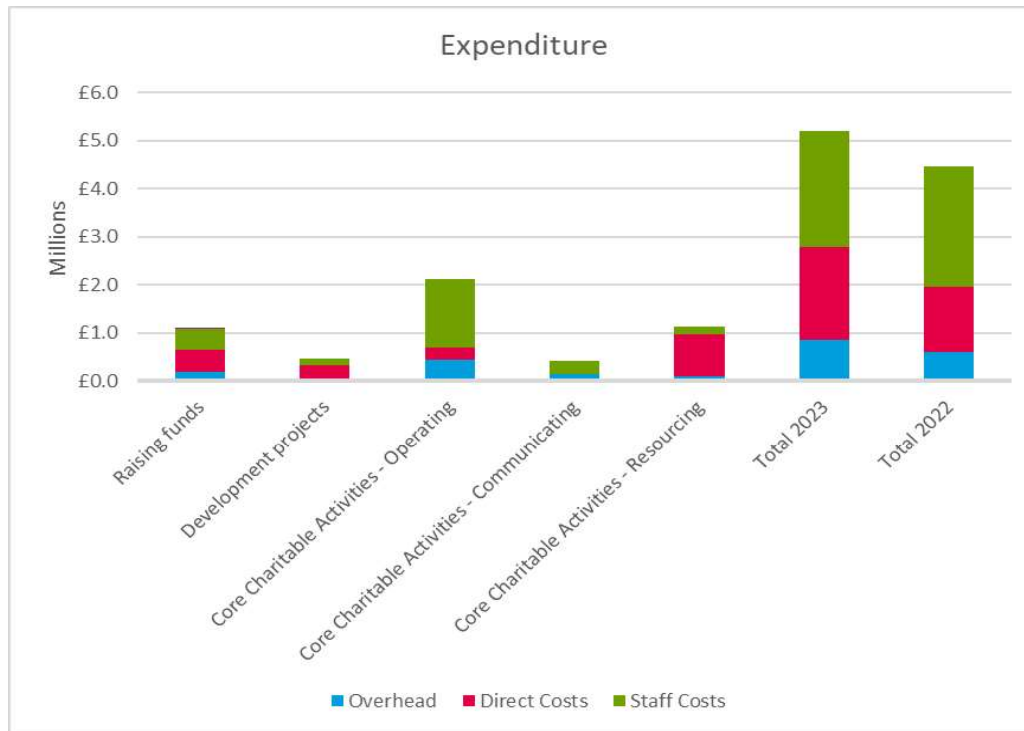
Full year income of £7,774,000 was £1,737,000 ahead of the prior year.

Income from individual donations grew by £647,000, this includes £2,380,000 (2022: £2,456,000) raised for the Founders Fund. The increase is due to a combination of securing renewed commitments from existing donors and securing new World Fellows. Income from charitable activities (excluding grants) increased by £375,000 reflecting a full year of the new fee structure for our National Award Operators and reflecting an increase in participant numbers as well as an increase in number of licenced Award Centres. Operator fees are expected to further increase in future years as we grow our Operating Partnerships and the number of Award Participants continuous to increase.

There has been a significant increase in other trading activities. This year saw a return to in-person fundraising events. Event income, including fundraising auctions totalled £780,000 (2022: nil). In addition to this, income from other trading activities includes £54,000 of commercial licence fee income.

Grant income has declined by £119,000. This relates to performance related grant income relating to the Global Youth Mobilisation initiative which came to an end during the year as well as an end to the UK Coronavirus Job Retention Scheme.

EXPENDITURE



Total expenditure increased by £733,000 during the year, this reflects our increased activity within our corporate partnerships. We have continued to apply tight cost control to all other areas of expenditure.

The costs of raising funds of £1,082,000 (2022: £797,000) increased by £285,000 in the year, reflecting a return to face-to-face fundraising events. Core expenditure on Charitable Activities of £3,638,000 (2021: £3,111,000) was £527,000 higher than the previous year. Lower spend on Communicating activities reflects continued tight cost control in this area. We have seen an increase in Operating and Resourcing expenditure due to spend of £428,000 for the Stand By Me initiative and planned expenditure of £136,000 for the triennial Forum.

We spent a further £472,000 (2022: £551,000) on Charitable Activities – development projects. Our development spend has decreased by £79,000. An increase in expenditure for Supporting Adults in the Award is outweighed by savings within Alumni, Research and IT Development.

INVESTMENT POLICY AND PERFORMANCE

Our constitution contains general powers for the Trustees to invest funds at their discretion. The Trustees' policy is to over the long term, increase the value of the investment portfolio in real terms. The investment portfolio is used to support the charity's operations and to meet cash flow needs as required.

Investec Wealth & Investment Limited were appointed during the year to manage funds relating to the Founders fund. In February 2023, we invested £2.9 million. The investment objective is to grow, or at least retain, the capital value of the charity's investment in real terms. The fund does not have a specific income requirement from the portfolio and as such, returns can be generated from both capital growth and income via a total return approach. In the year to 31 March 2023 the charity made gains of £10,000.

The charity holds further funds with Ruffer LLP. These are held within a total return fund with a long-term objective to achieve an average growth of inflation plus 3%. In the year to 31 March 2023 the charity made gains of £129,000 (2022: gain of £407,000) this is below the growth rate objective of inflation plus 3%.

The charity receives monthly updates of the fund's performance which are reviewed by the Finance, Audit and Property Committee. The Committee also reviews the investment managers' longer-term performance on an annual basis.

The value of the charity's investment portfolio on 31 March 2023 was £8,404,000 (2022: £4,979,000), an increase in the year of £3,425,000 (2022: £357,000 increase). During the year the charity invested a net £3,350,000 from the portfolios (2022: divestment of £715,000) reflecting excess cash generated through successful fundraising campaigns.

RESERVES AND RESERVES POLICY

On 31 March 2023 total reserves stood at £14,316,000 (2022: £13,378,000) of which £3,791,000 (2022: £3,612,000) were restricted funds or endowment funds. Unrestricted funds stood at £10,525,000 (2022: £9,766,000). Of these unrestricted funds, £6,962,000 (2022: £5,154,000) are designated to enable the Trustees to support development projects and grant making activities. The remainder of the Foundation's unrestricted funds comprise general fund surplus of £559,000 (2022: deficit of £123,000) and the long-term Asset fund of £3,004,000 (2021: £4,735,000).

The charity's reserves policies were set by the Trustees in June 2018 with the view of making the reserves work harder to provide value to the beneficiaries of the Award, whilst setting aside a financial buffer to cover short term financial risk and uncertainty. A key aim was the ability to plan and make strategic and sustainable investments to grow the access, reach and impact of the Award globally. In making this change the Trustees took full account of the requirements and guidance set out in the Charity Commission publication "*Charity Reserves; Building Resilience*" (CC19) and on emerging best practice.

The Trustees have defined the future use and intended purpose of our Designated Funds, whilst setting aside an appropriate level of general funds, recognising the financial and operational risks faced by the Foundation. The designated fund forms part of our unrestricted funds as the Trustees can re-designate its use.

We have divided the designated funds into three elements:

- a) An **Unallocated Development Fund** to deliver initiatives approved by Trustees which meet with the strategic objectives of the Foundation and improve the support and services that it provides to members of the International Award Association. This fund has not yet been allocated against specific projects but will be used for medium to longer term projects. Each initiative will be considered, approved, overseen and controlled by the Trustees. To warrant the use of this Development Fund an initiative should meet the strategic objectives of the Foundation and the International Award Association, be of sufficient size and complexity both financially and managerially to warrant having a ring-fenced budget and work plan, have clearly identified staff resource, budget, timeframe and deliverables, have a duration of more than one financial year and provide an acceptable return either financially or socially through identifiable value to the Foundation's beneficiaries. On 31 March 2023 the balance of the Unallocated Development Fund was £2.2 million.
- b) An **Allocated Development Fund** that comprises the unspent portion of any planned investment in a development initiative approved by Trustees. On 31 March 2023 the balance of this was £0.4 million and is designated for Supporting Adults in the Award and Digital Development.
- c) The **Founder's Fund** is a legacy to the late Prince Philip, Founder of The Duke of Edinburgh's International Award. This fund will support National Award Operators through large-scale transformational grants. On 31 March 2023 the balance of the Founder's Fund was £4.4 million.

The Foundation's General Fund is defined as being primarily intended to provide a shock absorber or cushion against financial risk, uncertainties, and opportunity. Based on a financial risk assessment of the Foundation's income and

expenditure, the Trustees consider that the target level of the Foundation's General Fund should be a risk range of £2.2 - £3.5 million, with a medium risk point of £2.85 million. The Foundation made a surplus on general funds of nearly £0.7 million in the year, bringing the general reserve to £0.6 million which is below the target range for this reserve agreed by the Trustees. In 2020/21 the Trustees implemented a reorganisation of the charity and implemented a financial plan to re-build the general reserve over a five-year plan to the mid-point of the risk range. It is anticipated that we will meet our target reserve in 2026/27.

FINANCIAL SUSTAINABILITY

Reserves and liquid resources

The Foundation (including its subsidiaries) started the year ended 31 March 2023 with reserves of £13.4 million (of which £3.6 million was held in restricted or endowment funds and a further £4.7 million held in the unrestricted long term asset reserve) and strong liquidity with cash and short-term investments of £8.0 million. The Foundation has ended the year with cash of £2.1 million and short-term investments £8.4 million, a total of £10.5 million, this is an increase of £2.5 million on the previous year.

