

**PRINCE'S TRUST INTERNATIONAL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**Company registration number 9090276  
Charity number 1159815  
A company limited by guarantee not having share capital**

# PRINCE'S TRUST INTERNATIONAL

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## PRINCE'S TRUST INTERNATIONAL

### REFERENCE AND ADMINISTRATION

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#### Trustees

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

Lloyd Dorfman CBE (Chairman)  
Rupert Goodman DL (Deputy Chairman)  
Mohammed Amersi  
Romero Britto  
Blondel Cluff (from August 2016)  
Sarah Haidry (until May 2016)  
Dame Martina Milburn DCVO CBE  
Michelle Pinggera (from November 2016)  
Amy Stirling (until October 2016)

<b>Group CEO</b>	Dame Martina Milburn DCVO CBE
<b>Chief Executive</b>	Alan Kennedy (until January 2017) Jonathan Townsend (from January 2017)
<b>Company Secretary</b>	Sarah Haidry (until September 2016) Simon Major (from March 2017)
<b>Company number</b>	9090276
<b>Charity number</b>	1159815
<b>Governing Document</b>	Articles of Association
<b>Registered office</b>	Prince's Trust House 9 Eldon Street London EC2M 7LS
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
<b>Bankers</b>	National Westminster Bank plc 3rd Floor 280 Bishopsgate London EC2M 4RB
<b>Principal Solicitors</b>	DLA Piper 3 Noble Street London EC2V 7EE

## PRINCE'S TRUST INTERNATIONAL

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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The Trustees present their report and audited financial statements for the year to 31 March 2017.

The Trustees have adopted the provisions in section 234 of Companies Act 2006, SORP 2015 and FRS 102 in preparing the Annual Report and Financial Statements. The reference and administration information on page 2 forms part of this report.

Prince's Trust International (the Charity) is a charitable company and subsidiary of The Prince's Trust, who is the sole member.

#### **Principal Activities and Purposes of Prince's Trust International**

The vision of the Charity is to help unemployed young people around the globe into education, training and work. The Charity's mission is to make a significant contribution to improving the lives of young people, by partnering with governments, non-governmental organisations (NGOs) and corporations to implement The Prince's Trust Programmes. The Charity aims to provide opportunities for unemployed and disengaged young people to gain the skills, motivation and self-confidence to contribute to their local economy and engage as active members of society.

The primary objective of The Prince's Trust (The Trust), as defined by its Royal Charter, is:

To promote by all charitable means the mental, spiritual, moral and physical development and improvement of young people and to provide opportunities for them to develop to their full capacities and enable them to become responsible members of society so that their conditions of life may be improved.

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

- helping young people aged 11 to 30 who are unemployed and those at risk of unemployment because they have struggled at school.
- bringing young people together from different backgrounds, cultures and faiths, so that they can make a positive difference in their communities.
- providing practical support, enabling them to overcome their problems and get their lives on track.
- delivering proven, high quality programmes and basic financial support, which help young people to develop the confidence and skills they need to get a job or start a business.

In accordance with Charity Commission guidance on public benefit (section 17 of Charities Act 2011), Prince's Trust International achieves its requirements for public benefit by developing programmes to meet its objective.

Prince's Trust International has successfully run pilot programmes in Australia, Barbados, Canada, India, Malta and Jordan. In the previous financial year, we also undertook advisory work in Oman. We have begun, or are working towards beginning, sustainable programme roll-out in a number of these countries. Following our absorption of Mosaic's ongoing international delivery in July 2016, we took responsibility for delivery of the Enterprise Challenge in Jordan, Pakistan and Qatar, and opened recruitment to citizens of 22 countries for the International Leadership Programme (delegates from 17 joined us during the Summit in March 2017). Pilot programmes are planned over the course of 2017/18 in countries including Greece, Oman, and New Zealand. We will also be actively scoping a number of individual countries for planned expansion, as well as opportunities for multi-country delivery with global strategic partners. Funding has been received from a number of companies and Founding Patrons. The achievements are described in more detail below.