During the year ended 31 March 2021, the Foundation was gifted Award House. During the year the Trustees took the decision to sell the property. Award House requires significant remedial work to the roof, as such the property has been revalued to £3 million. It is expected that the property will be sold in the coming year upon which the Foundation will receive a large cash injection which will be invested in our highly liquid investment portfolio. If the property is not sold it may still be used as security for further funding although there are currently no requirements to do so.

The endowment funds held at the end of the previous year of £3.2 million have had their restrictions removed based on consents received from the donors to these funds and following permission from the Charity Commission. The funds are held to provide grants for Special Projects and are now treated by the Trustees as restricted funds.

Financial forecasts

The Foundation has assessed its financial prospects over a five-year planning period. This assessment takes account of the Foundation's financial performance in the first four-months of the current financial year. It also reflects, conservative participant growth amongst all operators; new partnership agreements; modest growth in the fundraising environment; and successful Founder's 100 campaign, in the year under review. It takes account of the principal risks and uncertainties as set out in in the Structure Governance and Management statement on pages 53 to 57. Given continued general market uncertainties we have assessed outcomes from both a base case and alternative downside case.

The key inputs and assumptions for the base case include:

- Our core fundraising will continue to grow by £200,000-£250,000 year-on-year.
- Growth in contributions from partnerships by £100,000-£150,000 year-on year.
- Growth of 10% in in number of licenced Award Centres and Operating Partners leading to growth in licence fee income.
- Participation rates to continue to recover post pandemic leading to growth of 10% in participant fee income.
- It is anticipated that our core cost base expenditure will increase at a rate of 6% in subsequent years.
- We anticipate increasing our grant giving in the coming years as we provide large scale transformational grants to National Award Operators through the Founder's Fund.
- We continue to support the International Award Association through the International Special Projects Fund.

For the downside case, the key inputs and assumptions include:

- Lower levels of donor recruitment leading to lower levels of philanthropic income from 2024/25 and held flat thereafter.
- Event income has been curtailed with just 50% of the base case being achieved.
- A fall in participation rates leading to lower operating fee income.
- Our expenditure forecast has been left unchanged from the base case as we consider cost overruns unlikely.
- While we have not adjusted our core operating expenditure, if there is a significant shortfall in income, there are several projects which we are able to put on hold.
- Decline in grant giving in line with fall in income.

The results from both base case and downside forecasts and taking into account the Foundation's strong reserves and liquid resources indicate that the Trustees can have reasonable confidence in the Foundation's financial sustainability over the next five years.

Going concern

The Trustees are required to confirm that it is appropriate for the Foundation to adopt the going concern principle in preparing its financial statements.

The Foundation made a sizeable surplus this year of £2.6 million before investment gains, revaluation of properties and sale of subsidiary. Surplus after these items total £938,000, this follows two successful years including a surplus of £2.2million in the prior year. The Foundation's unrestricted funds at 31 March 2023, excluding the long-term asset reserve were over £7.5 million, comprising a general fund of £0.6 million and a designated fund of £6.9 million.

The Trustees currently expect the results for the current year ending 31 March 2024 to show an overall significant surplus, including a general fund surplus in line with the plan to rebuild the general fund to its target level over a five-year period.

To ensure that our income streams and expenditure plans are in line with our projections, we continually refine our internal financial monitoring and decision-making procedures. In addition to a high-level monthly income and expenditure report that is produced promptly after each month end, a rolling monthly latest expected outturn report, monthly reviews with budget holders, and quarterly financial and cash flow forecasts. These are regularly reviewed by Trustees.

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) each 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.

Further detail on Trustees' Commitments and the structure, governance and management of the Charity, managing responsibly and trustee responsibilities are provided on pages 53 to 64, which forms part of the Trustees' Report (including the Strategic Report). The Trustees have re-appointed BDO LLP to act as auditors for year ended 31 March 2024.

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.

This report (including the Strategic Report) was approved by the Board of Trustees on 13 October 2023 and signed on their behalf by:

DocuSigned by:

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Richard Oldfield
Trustee
13 October 2023

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

Independent Auditor's Report to Members of The Duke of Edinburgh's International Award Foundation

Opinion on the financial statements

In our opinion, 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 2023 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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.

We have audited the financial statements of The Duke of Edinburgh's International Award Foundation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on our understanding of the Group and the sector in which it operates we identified that the principal laws and regulations that directly affect the financial statements to be the Companies Act 2006 and the relevant charities' acts in the UK. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be fundraising regulations and health and safety legislation.

In addition, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigations. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence if any.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud.

Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the Charity Commission for England and Wales;
- obtaining an understanding of the Group's policies and procedures relating to:
 - detecting and responding to the risks of fraud;
 - and internal controls established to mitigate risks related to fraud.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- challenging assumptions made by management in their significant accounting estimates in relation to the investment property valuation and going concern assessment, and
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, income recognition and going concern. Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- testing a sample of income transactions throughout the year, and around the year end to ensure that the recognition is line with the SORP requirements; and
- reviewing and challenging management’s assessment of going concern and the main assumptions within documents and calculations prepared to support the assessment.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council’s (“FRC’s”) website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the Charitable Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London, UK

19 October 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Financial Activities for the Year ended 31 March 2023

(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

		Unrestricte d Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		2023	2023	2023	2023	2022	2022	2022	2022
Note		£000	£000	£000	£000	£000	£000	£000	£000
Income and endowments from:									
Donations and legacies	3	4,189	854	-	5,043	4,011	385	-	4,396
Charitable activities	4	1,789	101	-	1,890	1,426	208	-	1,634
Other trading activities	5	587	246	-	833	-	-	-	-
Investments	6	3	5	-	8	2	2	-	4
Other Income		-	-	-	-	3	-	-	3
Total Income and endowments		6,568	1,206	-	7,774	5,442	595	-	6,037
Expenditure on:									
Raising funds	7	(1,048)	(35)	-	(1,083)	(777)	(14)	(6)	(797)
Charitable activities – development projects	7	(471)	-	-	(471)	(396)	(155)	-	(551)
Charitable activities – core activities	7	(2,687)	(951)	-	(3,638)	(2,459)	(652)	-	(3,111)
Total expenditure	7	(4,206)	(986)	-	(5,192)	(3,632)	(821)	(6)	(4,459)
Net operating income/(expenditure)		2,362	220	-	2,582	1,810	(226)	(6)	1,578
Net gains on investments	10	180	58	(109)	129	364	-	43	407
Loss on sale of subsidiary	10	(82)	-	-	(82)	-	-	-	-
Net income/(expenditure)		2,460	278	(109)	2,629	2,174	(226)	37	1,985
Transfer between funds	14	-	3,142	(3,142)	-	(30)	30	-	-
(Losses)/Gains on revaluation of investment properties	9	(954)	10	-	(944)	121	65	-	186
(Losses)/Gains on revaluation of fixed assets	8	(747)	-	-	(747)	11	-	-	11
Net movement in funds		759	3,430	(3,251)	938	2,276	(131)	37	2,182
Reconciliation of funds									
Total funds brought forward		9,766	361	3,251	13,378	7,490	492	3,214	11,196
Total funds carried forward at 31 March	14	10,525	3,791	-	14,316	9,766	361	3,251	13,378

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 £129,000 gain (2022: £407,000 gain) on investments comprises £109,000 realised gains and £20,000 unrealised gains (2022: realised gains of £291,000 and unrealised gains of £116,000). The results for the Charity are disclosed in Note 1 and on the balance sheet.

Consolidated and Charity balance sheets at 31 March 2023

Company number 3666389

		Group	Charity	Group	Charity
	Note	2023	2023	2022	2022
		£000	£000	£000	£000
Fixed Assets					
Tangible assets	8	1,397	1,397	2,176	2,175
Investment Properties	9	1,976	1,976	2,920	2,920
Investment Portfolio	10	8,404	8,404	4,979	4,979
Total fixed assets		11,777	11,777	10,075	10,074
Current Assets					
Debtors	11	1,063	1,060	947	1,047
Cash at bank and in hand		2,099	2,078	3,024	2,716
Total current assets		3,162	3,138	3,971	3,763
Liabilities					
Creditors: amounts falling due within one year	12	(623)	(540)	(668)	(534)
Net Current Assets		2,539	2,598	3,303	3,229
Total Net Assets		14,316	14,375	13,378	13,303
The Funds/(Deficit) of the Group & Charity					
Restricted Income Funds	14	3,791	3,791	361	361
Endowment Funds	14	-	-	3,251	3,251
Unrestricted Income Funds/(Deficit):					
- General Funds	14	559	618	(123)	(198)
- Designated Funds	14	6,962	6,962	5,154	5,154
- Long term asset reserve	14	3,004	3,004	4,735	4,735
Total Unrestricted Income Funds		10,525	10,584	9,766	9,691
Total Group & Charity Funds		14,316	14,375	13,378	13,303

The Foundation has elected to take exemption under section 408 of the Companies Act 2006 not to present the charitable company statement of financial activities. The Foundation made a surplus during the year of £938,000 (2022: surplus of £2,303,000). General Funds for the Group include funds retained by subsidiary entities of £221,000 (2022: £184,000).

The financial statements set out on pages 23 to 53 were approved by the Trustees on and signed on their behalf by:

DocuSigned by:



Richard Oldfield, Trustee

13 October 2023

Consolidated cash flow statement for the year ended 31 March 2023

	Total 2023 £000	Total 2022 £000
Cash flows from Operating Activities		
Net cash used in operating activities	2,440	1,351
Cash flows from Investing Activities:		
Dividends, interest, and rents from investments	8	4
Proceeds from sale of property, plant and equipment	2	3
Purchase of property, plant, and equipment	(25)	-
Purchase of investments	(3,650)	(800)
Proceeds from sale of investments	300	1,515
Net cash generated from Investing Activities	(3,365)	722
Change in cash and cash equivalents in the reporting year	(925)	2,073
Cash and cash equivalents at the beginning of the reporting year	3,024	951
Cash and cash equivalents at the end of the year	2,099	3,024
Net income for the reporting year (as per the SOFA)	938	1,985
Adjustments for:		
Depreciation charges	56	65
Gains on investments	(128)	(407)
Investment managers fees	53	49
Dividends, interest and rents from investments	(8)	(4)
Profit on sale of fixed assets	-	(4)
Revaluation of fixed assets	747	-
Revaluation of investment property	944	-
Increase in debtors	(116)	(217)
(Decrease)/Increase in creditors	(46)	(116)
Net cash generated from/(used in) operating activities	2,440	1,351
Analysis of changes in net cash		
Net cash at 1 April	3,024	951
Net cash inflow/(outflow)	(925)	2,073
Net Cash at 31 March	2,099	3,024

The above cash and cash equivalents at the end of the year of £2,099,000 (2022: £3,024,000) includes £84,000 (2022: £125,000) due to National Award Operators, £13,000 (2022: £8,000) for The Duke of Edinburgh's International Award Foundation (Canada) and £0 (2022: £298,000) for The Beijing Intaward International Culture Development Company Limited.

Notes to the financial statements for the year ended 31 March 2023

1: BASIS OF PREPARATION AND CONSOLIDATION

(A) BASIS OF PREPARATION

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (the SORP).

The financial statements have been prepared and rounded to the nearest thousand pounds.

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

The accounts have been prepared under the historical cost convention as modified by revaluation of investments and investment properties, and land and buildings.

(B) CONSOLIDATION

The consolidated financial statements include the results of the Duke of Edinburgh's International Award Foundation and its subsidiaries. A subsidiary is an entity controlled by the Foundation. Control exists where the Foundation has the right to govern the operating and financial policies of that entity. These financial statements do not include the financial statements of National Award Operators or Independent Award Centres as these are independent of the charity.

The Foundations subsidiaries are:

Registered Name (Company Number)	Country of incorporation	Registered Office	Principle activity	Share class	Year end
Intaward Limited (03961099)	UK	Award House, 7-10 St Matthew Street, London SW1P 2JT	Holding Company	Ordinary 100%	31 March
The Duke of Edinburgh's International Award Foundation (Canada) (811708304RR0001)	Canada	199 Bay Street Toronto ON M5L 1G4 CANADA	Carrying out the charitable activities of the DoE International Award	-	31 March

No separate cash flow statement has been prepared for The Duke of Edinburgh's International Award Foundation as permitted by the exemption in paragraph 1.12 of FRS 102.

Intaward Limited sold its holding in Beijing Intaward International Culture Development Company Limited on 21 September 2022. Please refer to Note 10.

(C) GOING CONCERN

The Trustees are required to confirm that it is appropriate for the Foundation to adopt the going concern principle in preparing its financial statements.

The Foundation made a sizeable surplus this year of £2.6 million before investment gains, revaluation of properties and sale of subsidiary. Surplus after these items total £938,000, this follows two successful years including a surplus

of £2.2million in the prior year. The Foundation's unrestricted funds at 31 March 2023, excluding the long-term asset reserve were over £7.5 million, comprising a general fund of £0.6 million and a designated fund of £6.9 million.

The Trustees currently expect the results for the current year ending 31 March 2024 to show an overall significant surplus, including a general fund surplus in line with the plan to rebuild the general fund to its target level over a five-year period.

To ensure that our income streams and expenditure plans are in line with our projections, we continually refine our internal financial monitoring and decision-making procedures. In addition to a high-level monthly income and expenditure report that is produced promptly after each month end, a rolling monthly latest expected outturn report, monthly reviews with budget holders, and quarterly financial and cash flow forecasts. These are regularly reviewed by Trustees.

(D) FOREIGN EXCHANGE

Functional and presentation currency – The consolidated financial statements are presented in sterling, which is The Duke of Edinburgh's International Award Foundation's functional and presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

Transactions and balances – Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Financial Activities.

Group subsidiaries – The results and financial position of Group subsidiaries whose functional currency is different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate applicable at the balance sheet date;
- Income and expenses are translated at average exchange rates; and
- All resulting exchange differences as taken to reserves.

(E) KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

(i) Donations for expenditure by specific NAOs are treated as restricted income, where their onward payment to NAOs is required to be phased over future periods. Where the Foundation acts as agent, donations received for immediate onward payment to NAOs, it is not recognised as income.

(ii) Estimates over the valuation of donations in kind of goods or services. The basis for the valuation of donations in kind is detailed in note 2(b) below.

(iii) Land and Buildings and Freehold Investment property - are carried at their revalued amounts at the balance sheet date. These values are determined by the Trustees as the estimated fair value of the properties using available market information, including the recent realised sale value of other properties of a similar size, condition, and location. Where the related asset is significant to the Foundation this value is determined for the Trustees by an external valuer.

2: ACCOUNTING POLICIES

(A) 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.

Unrestricted long term asset funds – these are funds set aside which match the values of long-term assets (mainly property).

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 partner or when funds are raised for particular restricted purposes. Details are set out in Note 14.

Endowment funds - These are restricted funds set aside to produce income which is used by the Foundation to make Grant awards to National Operators.

(B) 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. When income is received in advance of providing goods and services, the income is deferred until the Charity becomes entitled to the income.

Donations and legacies include 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.
- Grant income is recognised in line with the supply of services or activities contracted.

Income from charitable activities and other trading income is accounted for when it can be reliably measured, there is entitlement and receipt is probable. Income from charitable activities includes licence fee income, Online Record Book income, participant fee income, delegate fees and income from training events. Other trading income includes commercial fee income, fundraising event and auction income.

Income from training and fundraising events is shown gross of any associated expenditure. Income received in advance of an event or before the point at which entitlement passes, 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 connected charities within the Association, only the share of that income which is attributable to the Foundation is recognised.

(C) EXPENDITURE

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

- Expenditure on raising funds comprises the costs associated with attracting voluntary income and the costs associated with fundraising events.
- Charitable expenditure 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 those resources, largely staff time spent.

(D) TANGIBLE AND INTANGIBLE ASSETS AND DEPRECIATION

All tangible fixed assets costing more than £1,000 are capitalised initially at cost or where gifted to the Foundation at valuation at the time of acquisition. Tangible fixed assets costing under £1,000 are expensed in the year the expense is incurred.

Freehold Land and Buildings

Following the acquisition of Award House which is accounted for as a mixed-use property as part investment and part tangible asset, the Foundation has elected to re-value its Freehold Land and Buildings and carry them at fair value at the valuation date less any subsequent accumulated depreciation and accumulated impairment losses so that the valuation basis is consistent for all parts of that property. Land and buildings are subject to a desktop valuation by the Trustees with advice from a third-party real estate advisor and reflect the expected sales value of the property. An external valuation is obtained every 3 years.

Computer hardware and infrastructure

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.
- Freehold Buildings: 2% per annum.

(E) INVESTMENT PROPERTIES

Investment properties are those which are not held for social benefit and where a reliable fair value is available. 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. In accordance with FRS 102, no depreciation is provided in respect of the investment property.

(F) INVESTMENT PORTFOLIO

Listed investments are held at bid 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.

(G) PENSION COSTS

The Foundation contributes to The Duke of Edinburgh's 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).

(H) OPERATING LEASES

Rental paid under operating leases is charged to the SOFA on a straight-line basis over the life of the lease. Where the amounts involved are insignificant operating leases may be charged to the SOFA as they are paid.

3: INCOME FROM DONATIONS**(A) DONATIONS AND LEGACIES**

	Unrestricted 2023 £000	Restricted 2023 £000	Total 2023 £000	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000
Donations - Individuals and Companies	3,829	567	4,396	3,592	322	3,914
Donations – Trusts and Foundations	329	287	616	399	63	462
Donations in kind (note 3b)	31	-	31	20	-	20
	4,189	854	5,043	4,011	385	4,396

Donations – Individuals and Companies unrestricted funds includes £620,497 (2022: £607,121) in relation to The Duke of Edinburgh's International Award Foundation (Canada). Donations – Individuals and Companies restricted funds includes nil (2022: nil) in relation to The Duke of Edinburgh's International Award Foundation (Canada).

Foundations unrestricted funds includes £75,264 (2022: £58,771) in relation to The Duke of Edinburgh's International Award Foundation (Canada) (2022: £58,771). Donations – Trusts and Foundations restricted funds includes nil (2022: nil) in relation to The Duke of Edinburgh's International Award Foundation (Canada)

There was no donation income from the Beijing Intaward International Culture Development Company Limited during the year.