#### **Structure, governance and management**

Prince's Trust International is a charity incorporated by Articles of Association in England and Wales. The Articles form the governing document together with a set of documents that detail Prince's Trust International's governance structure and these continue to evolve in line with growth.

#### **Trustee Recruitment, Appointment and Training**

Trustees are appointed in accordance with the Articles and are collectively known as the Prince's Trust International Board. In order to ensure that strategy and operational activity is aligned to The Prince's Trust (parent charity), the Prince's Trust International Board includes the Group Chief Executive and no more than three members of The Prince's Trust Board. On joining the organisation, new Trustees receive a comprehensive induction which covers the values and purpose of Prince's Trust International. The induction programme covers strategy, fundraising, programmes, operations and governance matters. New trustees are given the opportunity to meet key staff in the London office.

## PRINCE'S TRUST INTERNATIONAL

### TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

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#### Organisational Structure

The Prince's Trust International Board is accountable for the work of Prince's Trust International. The matters reserved for the Prince's Trust International Board include the approval of strategy, the budget and business plan and the Annual Report and Financial Statements. The Prince's Trust International Board also retains oversight of management controls and corporate governance, along with the appointment of Trustees and the Chief Executive.

The Charity is grateful for the commitment of a core group of volunteers who have assisted with its development and provide ongoing support in the London office. It also acknowledges the support of volunteers to the local partner organisations delivering the pilot projects in other countries.

The Prince's Trust International Board has delegated authority to the Group CEO and Chief Executive for the day-to-day management of the organisation. The Prince's Trust supports Prince's Trust International with the provision of administrative resource, including the monitoring of programmes.

A management services agreement has been put in place to govern the provision and payment for services from The Prince's Trust to Prince's Trust International, together with a licence agreement to govern the licensing of The Prince's Trust know how and intellectual property for use by Prince's Trust International, all on commercial terms.

Remuneration of the Charity's staff is aligned to that of The Prince's Trust which is reviewed and agreed by The Prince's Trust Council in consideration of good practice in the Charity sector.

The Prince's Trust Chairman is also Chairman of the Prince's Trust International Board and The Prince's Trust Group CEO is a member of the Prince's Trust International Board. Two independent Deputy Chairmen were appointed, one to The Prince's Trust Board and the other to the Prince's Trust International Board. Their role includes resolving any potential conflicts of interest between the organisations.

#### Achievements and performance

During 2016/17 Prince's Trust International continued to develop its activities, launching pilot programmes, rolling-out sustainable delivery, and taking on responsibility for the international programmes formerly delivered by Mosaic. Prince's Trust International has continued to expand its activities into new territories, and deepen its engagement with new programmes, and in new regions of existing markets.

The key achievements during 2016/17 were:

- Continuing to expand the xl/Achieve programme in Malta, with presence in 18 state-governed schools, and now with progression into non-state schools and young offenders' units;
- Expanding the delivery of the Get Into programme in Jordan;
- Completing delivery of the first pilot of the Get Into programme in Adelaide, South Australia;
- Commencing delivery of the first Get Into programme in Mumbai, India;
- Running and completing delivery of the first Team and Get Into programmes in Barbados;
- Completing delivery of the first four Get Into pilot programmes in Canada with Prince's Charities Canada in Winnipeg and Toronto;
- Gaining approval from the New Zealand Qualifications Authority for the Prince's Trust qualification in Personal Development and Employability Skills Level 1;
- Running a two week Summit for the International Leadership Programme, in which 54 delegates from 17 different countries participated;
- Successfully completed the fifth year of delivery of the Enterprise Challenge programme in Qatar and Jordan, and the first year in Pakistan; and
- Developing our first bespoke and Monitoring & Evaluation framework, undertaking mid- and post-pilot reviews, and comprehensively measuring our impact.

The principal funding source in the year was from the Founding Patrons start-up scheme which closed at the end of the 2016/17 year. Founding patrons commit to supporting the work of the Charity over a minimum of a 3 year period. We thank all of our donors for their generous support.