During the year, £358,495 (2022 - £230,590) was received on behalf of National Award Operators, this is excluded from the above donation income as this is passed straight through to the related entity when received.

(B) DONATIONS IN KIND

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

	2023	2022
	£000	£000
Legal, advisory services and professional fees	-	4
Events and donor support costs	31	16
	<u>31</u>	<u>20</u>

All income from Donations in Kind in 2023 and 2022 were unrestricted.

4: INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2023	2023	2023	2022	2022	2022
	£000	£000	£000	£000	£000	£000
Operator licence	490	-	490	459	-	459
National Award Operator Levy Fee	312	-	312	77	-	77
Online Record Book – Independent Award Centres	901	-	901	758	-	758
Training income	82	-	82	116	-	116
Performance related grant/other income	4	101	105	-	208	208
Government Grant – Furlough Scheme	-	-	-	16	-	16
Other Grant Income	-	-	-	-	-	-
	<u>1,789</u>	<u>101</u>	<u>1,890</u>	<u>1,426</u>	<u>208</u>	<u>1,634</u>

Operator licence includes £112,819 (2022: £136,612), Online Record Book – Independent Award Centres includes £83,154 (2022: £191,361) and Training income includes £19,156 (2022: £48,616) in relation to Beijing Intaward International Culture Development Company Limited. These are unrestricted funds.

5: INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted 2023 £000	Restricted 2023 £000	Total 2023 £000	Total 2022 £000
Fundraising Events	518	246	764	-
Fundraising Auctions	15	-	15	-
Commercial Fee Income	54	-	54	-
	<hr/> 587	<hr/> 246	<hr/> 833	<hr/> -

All Income from other trading activities in 2023 was unrestricted.

6: INVESTMENT INCOME

	Unrestricted 2023 £000	Restricted 2023 £000	Total 2023 £000	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000
Investment income arises from:						
Interest on other cash balances	2	-	2	1	-	1
Investment property	1	5	6	1	2	3
	<hr/> 3	<hr/> 5	<hr/> 8	<hr/> 2	<hr/> 2	<hr/> 4

7: EXPENDITURE

(A) EXPENDITURE ON CHARITABLE ACTIVITIES

	Directly charged	Support Costs	Total
	2023	2023	2023
	£000	£000	£000
Raising Funds	817	266	1,083
COSTS OF CHARITABLE ACTIVITIES			
Development projects			
Alumni	45	-	45
Information Management and Digital Development	198	-	198
Social Value	97	-	97
Supporting Adults in the Award	131	-	131
	471	-	471
Core activities			
Operating	1,473	631	2,104
Communicating	228	188	416
Resourcing	982	136	1,118
	2,683	955	3,638
Total resources expended	3,971	1,221	5,192

	Directly charged	Support Costs	Total
	2022	2022	2022
	£000	£000	£000
Raising Funds	588	209	797
COSTS OF CHARITABLE ACTIVITIES			
Development projects			
Alumni	79	-	79
Information Management and Digital Development	283	-	283
Social Value	105	-	105
Supporting Adults in the Award	84	-	84
	551	-	551
Core activities			
Operating	1,226	547	1,773
Communicating	268	175	443
Resourcing	805	90	895
	2,299	812	3,111
Total resources expended	3,438	1,021	4,459

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)
7: EXPENDITURE (CONTINUED)**

(B) SUPPORT COSTS

	Raising Funds	Operating	Communicating	Resourcing	Total
	2023	2023	2023	2023	2023
	£000	£000	£000	£000	£000
Communications	-	2	-	-	2
Finance and Legal	120	285	85	61	551
General Management	25	59	18	13	115
Governance	17	41	12	9	79
Human Resources	13	30	9	6	58
Information Technology Costs	48	114	34	25	221
Office Costs	9	22	6	5	42
Property Costs	33	79	24	17	153
Total	265	632	188	136	1,221

	Raising Funds	Operating	Communicating	Resourcing	Total
	2022	2022	2022	2022	2022
	£000	£000	£000	£000	£000
Communications	2	6	2	1	11
Finance and Legal	86	226	72	37	421
General Management	21	56	18	9	104
Governance	14	37	12	6	69
Human Resources	14	35	11	6	66
Information Technology Costs	37	95	30	16	178
Office Costs	15	39	13	6	73
Property Costs	20	53	17	9	99
Total	209	547	175	90	1,021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

7: EXPENDITURE (CONTINUED)

Charitable activities – development projects, Supporting Adults in the Award is the cost of designing, piloting and evaluating a range of training projects and supporting digital platform; Alumni is the cost of designing and launching of the Global Alumni Network and its digital platform; Information Management and Digital development is the cost of development of the Online Record Book and digital platforms; Social Value is the cost of the research work measuring the social value of the Award. These activities have all been funded by funds that the Trustees designated as set out in note 14.

Staff costs included in the various channels of expenditure comprise 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 £nil (2022: £17,000) has been directly charged to development projects – Social Value. Restricted expenditure of £nil (2022: £138,000) has been directly charged to development projects – Information Management and Digital Development.

Restricted expenditure of £684,000 (2022: £505,000) has been directly charged to Charitable activities – core activities resourcing. Restricted expenditure of £95,000 (2022: £142,000) has been directly charged to Charitable activities – core activities operating. Restricted expenditure of nil (2022: £5,000) has been directly charged to Charitable activities – core activities communicating. Restricted expenditure of £35,000 (2022: £14,000) and restricted endowment expenditure of £nil (2022: £6,000) have been directly charged to Raising Funds. All other expenditure is unrestricted.

(C) NET INCOME BEFORE INVESTMENT GAINS IS STATED AFTER CHARGING:

	2023 £000	2022 £000
Auditors' remuneration:		
Fees payable to the Foundation's auditor for the audit of the Trustee's report	55	57
Fees payable to the Foundation's auditor for the audit of subsidiaries	6	5
Fees payable to the Foundation's auditor for other services:	12	-
Tax services	4	3
Depreciation	28	65
Operating leases	-	-
Foreign exchange losses/(gains)	95	13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

7: EXPENDITURE (CONTINUED)

(D) STAFF COSTS

	2023 £000	2022 £000
Wages and salaries	1,565	1,879
Social security costs	179	240
Pension costs	118	136
Other staff costs	591	405
	2,453	2,660

(E) STAFF NUMBERS

	2023 Number	2022 Number
Generating funds	8	8
Charitable activities	29	36
Average monthly full-time equivalent number of staff in the year	37	44

(F) STAFF WHOSE EMOLUMENTS (EXCLUDING PENSION CONTRIBUTIONS) WERE IN EXCESS OF £60,000

	2023 Number	2022 Number
£60,001 - £70,000	2	8
£70,001 - £80,000	1	-
£80,001 - £90,000	0	2
£90,001 - £100,000	3	1
£130,001 - £140,000	0	1
	6	12

	2023 £000	2022 £000
Pension contributions in respect of the above members of staff	33	57

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

7: EXPENDITURE (CONTINUED)

During the year the senior leadership team consisted of the Secretary General (resigned 4 November 2022), the Chief Financial Officer (appointed 1 June 2022) and the Deputy Secretary General. Their combined emoluments for the year were £305,000 (2022: £341,000), including pension payments of £29,000 (2022: £26,000). The senior leadership team have the same health insurance terms and bonus scheme terms as all other UK staff. The pension rights for the Chief Financial Officer and Deputy Secretary General are the same as all other UK staff whereas the Secretary General had enhanced pension rights where the Foundation committed to higher levels of pension contributions.

(G) EX-GRATIA PAYMENTS

Compensation in 2023 was £3,000 paid to one employee (2022:£3,000 paid to one employee) for loss of office during the year. The payment comprised of between one and two month's salary as compensation and payment in lieu of notice period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

7: EXPENDITURE (CONTINUED)

(H) GRANTS EXPENDITURE

Grants expenditure of £667,000 (2022: £465,000) has been charged to restricted charitable activities – operating activities resourcing. The Foundation made 32 (2022: 42) grants, with a maximum value of £125,000 (2022: £51,000).

The following individual Grants were made to National Award Operators in the year:

	2023	2022
	Grants to	Grants to
	Institutions	Institutions
	£'000	£'000
Bahamas – Building Experiences Together	10	-
Bulgaria – The Award in BG V2	-	23
Bulgaria – The Award in Business	-	6
Bulgaria – The Inclusive Award	10	-
Cameroon – Global Youth Mobilization Covid-19 recovery fund	-	8
Canada – Francophone Expansion	-	20
Czech Republic - #Worldready Together	13	12
Czech Republic – Global Youth Mobilization Covid-19 recovery fund	5	4
Czech Republic – Stand By Me	125	-
Dominica – R.I.S.E	5	5
Finland – Accessible Award	8	8
Germany – The Award at high-risk schools	-	25
Germany – Starke Teens NRW	15	15
Germany - Strong Teens Hesse	18	-
Ghana – Gaining grounds	-	15
Ghana – Global Youth Mobilization Covid-19 recovery fund	16	7
Ghana – Going Digital	10	10
Guinée - Le Mérite dans les Centres d'Accueil et les Orphelinats	6	6
Hong Kong - Global Youth Mobilization Covid-19 recovery fund	-	6
India - Global Youth Mobilization Covid-19 recovery fund	-	2
Israel – Global Youth Mobilization Covid-19 recovery fund	7	5
Israel - Gap Year for Arab Israelis	12	-
Indonesia - #WorldReady for All	6	6
Jordan – Project of Hope	29	-
Kenya – Compass Project	41	17
Kenya - Global Youth Mobilization Covid-19 recovery fund	5	11
Malta – Extending the Award in North Malta and Gozo	-	1
Nepal – Providing access and empowering youth living in homes	-	13
Nepal - Global Youth Mobilization Covid-19 recovery fund	-	4
Netherlands – Growing the Award in the Netherlands	-	51
Netherlands - Global Youth Mobilization Covid-19 recovery fund	3	5
Netherlands – Award MDT Project	-	10
Nigeria – World Fellowship funds – Development of the Award	4	5

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

7: EXPENDITURE (CONTINUED)

(H) GRANTS EXPENDITURE (CONTINUED)

Nigeria - Global Youth Mobilization Covid-19 recovery fund	9	5
Nigeria - Promotion of Reformation and Reduction of Re-offending	-	5
Romania – Extending in Romania	-	33
Romania – Romania Beyond Borders	-	11
Romania – Stand By Me	95	-
Slovakia – Global Youth Mobilization Covid-19 recovery fund	5	4
Slovakia – Stand By Me	124	-
Slovenia – Unlocking barriers to the growth of the Award	-	17
Slovenia – Global Youth Mobilization Covid-19 recovery fund	-	7
Slovenia – MEPI Career Academy	7	8
Slovenia – Psychology Training	5	-
South Africa – Youth award leaders	10	16
South Africa – Marginalised Youth	18	-
Trinidad & Tobago - Global Youth Mobilization Covid-19 recovery fund	-	6
Togo – School Bank: Project for Developing Entrepreneurial Skills	-	10
UK – The London SEND project	8	8
Uganda - Global Youth Mobilization Covid-19 recovery fund	3	6
Uganda – Online Delivery enhancement	-	10
USA – Discover their Infinite Potential	14	14
Zambia – Leaving no one behind	10	10
Zambia – Wildlife	10	-
Total	667	465

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

8: TANGIBLE ASSETS

(A) GROUP

	Fixtures, fittings & furniture	Computer systems, software & infrastructure	Motor vehicles	Freehold Land and Buildings	Total
	£000	£000	£000	£000	£000
Cost at 1 April 2022	292	60	56	2,173	2,581
Additions	-	25	-	-	25
Disposals	(3)	(4)	(56)	-	(63)
Revaluation	-	-	-	(747)	(747)
Cost at 31 March 2023	289	81	-	1,426	1,796
Accumulated depreciation at 1 April 2022	(245)	(49)	(56)	(55)	(405)
Depreciation charge	(17)	(12)	-	(28)	(57)
Depreciation on disposal	3	4	56	-	63
Accumulated depreciation at 31 March 2023	(259)	(57)	-	(83)	(399)
Net book value at 31 March 2023	30	24	-	1,343	1,397
Net book value at 31 March 2022	47	10	-	2,118	2,175

(B) CHARITY

	Fixtures, fittings & furniture	Computer systems, software & infrastructure	Motor vehicles	Freehold Land and Buildings	Total
	£000	£000	£000	£000	£000
Cost at 1 April 2022	292	56	56	2,173	2,577
Additions	-	25	-	-	25
Disposals	(3)	-	(56)	-	(59)
Revaluation	-	-	-	(747)	(747)
Cost at 31 March 2023	289	81	-	1,426	1,796
Accumulated depreciation at 1 April 2022	(246)	(45)	(56)	(55)	(402)
Depreciation charge	(17)	(12)	-	(28)	(57)
Depreciation on disposal	4	-	56	-	60
Accumulated depreciation at 31 March 2023	(259)	(57)	-	(83)	(399)
Net book value at 31 March 2023	30	24	-	1,343	1,397
Net book value at 31 March 2022	47	10	-	2,118	2,175

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

9: INVESTMENT PROPERTY

	Group & Charity 2023 £000	Group & Charity 2022 £000
Fair value at 1 April	2,920	2,734
Fair value adjustment	(944)	186
Fair value at 31 March	1,976	2,920

Investment property consists of the freehold interest in its UK Offices. These offices are partially occupied by the Foundation and partly held for lease to third parties. The Foundation intends to sell the property in FY24. The value of the property on donation receipt was £2,846k. A desktop valuation has been prepared with advice from a third party real estate advisor to establish the fair value at 31 March 23 and reflects the expected sales value of the property. The Foundation also holds a donated investment property in Portugal. The valuation of this property is based on the sales value of comparable properties within 3 months of the valuation date. Small amounts of rent and related expenditure are generated by it each year. The value of the property on donation receipt was £220k.

10: INVESTMENTS

(A) INVESTMENT PORTFOLIO

	Group & Charity 2023 £000	Group & Charity 2022 £000
Investment portfolio at 1 April	4,979	5,336
Additions at cost	3,650	800
Drawdowns from Portfolio	(300)	(1,515)
Net investment gains	129	407
Investment Manager Fees	(54)	(49)
Market value of holdings at 31 March	8,404	4,979

	Group & Charity 2023 £000	Group & Charity 2022 £000
Ruffer Absolute Return Fund	5,494	4,979
Investec	2,910	-
Investment portfolio at 31 March	8,404	4,979

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)
10: INVESTMENTS (CONTINUED)**

The drawdowns from the portfolio reflect the management of short-term cash outflows. The original cost of the investment portfolio is £5,900,000 (2022: £2,550,000).

During the year the Foundation had investment gains of £128,000 (2022: gains of £407,000). These have been allocated to the development fund, restricted endowment fund and restricted fund in accordance with the investment balances held in those funds calculated on a monthly basis. During the year the Foundation invested £3,650,000 in line with our aim to rebuild our long-term reserves. Realised gains arising in the year of £109,000 (2022: gains of £291,000) relate to the Development fund. Investments comprise cash and cash equivalents and listed investments.

(B) SUBSIDIARY UNDERTAKINGS

Registered Name	Country of incorporation	Principle activity	Share class and % shares held	Year end
Intaward Limited	UK	Holding Company	Ordinary 100%	31 March
The Duke of Edinburgh's International Award Foundation (Canada)	Canada	Carrying out the charitable activities of the DoE International Award	-	31 March

The Duke of Edinburgh's International Award Foundation (Canada) is consolidated in these accounts as the Foundation is able to exercise significant influence and control over it, with at least 50% of the directors also being Trustees of the Foundation.

Intaward Limited sold its holding in Beijing Intaward International Culture Development Company Limited on 21 September 2022. See Note 10(C).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

10: INVESTMENTS (CONTINUED)

(C) FINANCIAL RESULTS OF SUBSIDIARIES

	Intaward Limited	Beijing Intaward International Culture Development Company Limited	The Duke of Edinburgh's International Award Foundation (Canada)
Investment in:	£	£	£
Cost at 1 April 2022	2	-	-
Additions	-	-	-
Impairment	-	-	-
Cost at 31 March 2023	2	-	-

	Intaward Limited	Beijing Intaward International Culture Development Company Limited	The Duke of Edinburgh's International Award Foundation (Canada)
	£000s	£000s	£000s
At 31 March 2023			
Assets	158	-	13
Liabilities	(153)	-	(84)
Reserves	5	-	(72)

		(to 21 September 2022)	
2022-23			
Income	95	164	759
Expenditure	(69)	(48)	(835)
Net (deficit)/surplus	26	116	(76)

At 31 March 2022			
Assets	-	322	8
Liabilities	(21)	(121)	(4)
Reserves	(21)	201	4

2021-22			
Income	-	532	698
Expenditure	(8)	(275)	(1,074)
Net (deficit)/surplus	(8)	257	(376)

In light of new policies and regulations published by The People's Republic of China in relation to the field of education and foreign ownership of companies operating in China, the Beijing Intaward International Culture Development Company Limited was sold during the year for consideration of £205,000. Income and Expenditure of the subsidiary has been included in the Group's consolidated results up to the date of disposal of 21 September 2022 and a loss on disposal has been recognised of £82,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

11: DEBTORS

	Group	Charity	Group	Charity
	2023	2023	2022	2022
	£000	£000	£000	£000
Trade debtors	395	245	227	207
Other debtors	2	2	23	23
Accrued income	607	607	534	534
Prepayments	59	59	163	160
Amounts due from Subsidiary	-	147	-	123
	1,063	1,060	947	1,047

12: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Charity	Group	Charity
	2023	2023	2022	2022
	£000	£000	£000	£000
Trade creditors	63	63	69	66
Other creditors	269	196	403	282
Accruals	291	281	196	187
	623	540	668	535

13: TAXATION

The tax charge for ordinary activities is £nil (2022: £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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