## **PRINCE'S TRUST INTERNATIONAL**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017**

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Over the financial year, the charity developed with its lawyers, DLA Piper, a template partnership agreement which has been the contractual basis for delivery with all new partners. During this time, standardised agreements with all legacy delivery partners. As outlined in the 'Risk' section below, partners have been selected for their relevant expertise, and having a threshold of maturity in their operations. Pilot programmes are monitored by international staff deployed from London, and both pilot and roll-out delivery are monitored also by staff from the Prince's Trust International London office.

In 2016/17, we worked with 4,125 Young People of which 3,530 were on the Enterprise Challenge programme. Last Year the programmes were run on pilot basis.

#### **Financial Review**

Prince's Trust International had income for the year of £1,597,506 (2015/16: £766,701) and expenditure of £1,449,288 (2015/16: £524,217). The surplus will be retained in Prince's Trust International for investment next year. Financial performance for the year was broadly in line with expectations.

#### **Reserves Policy**

The Trustees review the reserves policy annually and target a level of free reserves of between four to six months of operational expenditure. The intention is for the core running costs to be funded through the generation of unrestricted funds. While Prince's Trust International is in start-up phase, The Prince's Trust (parent charity) has made a working capital facility of up to £1.2 million available to the Charity. This facility has not yet been drawn down. Any drawdown is to be repaid by 31 December 2018.

Total funds as at 31 March 2017 were at £400,888 (2015/16: £252,670), of which £88,613 (2015/16: £46,494) were restricted funds. Unrestricted reserves £312,275 (2015/16: £206,176) represent approximately 3 months of non-programme related expenditure. This is below target but this is acceptable as The Prince's Trust has made a capital facility available to the Charity.

#### **Risk Policy**

Prince's Trust International recognises the inherent risks in working outside the United Kingdom with disadvantaged young people and in raising the funds to pay for its work. The span of these risks is wide, including health and safety (of both staff and programme beneficiaries), safeguarding, programme development and data management. Prince's Trust International works to mitigate the risks that it takes and aims to help delivery partners to ensure safe and effective opportunities for young people.

Prince's Trust International carries out due diligence on all countries it works in and is proposing to work in. The scope of due diligence includes risks relating to the country, the in-country delivery partner, and the project funder. This due diligence is captured within a Country Assessment Proposal that is reviewed by the Prince's Trust International Board, before a decision is made on whether to progress. This due diligence process has been developed with feedback from external advisers.

The Charity has a risk register which scores the standing, and priority managed risks, including (but not limited to) our staff, partners, beneficiaries, reputation, intellectual property, quality assurance and funding. The methodology of this register has been developed by The Prince's Trust, and tailored to fit the needs of Prince's Trust International.

The Board of Trustees delegates risk management to the CEO and executive team, in consultation with the Company Secretary. The risk register is reviewed regularly at a governance level, as a standing agenda item at every Prince's Trust International Trustee Board meeting. New country assessments are reviewed on an ad hoc basis by the Trustee board.

Prince's Trust International has a comprehensive insurance policy, reviewed annually, and currently held with Zurich Insurance.

#### **Future Plans**

Pilot programmes are planned to start or continue over the course of 2017/18 in countries including Australia, Barbados, Canada, India, Greece, and New Zealand. The Charity will also be actively scoping a number of individual countries for planned expansion, as well as opportunities for multi-country delivery with global strategic partners.

**PRINCE'S TRUST INTERNATIONAL**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**Trustees**

The Trustees of the Charity as at the date of this report are set out in the Reference and Administration section on page 2 and, unless stated otherwise, served throughout the year.

**Qualifying indemnity provision**

In accordance with section 234 Companies Act 2006, a qualifying indemnity provision, for the benefit of all of the Trustees, was in force during the financial year and remains in force at the date of approval of the financial statements.

**Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

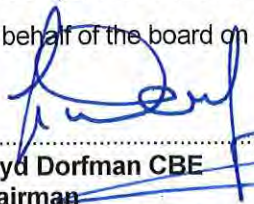
The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement of disclosure of information to auditors**

In accordance with section 418 Companies Act 2006, the Trustees confirm that, in the case of each of the persons who are Trustees at the time when this report is approved, so far as each of the Trustees is aware, there is no relevant audit information of which the charitable company's auditors are unaware and each of the Trustees has taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board on 20<sup>th</sup> July 2017

  
.....  
**Lloyd Dorfman CBE**  
**Chairman**  
**PRINCE'S TRUST INTERNATIONAL**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF PRINCE'S TRUST INTERNATIONAL  
FOR THE YEAR ENDED 31 MARCH 2017**

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**Report on the financial statements**

**Our opinion**

In our opinion, Prince's Trust International's financial statements (the financial statements"):

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

**What we have audited**

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

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

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

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

**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

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

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

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Trustees' remuneration**

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



**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

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

**Our responsibilities and those of the trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

**What an audit of financial statements involves**

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

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

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

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

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



**Philip Stokes (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

21 July 2017

PRINCE'S TRUST INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted Funds £	2017 Restricted Funds £	Total £	Unrestricted Funds £	2016 Restricted Funds £	Total £
<b>Income from:</b>							
Donations	2	1,012,394	403,267	1,415,661	677,083	89,618	766,701
Charitable Activities	2	-	82,085	82,085	-	-	-
Trading Activities	2	57,990	15,375	73,365	-	-	-
Other	2	-	26,395	26,395	-	-	-
		<u>1,070,384</u>	<u>527,122</u>	<u>1,597,506</u>	<u>677,083</u>	<u>89,618</u>	<u>766,701</u>
<b>Expenditure on:</b>							
Raising Funds	3	264,323	-	264,323	98,204	-	98,204
Charitable activities	4	699,962	485,003	1,184,965	352,889	73,124	426,013
<b>Total Expenditure</b>		<u>964,285</u>	<u>485,003</u>	<u>1,449,288</u>	<u>451,093</u>	<u>73,124</u>	<u>524,217</u>
<b>Net Income and movement in funds</b>		<u>106,099</u>	<u>42,119</u>	<u>148,218</u>	<u>225,990</u>	<u>16,494</u>	<u>242,484</u>
Total Funds brought forward		206,176	46,494	252,670	(19,814.00)	16,494.00	242,484.00
<b>Total funds carried forward</b>		<u>312,275</u>	<u>88,613</u>	<u>400,888</u>	<u>206,176.00</u>	<u>46,494.00</u>	<u>252,670.00</u>

The Statement of Financial Activities has been prepared in the current year on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the Statement of Financial Activities.

There is no difference between the results on ordinary activities before taxation and the retained results for the year stated above, and their historical cost equivalents.

The notes on pages 13 to 19 form part of these financial statements.

**PRINCE'S TRUST INTERNATIONAL**

**BALANCE SHEET  
AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Current assets</b>			
Cash at bank and in hand		984,040	486,283
Debtors	7	<u>173,230</u>	<u>-</u>
<b>Creditors:</b> amounts falling due within one year	8	<u>(756,382)</u>	<u>(233,613)</u>
<b>Net current assets</b>		<u>400,888</u>	<u>252,670</u>
<b>Net assets</b>		<u>400,888</u>	<u>252,670</u>
<b>The funds of the Charity:</b>			
Unrestricted income funds	9	312,275	206,176
Restricted income funds	9	88,613	46,494
<b>Total Charity funds</b>		<u>400,888</u>	<u>252,670</u>

The notes on pages 13 to 19 form part of these financial statements.