14: FUNDS

(A) MOVEMENT

Year ended 31 March 2023	General Funds	Development Funds	Long term asset fund	Total Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2022	(123)	5,154	4,735	9,766	361	3,251	13,378
Income	4,187	2,381	-	6,568	1,206	-	7,774
Expenditure	(3,435)	(741)	(30)	(4,206)	(986)	-	(5,192)
Unrealised gains on investments	-	71	-	71	58	(109)	20
Realised gains on investments	-	109	-	109	-	-	109
Revaluation of Investment Property	-	-	(954)	(954)	10	-	(944)
Revaluation of Fixed assets	-	-	(747)	(747)	-	-	(747)
Loss on sale of subsidiary	(82)	-	-	(82)	-	-	(82)
Transfer between funds	12	(12)	-	-	3,142	(3,142)	-
Balance at 31 March 2023	559	6,962	3,004	10,525	3,791	-	14,316

Year ended 31 March 2022	General Funds	Development Funds	Long term asset fund	Total Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2021	(124)	2,977	4,637	7,490	492	3,214	11,196
Income	2,981	2,461	-	5,442	595	-	6,037
Expenditure	(2,980)	(618)	(34)	(3,632)	(821)	(6)	(4,459)
Unrealised gains on investments	-	73	-	73	-	43	116
Realised gains on investments	-	291	-	291	-	-	291
Revaluation of Investment Property	-	-	121	121	65	-	186
Revaluation of Fixed assets	-	-	11	11	-	-	11
Loss on sale of subsidiary	-	-	-	-	-	-	-
Transfer between funds	-	(30)	-	(30)	30	-	-
Balance at 31 March 2022	(123)	5,154	4,735	9,766	361	3,251	13,378

General Funds for the Group include funds retained by subsidiary entities of £221,000 (2022: £184,000).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)
14: FUNDS (CONTINUED)**

(B) NET ASSETS

Year ended 31 March 2023	General Funds	Development Funds	Long term asset fund	Total Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000	£000	£000	£000
Tangible assets	46	-	1,350	1,396	-	-	1,397
Investment Property	-	-	1,654	1,654	322	-	1,976
Investment portfolio	-	5,182	-	5,182	3,222	-	8,404
Net current assets	513	1,780	-	2,293	247	-	2,539
Net assets at 31 March 2023	559	6,962	3,004	10,525	3,791	-	14,316

Year ended 31 March 2022	General Funds	Development Funds	Long term asset fund	Total Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total Funds
	£000	£000	£000	£000	£000	£000	£000
Tangible assets	49	-	2,127	2,176	-	-	2,176
Investment Property	-	312	2,608	2,920	-	-	2,920
Investment portfolio	-	1,728	-	1,728	-	3,251	4,979
Net current assets	(172)	3,114	-	2,942	361	-	3,303
Net assets at 31 March 2022	(123)	5,154	4,735	9,766	361	3,251	13,378

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

14: FUNDS (CONTINUED)

(C) DESIGNATED FUNDS

Designated funds are funds set aside by the Trustees to provide support for National Award Operators, Independent Award Centres and specific Foundation development projects. At 31 March 2023 these amounted to £6,962,000 (2023: £5,154,000). The principal designated funds are:

NAME OF FUND	PURPOSE	EXPECTED TIMING OF EXPENDITURE
Supporting Adults in the Award	A programme to develop and improve our support for Award Operators, volunteers and staff.	To be expended by 2023/24
Digital Development	Online Record Book developments to provide long-term improvements with the objective that the Association achieves 80% adoption of this digital platform.	To be expended by 2023/24
Alumni	Launch of a Global Alumni Network and its digital platform - promoting and protecting the Award brand.	Fully expended during 2022/23
Social Value	Roll-out of social value research to NAOs, measuring the social value of the Award and capacity building within the Association for on-going social value analysis.	Fully expended during 2022/23
Development Fund	Funds to deliver initiatives approved by Trustees to improve the support and services that it provides to members of the International Award Association.	Medium to long term future development projects
Founder's Fund	Specific campaign set up to commemorate our Founder. The campaign was set up with the expectation that it would generate significant funds. It is the intention of the Trustees that these funds will be primarily used to fund large transformational grants to National Award Operators.	Medium to long term projects

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(CONTINUED)
14: FUNDS (CONTINUED)**

(C) DESIGNATED FUNDS (CONTINUED)

Movements on designated funds in the year were:

Year ended 31 March 2023	1 April	Income	Expenditure	Transfer of funds	Investment Gains	31 March
	2022					
	£000	£000	£000	£000	£000	£000
Supporting Adults in the Award	107	-	(131)	185	-	161
Digital Development	145	-	(139)	241	-	247
Alumni	43	-	(51)	8	-	-
Social Value	108	-	(96)	(12)	-	-
Development Fund	2,503	-	(75)	(434)	169	2,163
Founders Fund	2,248	2,381	(249)	-	11	4,391
Total	5,154	2,381	(741)	(12)	180	6,962

Year ended 31 March 2022	1 April	Income	Expenditure	Transfer of funds	Investment Gains	31 March
	2021					
	£000	£000	£000	£000	£000	£000
Supporting Adults in the Award	11	5	(84)	175	-	107
Digital Development	-	-	(145)	290	-	145
Alumni	116	-	(79)	6	-	43
Social Value	38	-	(88)	158	-	108
Development Fund	2,812	-	(44)	(629)	364	2,503
Founders Fund	-	2,456	(178)	(30)	-	2,248
Total	2,977	2,461	(618)	(30)	364	5,154

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

14: FUNDS (CONTINUED)

(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 23 restricted funds at the end of the year (2022: 19 funds). The principal restricted funds are:

Region/Country Specific Funds	Monies held on trust to support a National Award Operator in a specific country and/or the development of the Award in a specific country or region.
Kenya Compass Project	A donation to support 20 schools within Kenya to enable participants to complete the Award using the online record book.
Creating Centres of Excellence Project	A donation to support established Award Centres within Kenya to enable participants to complete the Award using the online record book.
Afrika Tikkun	A donation to support the work of the President's Award for Youth Empowerment in South Africa, helping to engage young people in disadvantaged communities. This will be delivered through the non-profit organisation, Afrika Tikkun.
Benelux Fund	To support the development of the Award in the Benelux countries.
Tanaka Funds	To support National Award Operators in specific countries that are to be agreed with the donor.
Global Activity Fund	A donation to support our global activity including research, alumni, advocacy and digital activity. All of which strengthen the Award in Africa.
Special Projects Fund	International Special Projects delivered by National Award Operators. These are approved by Trustees to further develop the access, reach and impact of the Award. The Trustees have agreed to underwrite the expenditure on this fund until such a stage that Special Project Endowment Funds become available. These funds became available in 2022/23.
WHO/Global Youth Mobilisation Fund	Funds given to the Foundation to cover the Foundation's staff members of the project team and to grant fund to National Award Operators for the World Health Organisation's global youth mobilisation project.
Stand by Me	Funds given to the Foundation in response to the invasion of Ukraine, intended to support young people through the award in Ukraine, Czech Republic, Slovakia and Romania.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

14: FUNDS (CONTINUED)

(D) RESTRICTED FUNDS (CONTINUED)

Movements on restricted funds in the year were:

Year ended 31 March 2023	1 April 2022 £000	Income £000	Expenditure £000	Investment gains / £000	Transfer of funds £000	31 March 2023 £000
Region/Country Specific Funds						
- Nigeria	85	29	(7)	-	-	107
- Anglo American Brazil	93	-	-	-	-	93
- Other Region/Country Restricted	46	-	-	-	-	46
Kenya Compass Project	82	50	(93)	-	-	39
Creating Centres of Excellence Project	13	10	-	-	-	23
Afrika Tikkun	68	63	(62)	-	-	69
International Special Projects	(111)	285	(236)	68	3,142	3,148
Tanaka Fund	41	-	(10)	-	-	31
Other Restricted	42	-	-	-	-	42
Digital Development	2	-	-	-	-	2
Global Activity Fund	-	50	(50)	-	-	-
WHO/Global Youth Mobilisation Fund	-	101	(101)	-	-	--
Stand by Me	-	618	(428)	-	-	190
Total	361	1,206	(987)	68	3,142	3,790

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

14: FUNDS (CONTINUED)

(D) RESTRICTED FUNDS (CONTINUED)

Year ended 31 March 2022	1 April 2021 £000	Income £000	Expenditure £000	Investment gains £000	Transfer of funds £000	31 March 2022 £000
Region/Country Specific Funds						
- Nigeria	31	54	-	-	-	85
- Anglo American Brazil	93	-	-	-	-	93
- Other Region/Country Restricted	46	-	-	-	-	46
Kenya Compass Project	78	25	(21)	-	-	82
Creating Centres of Excellence Project	-	19	(6)	-	-	13
Afrika Tikkun	-	68	-	-	-	68
International Special Projects	48	121	(345)	65	-	(111)
Benelux Fund	51	-	(51)	-	-	-
Tanaka Fund	51	-	(10)	-	-	41
Founder's Campaign	(30)	-	-	-	30	-
Other Restricted	43	16	(17)	-	-	42
Digital Development	81	59	(138)	-	-	2
Global Activity Fund	-	25	(25)	-	-	-
WHO/Global Youth Mobilisation Fund	-	208	(208)	-	-	-
Total	492	595	(821)	65	30	361

(E) ENDOWMENT FUNDS

Movements on endowment funds in the year were:

Year ended 31 March 2023	1 April 2022 £000	Income £000	Expenditure £000	Investment losses £000	Transfer of funds £000	31 March 2023 £000
Ono Funds	924	-	-	(11)	(913)	-
Special Projects	2,327	-	-	(98)	(2,229)	-
Total	3,251	-	-	(109)	(3,142)	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

14: FUNDS (CONTINUED)

(E) ENDOWMENT FUNDS (CONTINUED)

On 23 June 2022 the Trustee's adopted a resolution to free the endowment funds from the restrictions to the expenditure of the capital. Agreement from the Charity Commission was granted on 1 November 2022. This has resulted in a transfer of £3,142,000 to restricted funds.