The financial statements on pages 9 to 19 were approved by the Board on 13<sup>th</sup> July 2017 and signed on its behalf by:



.....  
Lloyd Dorfman CBE  
Chairman

Company registration No. 9090276  
Charity No: 1159815

PRINCE'S TRUST INTERNATIONAL

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017

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	Note	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	1	<u>497,757</u>	<u>467,170</u>
<b>Change in cash and cash equivalents in the reporting year</b>		497,757	467,170
<b>Cash and cash equivalents at the beginning of the reporting year</b>	2	486,283	19,113
<b>Cash and cash equivalents at the end of the reporting year</b>	2	<u>984,040</u>	<u>486,283</u>

PRINCE'S TRUST INTERNATIONAL

NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017

**Note 1:**

**Reconciliation of net income to net cash flow from operating activities**

	<b>2017</b>	2016
	<b>£</b>	£
<b>Net income for the reporting year (as per the statement of financial activities)</b>	148,218	242,484
<b>Adjustments for:</b>		
Increase in Creditors	522,769	224,686
Increase in Debtors	(173,230)	-
<b>Net cash provided by operating activities</b>	<u>497,757</u>	<u>467,170</u>

**Note 2:**

**Analysis of cash and cash equivalents**

	<b>2017</b>	2016
	<b>£</b>	£
Cash at bank	983,526	486,283
Cash in hand	514	-
<b>Total cash and cash equivalents</b>	<u>984,040</u>	<u>486,283</u>

## PRINCE'S TRUST INTERNATIONAL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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#### 1. Accounting Policies

##### Accounting Convention

The financial statements are prepared under the historical convention.

##### Basis of Preparation

The accounts have been prepared in accordance on a going concern basis. There are no material uncertainties about the Charity's ability to continue. The Charity is a public benefit entity. The accounting policies have been applied consistently.

##### Basis of Accounting

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

- Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102')
- The Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2015 ('the SORP 2015')
- The Companies Act 2006
- The historical cost convention

##### Income from donations

Donations are recognised when there is entitlement, receipt is probable and the amount is measurable. All donations are shown gross of related expenditure. Tax credits receivable from gift aid donations are recognised when there is a valid Gift Aid declaration.

Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

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

##### Income from charitable activities

Grants from government and income from other public sector contracts have been recorded as income from charitable activities. All income from charitable activities is shown gross of related expenditure. Income is deferred when the conditions applying to the grant are not wholly within the control of Prince's Trust International.

##### Income from trading activities

Income from trading activities is recognised when services are delivered. Income is deferred when payment has been received for services which are to be delivered in the future.

##### Other income

Other income relates to income which is not donations, from charitable activities or from trading activities. This income is recognised when there is entitlement, receipt is probable and the amount is measurable.

##### Expenditure

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

The costs of raising funds include the salaries and overhead costs of the staff who undertake fundraising activities and the marketing and publicity costs associated with raising the profile of Prince's Trust International (but not those which are used in an educational manner in furtherance of the charity's objects). Other costs, in compliance with constitutional and statutory requirements, include external audit costs.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

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**1. Accounting Policies (continued)**

Support costs include the salaries of those managerial staff which are not directly attributable to a particular programme of charitable work, governance costs, and of charges made by The Prince's Trust for support services (e.g. Finance, IT, HR and for other administrative staff and all office running costs) consumables and other overheads not specifically attributable to a particular programme of charitable work.

Support costs are allocated to costs of raising funds and charitable activities on the basis of the relative effort involved, based on an assessment by the Charity's management. Irrecoverable VAT is included with the item of expense to which it relates.

**Contractual liabilities**

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

**Tax**

The charitable company is exempt from income and corporation taxes on income and gains to the extent that they are applied for their charitable objects.

**Funds**

The funds of the Charity have been segregated as follows

**Restricted Funds** consist of donations for which the donor giver has specified the purposes for which the resources can be utilised and therefore to which expenditure is restricted.

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

**Financial Instruments**

The Charity has taken advantage of the exemption which is available under FRS 102 1.12 (c) (relating to sections 11 and 12 of the standard) as a wholly owned subsidiary not to disclose the following:

- Categories of financial instruments
- Items of income, expenses, gains or losses relating to financial instruments, and
- Exposure to and management of financial risks.

Full disclosure in relation to financial instruments is available in the consolidated accounts of The Prince's Trust.

**Critical Accounting Judgements and Key Estimates and Assumptions**

The Charity allocates support costs between different charitable activities using management's judgement of the proportion of effort expended on each category during the year.

**Pension Scheme**

The Prince's Trust has arranged a defined contribution pension scheme for Prince's Trust International's staff. Pension contributions charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year. Defined pension scheme contributions were charged to the profit and loss account as they fall due. The company had no potential liability other than for payment of those contributions.

PRINCE'S TRUST INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

2. Donations	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Donations from Major Donors	798,387	92,600	890,987	465,000
Donations from Corporate Partners	-	79,060	79,060	76,453
Donations from Charitable Trusts	105,509	198,218	303,727	158,165
Donations in Kind	108,498	33,389	141,887	67,083
	<u>1,012,394</u>	<u>403,267</u>	<u>1,415,661</u>	<u>766,701</u>

Income from Charitable Activities	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
National Government Income	-	82,085	82,085	-

Income from Trading Activities	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Consulting Income	57,990	-	57,990	-
Licensing	-	15,375	15,375	-
	<u>57,990</u>	<u>15,375</u>	<u>73,365</u>	<u>-</u>

Other Income	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Other Income	-	26,395	26,395	-

Donations in kind represent the estimated cost of services donated to Prince's Trust International, at the value at which Prince's Trust International would have paid. All income was generated in the UK.

3. Expenditure on Raising Funds	Direct staff costs	Other direct costs	Allocated support costs	Total 2017	Total 2016
	£	£	£	£	£
	106,281	7,357	150,685	264,323	98,204

4. Expenditure on Charitable Activities	Direct staff costs	Other direct costs	Allocated support costs	Total 2017	Total 2016
	£	£	£	£	£
Programme scoping	146,285	25,663	103,273	275,221	214,355
Programme delivery	167,331	401,044	341,369	909,744	211,658
	<u>313,616</u>	<u>426,707</u>	<u>444,642</u>	<u>1,184,965</u>	<u>426,013</u>

Support costs are allocated on total costs basis.



PRINCE'S TRUST INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

5. Support costs	Raising Funds	Charitable Activities	Total 2017	Total 2016
	£	£	£	£
<b>Staff costs:</b>	78,400	231,344	309,744	-
<b>Other costs:</b>				
Communications and Marketing	768	2,265	3,033	28,685
Other staff costs	17,963	53,005	70,968	35,931
Fees paid to The Prince's Trust	20,687	61,044	81,731	30,842
Legal costs	22,147	65,351	87,498	-
Governance Costs	3,327	9,816	13,143	6,360
Sundry other costs	7,394	21,817	29,211	7,524
	150,686	444,642	595,328	109,342

Governance costs includes £8,500 (2015/16: £5,300) as audit fees.

**6. Employees and Trustees' Emoluments**

**Staff members**

Average Headcount of employees analysed by function:

Charitable purposes and support staff	13	4
Fundraising	1	-
Governance	-	1
	14	5

**2017  
No.**

2016  
No.

Average monthly number of employees analysed by function:

Charitable purposes and support staff	12	4
Fundraising	1	-
Governance	-	1
	13	5

**2017  
No.**

2016  
No.

**Staff costs for the above employees were:**

	<b>2017</b>	2016
	<b>£</b>	<b>£</b>
Wages and Salaries	576,612	198,852
Social Security costs	68,903	21,693
Pension and post-retirement benefits	22,140	7,594
	667,655	228,139

Prince's Trust International also paid £61,986 (2015/16: £Nil) in redundancies during the year. The nature of the payments is due to restructuring and is accounted for on an accruals basis.