Year ended 31 March 2022	1 April 2021 £000	Income £000	Expenditure £000	Investment gains £000	Transfer of funds £000	31 March 2022 £000
Ono Funds	913	-	(1)	12	-	924
Special Projects	2,301	-	(5)	31	-	2,327
Total	3,214	-	(6)	43	-	3,251

15: RELATED PARTY TRANSACTIONS

Four (2022: Three) Trustees or companies connected with Trustees are fully paid Members, Fellows or Corporate Fellows of the World Fellowship. During the year five Trustees made donations totalling £258,500 (2022: two Trustees £84,000) of which £16,500 (2022: £33,000) was restricted to the Nigeria fund, £50,000 was restricted to the Kenyan Compass Project, £50,000 for Global Activity and £0 (2022: £2,000) was for Special Projects.

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 £1,498 were reimbursed to two Trustees, (2022: one Trustee £3,750). The Foundation has purchased third-party indemnity insurance for the Trustees, this was in place for the entire year under review.

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.

One member of the Foundation's Senior Leadership Team is a member of the Board of Award USA, the licensed national operator for the USA. One grant payment was made to Award USA during the year of £14,000 (2022 - £14,000).

Transactions with Intaward Limited in the year are detailed below:

Balance Sheet items	2023 £000	2022 £000
Loan to Intaward	23	7

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

15: RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with Beijing Intaward International Culture Development Company Limited are detailed below:

Income and expenditure items	2023 £000	2022 £000
Donation received	-	-
Set up and operating costs	-	2

Transactions with The Duke of Edinburgh's International Award Foundation (Canada) are detailed below:

Income and expenditure items	2023 £000	2022 £000
Service Agreement	769	1,050

On 21st September 2022, Intaward Limited sold its shares in Beijing Intaward International Culture Development Company Limited to Shanghai Enshaw Technology Group Limited, a company in which the Director of Beijing Intaward International Culture Development Company Limited has a majority shareholding.

16: PENSION SCHEMES

During the year to 31 March 2023 the Foundation contributed £112,000 (2022: £136,000) of unrestricted expenditure to The Duke of Edinburgh's International Award Foundation Group Personal Pension Plan. This is a defined contribution pension scheme operated by Scottish Widows. As at 31 March 2023 £6,000 (2022: £12,000) was due to be paid to Scottish Widows.

17: POST BALANCE SHEET EVENTS

No post Balance Sheet Events to note.

Structure, Governance and Management

STRUCTURE OF THE FOUNDATION

The Duke of Edinburgh's International Award Foundation is a registered UK charity incorporated on 6 November 1998 as a company limited by guarantee. On incorporation the assets and business of a preceding United Kingdom based charitable trust (registered on 10 November 1986) were transferred to it. The company is regulated by its Memorandum and Articles of Association, these are in the process of being updated.

The Founder of the Award is His Royal Highness, The Prince Philip, the late Duke of Edinburgh KG, KT.

CHARITABLE OBJECTIVES

The Foundation's charitable purpose is "advancing the adoption and effective administration of The Award for the development of character, good citizenship and education of young people worldwide".

GROUP STRUCTURE

The Foundation has invested in subsidiary undertakings in the UK and overseas. These have been established, to further the Foundation's charitable objects or to generate income for use by the Foundation. The names, countries of registration and principal activities of these subsidiary entities are provided in note 10 b) to the accounts.

Further details relating to the income and expenditure and their Statement of Affairs of these subsidiaries can be found in note 10 c) to the accounts.

RELATIONSHIP WITH LICENSED OPERATORS

The Foundation has responsibility for facilitating the worldwide development of The Duke of Edinburgh's International Award. Generally, in countries where the Award holds a substantial presence, the Foundation licenses self-governing entities, National Award Operators, to run and maintain the operation of the Award. In other countries the Award may be run by Independent Award Centres (schools or organisations) that are directly licensed and supported 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 cooperation, share responsibility for development and foster collective ownership in our brand. The Association is established through a Memorandum of Understanding which sets out its formation and purpose. It also outlines the relationships, practices and procedures through which all constituent parts of the Association operate to ensure responsible and transparent governance, consultation and discussion. The Association meets every three years in Forum at a suitable venue organised by one of the National Award Operators.

THE INTERNATIONAL COUNCIL

Between each Forum, a representative group of the Association comprising the Foundation's Trustees, the Secretary General, Award Operators and Emerging Leader Representatives⁴ gives effect to decisions taken at Forum and provides advice in relation to international development and operational policy.

THE BOARD OF TRUSTEES

The Board of Trustees takes all decisions collectively. Trustees are equal in the duties and responsibilities that they owe to stakeholders, and accordingly, they work together as one body within which the Chairman takes the lead. There is a maximum of ten Trustees.

The Trustees are responsible for determining all important matters of policy. They meet at least three times each year and at more frequent intervals as necessary to carry out their responsibilities. They review strategy and performance annually and approve budgets and operating plans in line with strategy.

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 (Charity Governance Code). 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.

Trustees serve for a maximum period of 12 years continuous service, with the following exceptions:

- 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.
- The Chair of the Foundation can serve for a period of up to ten years, regardless of prior service as a Trustee.
- HRH The Duke of Edinburgh KG GCVO has no limit to his term, subject to confirmation by the Trustees of his position every five years.

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 Nominations Committee identifies candidates for future Trustees. The Trustees, as a body, are responsible for their appointment. The induction and familiarisation process of new Trustees may start before their appointment, depending on their background and experience of the Foundation. On appointment to the Board, trustees are provided with a Trustee toolkit which includes information on the roles and responsibilities of trustees and guidance from the Charity Commission. Trustees are also inducted through a series of meetings with current trustees and the Senior Leadership Team.

⁴ Emerging Leader Representatives are Gold Award holders who actively contribute to the Award in their community; represent Award participants and take the global youth perspective to the Association and International Council

SUB COMMITTEES OF THE BOARD OF TRUSTEES

In addition to the main Board, governance of the Foundation is exercised through a number of Committees which hold responsibility for specific areas as follows:

- **Finance, Audit and Property Committee** manages the charity's relationships with the external auditors and investment managers, determines the integrity of the financial statements, reviews the business risk management framework including compliance and internal controls and oversees the Foundation's investment properties.
- **Nominations Committee** makes recommendations to the Board on senior appointments, including new Trustees, after considering a wide variety of possible candidates.
- **Remuneration Committee** reviews the Secretary General's proposals for staff salaries and make recommendations to the Board. They also propose to the Board any changes to the Senior Leadership Team's salaries. The salaries of the senior leadership team are benchmarked against market rates for similar sized organisations. Salaries reflect the responsibilities of the relevant staff.
- **The Safeguarding and Serious Incidents Reporting Committee** assists the Trustees with their safeguarding responsibilities, the development of a safe practice culture and the management of serious incident reporting.

MEMBERS OF THE BOARD OF TRUSTEES AND ITS SUB-COMMITTEES

The following table shows the membership of the sub-committees during the year:

	Finance, Audit and Property	Nominations	Remuneration	Safeguarding and Serious Incidents Reporting
His Royal Highness Prince Edward, The Duke of Edinburgh KG, GCVO (Chair)		√*		
Alka Barot		√		√
Paul Bell (retired 15 October 2022)			√ (until October 2022)	
The Rt Hon The Lord Boateng PC DL (retired 15 October 2022)		√ (until October 2022)		
Rock Chen	√			
Adebayo Olawale Edun	√ (until March 2023)		√ (until March 2023)	
The Rt. Hon. The Baroness Fall (appointed 15 October 2022)			√ (from March 2023)	
Anita Jacoby AM (appointed 15 October 2022)		√ (from March 2023)		√ (from March 2023)
Muhoho Kenyatta (appointed 15 October 2022)	√ (from March 2023)			
Muna Issa	√		√* (Chair from March 2023)	
Richard Oldfield (appointed 15 October 2022)	√* (from October 2022)		√ (from March 2023)	
Andrew Smith (retired 15 October 2022)	√* (until October 2022)		√ (until October 2022)	
Garth Weston (retired 15 October 2022)	√		√* (until October 2022)	
Dr Howard Williamson CVO CBE		√		√*

* Denotes Chair

OTHER ADVISORY COMMITTEES

- **The Joint Funding Board** is an advisory committee with representation from The Duke of Edinburgh's Award (the National Award Operator in the UK and UK registered charity) and The Duke of Edinburgh's International Award Foundation, which ensures that fundraising initiatives organised by both organisations do not compete with each other.
- **The Development Group** 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, donors and supporters who are actively engaged in introducing individuals to the work of the Foundation and generating income for the charity.
- **The International Special Projects Advisory Committee's** purpose is to assist the Trustees and the Senior Management Team with overseeing the operation and direction of the International Special Projects Grants. It is not a committee of the Board of Trustees although it may make recommendations to the Trustees. Its membership consists of Trustees and supporters.
- **Founder's Fund Grant Committee** is responsible for the granting funds and monitoring grants. Its membership consists of Trustees, advisors and members of the Senior Management Team.

Managing Responsibly

Every member of The Duke of Edinburgh's International Award Foundation Board and wider staff team is dedicated to ensuring the effective and efficient running of the charity, the quality of delivery and ongoing expansion of the Award worldwide. We are a driven team who continuously strive to find new ways for more young people to access the Award, to expand its reach and ensure its impact globally.

The Foundation is guided by our Chairman HRH The Duke of Edinburgh and supported by a Board of nine senior experts in youth policy, politics, finance, public relations, business and Global Human Capital Management, amongst others.

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 Leadership Team and the Senior Management Team. The Secretary General is also responsible for promoting the benefits of the Award to the widest possible audience, raising the funds necessary to support the Association and making the Trustees aware of the need for any changes to the main principles or conditions of the Award's international licensing arrangements.

SENIOR LEADERSHIP TEAM:

- John May – Secretary General and CEO (retired from post 4 November 2022)
- Stephen Peck – Deputy Secretary General and COO. Interim Secretary General and interim CEO from 4 November 2022
- Emma Morton – CFO and Company Secretary (appointed 1 June 2022)

The Foundation had an average of 37 (2022: 45) 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 Leadership 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.

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 168,520 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.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF PEOPLE WITH DISABILITIES

The Foundation has in place human resource policies and procedures to encourage employee involvement and ensure compliance with best practice. Employees are consulted on mutual issues of concern by means of regular staff meetings and are kept informed directly on specific matters by management. 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 them. The Foundation's management team are addressing the key points identified in the survey.

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.

FUNDRAISING GOVERNANCE

In accordance with the Charities Act 2016, we confirm that all solicitations are managed internally, without involvement of commercial participators or external professional fundraisers, or third parties. Such amounts receivable are presented in our financial statements as 'donations and legacies'. The day-to-day management of all income generation is delegated to the Senior Management Team, which is accountable to the Board of Trustees. We have received no complaints in relation to fundraising activities.

The Foundation adheres to all relevant Institute of Fundraising guidance as well as the Fundraising Regulator's code of fundraising practice, including the "Treating Donors Fairly" guidance. Our fundraisers clearly understand the standards we expect when representing us and when speaking to members of the public on our behalf. We take our supporters' requests and the protection of their personal data very seriously. All of our supporters can choose to opt out of our communications at any time, and we never share or sell their data, in line with GDPR.

MANAGING RISK

The Foundation and its Board of Trustees are committed to ensuring the safe, sustainable running of the Award around the world. In order to support their review, and the charity's management of risk, there is a comprehensive risk register and risk management process in place. The risk register is regularly reviewed and updated by the Senior Management Team, and is regularly reviewed by the Finance, Audit and Property Committee and annually by the Full Trustee Board.

The charity categorises the risks they face into three main areas: structural, strategic and operational risks. The likelihood and impact of the risks are continually reviewed, along with how they are managed and mitigated. The following key risks have been identified as part of their risk management process:

Highest Scoring Risks	Mitigations
<p><u>Safeguarding</u> A failure to take all reasonable measures to protect individual participants, volunteers or staff resulting in significant harm to individuals and erosion of trust.</p>	<ul style="list-style-type: none"> • Regular review and monitoring of our policies and procedures for safeguarding young people and vulnerable adults • Continue to ensure clarity of responsibility, under the licence, of Award Operators and individual units to undertake due diligence and ongoing training when selecting organisations and individuals with whom to partner on Award activity • Insistence on appropriate Operator vetting procedures to national standards and compliance with national guidelines for the protection of children, young people and vulnerable adults • Regular communication of whistleblowing procedures which include a responsible Trustee • Ensure incident management processes and emergency plans are robust and regularly reviewed • Regular review and communication of the Code of Conduct with regard to safeguarding so that individuals are clear what it is expected of them.
<p><u>Financial Resourcing</u> Financial resourcing shortfall from loss of income due to over reliance on key individuals, inadequate donor due diligence, donor's interest or ability to support declines. Failure to deliver obligations of programmes funded by our partners</p>	<ul style="list-style-type: none"> • Development and diversification of our income plans so that less reliance is placed on income from key individuals • Further development of income from non-fundraising sources • Continue development of our donor and events programme so that they remain relevant to our donors • Continued improvement of income-related systems, processes and reporting so that we develop a better knowledge of all sources of income • Appropriate reserves policy • Trustee approved annual budget and medium-term financial plans • Continued monitoring and evaluation of all partnerships

<p><u>Brand Reputation</u> The risk arising from association with the wrong people and/or that these people may want to use the brand/ trademark in a way that is damaging to us as an organisation</p>	<ul style="list-style-type: none"> • All necessary policies, procedures and manuals exist, are complied with and are regularly reviewed/updated. This includes event risk reviews, donor due diligence, safeguarding, HR, finance, whistleblowing, licensing and related party transactions • Proactive promotion of equality and diversity in all that we do • High quality Operator account management and licence reviews • Partnership agreements and non-operational licences that are authorised in line with agreed policies and procedures and regularly reviewed • Clear pre-release policies and procedures for all communications material and published documents • Clear intellectual property and trademark policies and process
<p><u>IT Systems</u> Failures in digital security resulting in data breaches causing significant detriment to our reputation, substantial fines or significant business interruption from the loss of personal or business-critical data. Potential for misuse of data, cyber attack or breaches of regulations due to third party integrations</p>	<ul style="list-style-type: none"> • Fully tested business continuity plans and regular system back-ups • Increased staff awareness re digital risks • Firewalls and password controls • Compliance with data legislation • Ensure appropriate cyber insurance is in place • Contracts in place for supplier support and cloud-based hosting • Data protection policies in place • Business continuity plans • Use of industry standard tools and systems
<p><u>Staffing</u> Loss of senior staff and Trustees may lead to loss of skill, organisational knowledge, experience and expertise. High staff stress levels and poor staff engagement/morale</p>	<ul style="list-style-type: none"> • Commitment to supporting employee wellbeing • Commitment to ensuring the Foundation remains an attractive place to work and that we continue to recruit, train, support and retain our high-quality staff • Regular reviews of our benefits package including hybrid-flexible working. • Regular review of our staff offering to ensure we remain competitive. • Regular performance reviews and staff training. • The first cohort of mental health first aiders were trained in the year.

SOCIAL RESPONSIBILITY

The Foundation is committed to ensuring that it is a socially responsible organisation. As part of this commitment, the Foundation seeks to integrate social and environmental concerns in its business strategy and operations, via seven key areas:

1. **Employees:** Ensuring a workplace that encourages development, enables free communication and provides a positive work-life balance. The Foundation has clear and accessible employee policies relating to equal opportunities, maternity, paternity and adoption leave, and a flexible, hybrid working policy. All employees are encouraged to act in a socially responsible manner and respect the environment in which they operate.
2. **Environment:** The Foundation actively seeks ways to reduce the impact of its activities on the environment. We encourage sustainable environmental policies within the workplace.
3. **Investment:** Ensuring our investments are directed towards socially responsible options. The Foundation's investment policy states that the Foundation will invest in funds whose investment managers can demonstrate active engagement with invested companies to achieve better environmental and social impacts.
4. **Constituents:** Being open, responsive and aware of our global Award family. The Foundation aims to be an organisation that is open, responsive, and aware of the particular interests and needs of stakeholders. To achieve this, we encourage participation by way of consultation; we provide feedback through All Association calls, regional meetings and newsletters and publications; and we ensure our website is kept up-to-date.
5. **Resources:** Maximising resources to ensure funds can be directed to the driving the Access, Reach and Impact of the Award around the world.
6. **Community:** Operating regionally and locally; constantly working to develop strong ties in local communities around the world.
7. **Suppliers:** Working towards an ethical purchasing policy, which includes a focus on sustainable, Fair-Trade products wherever possible.

Statement of Trustees' Responsibilities

The Trustees (who are, for the purposes of company law, also directors of The Duke of Edinburgh's International Award Foundation) 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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity 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 applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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/Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the Trust deed. 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Thank You

Thank you for taking the time to learn about and reflect on the work of our organisation over the past year.

I personally never stop being inspired by the dedication, determination and persistence of all who relentlessly and passionately guide Award participants on their journey of self-discovery, adventure and personal development. They understand there is space for both success and failure, for tears and for joy, but there is little space for complacency and self-interest. Our future will be in the hands of the generations to come.

As a longstanding supporter and volunteer, I am proud to be investing in the next generation of young people as they develop the universal skills needed – such as confidence, resilience, adaptability and problem solving – which can help them to tackle the challenges of today's world.

Our future is bright. You will understand what I mean when you meet Award participants and Award holders. As Honorary Chair of the World Fellowship, I would like to thank all our volunteers, donors and supporters for their generous support of The Duke of Edinburgh's International Award.

Jiri Zrust

Honorary Chairman of The Duke of Edinburgh's International Award World Fellowship

We are very grateful to all our loyal supporters.

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THE DUKE OF EDINBURGH'S INTERNATIONAL AWARD – REFERENCE AND ADMINISTRATIVE DETAILS

Chairman: HRH The Duke of Edinburgh KG GCVO

Registered charity in England and Wales number: 1072453

Company limited by guarantee number: 3666389

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