PRINCE'S TRUST INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

Employees and Trustees' Emoluments (continued)

6. Employee numbers

The number of employees whose benefits fell within the following bands were:

	2017 No.	2016 No.
£80,000 - £90,000	1	-
£100,000 - £110,000	1	-

Staff costs include £313,616 (2015/16: £ 205,887) for staff directly involved in delivering charitable activities, £106,281 (2015/16: £22,252) for staff involved in raising funds and £309,744 (2015/16: £Nil) for support staff. For members of senior management, their remuneration totalled £225,329 (2015/16: £127,597); of this £Nil (2015/16: £67,083) was a benefit in kind.

There were three (2015/16: two) members of key management personnel.

**Trustees Emoluments**

No Trustee received salaries, fees or other benefits during the year (2015/16: £Nil)

Trustees have claimed £Nil (2015/16: £ Nil) expenses.

Two (2015/16: two) members of senior management claimed travel expenses of £13,665 (2015/16: £1,391)

7. Debtors	2017 £	2016 £
Accrued Income	55,000	-
Grants Receivable	106,190	-
Trade Debtors	10,410	-
Other Debtors	1,630	-
Total	173,230	-

8 Creditors: amounts falling due within one year	2017 £	2016 £
Amounts owed to group undertakings	578,011	210,884
Trade Creditors	83,931	-
Other Creditors	13,069	14,248
Accruals	81,371	8,481
Total	756,382	233,613

PRINCE'S TRUST INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

9. Movement in funds

	Funds brought forward £	Income £	Expenditure £	Funds carried forward £
<i>Scoping</i>				
Barbados	5,000	8,400	(13,400)	-
India	-	2,008	(2,008)	-
<i>Get Into Programmes</i>				
Barbados	-	32,923	(32,923)	-
Canada(Winnipeg)	-	55,000	(6,350)	48,650
Jordan	-	28,616	(28,616)	-
India	-	38,523	(38,523)	-
Malta (Get Into Retail)	12,872	-	-	12,872
<i>Team Programmes</i>				
Barbados	-	40,510	(40,510)	-
Jordan	-	15,000	(15,000)	-
<i>XL Programmes</i>				
Malta xl Pilot	28,622	29,489	(31,020)	27,091
<i>Mosaic Programmes</i>				
International Leadership Programme				
• DFID funded	-	92,000	(92,000)	-
• Other funders	-	81,615	(81,615)	-
Enterprise Challenge	-	103,038	(103,038)	-
Total Restricted funds	46,494	527,122	(485,003)	88,613
Unrestricted income funds	206,176	1,070,384	(964,285)	312,275
Total funds	252,670	1,597,506	(1,449,288)	400,888

Funds are restricted against core programmes of the charity, further restricted geographically as noted above.

10. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Funds balances at 31 March 2017 are represented by:			
Current Assets	312,275	88,613	400,888
Total funds	312,275	88,613	400,888

## PRINCE'S TRUST INTERNATIONAL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017 (CONTINUED)

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#### 11. The Ultimate Parent undertaking and controlling party

Prince's Trust International (the Charity) is a wholly owned subsidiary of The Prince's Trust. The Charity is incorporated in England and Wales and has its own registration with the Charity Commission. The Charity's Articles of Association set out how The Prince's Trust exercises control over the Charity.

As the sole Member, The Prince's Trust has the power to appoint the Chairman and has absolute discretion over the appointment of other Trustees.

The ultimate parent undertaking and controlling party is The Prince's Trust, a charity registered in the United Kingdom. The Prince's Trust Charity Registration Number in England & Wales is 1079675 and in Scotland is SC041198. The Royal Charter Number is RC000772. The consolidated financial statements of The Prince's Trust are available from Prince's Trust House, 9 Eldon Street, London, EC2M 7LS.

#### 12. Related Party Transactions

The charitable company has taken advantage of the exemption provided by FRS 102 on Related Party Transactions from disclosing transactions with entities, 100% of whose voting rights are controlled within the group, and where consolidated financial statements are publicly available.

£100,000 (2015/16: £100,000) donation was received from the Dorfman Foundation, an organisation of which the Chairman of Prince's Trust International, Lloyd Dorfman CBE, is the Chairman and founder. Lloyd Dorfman personally provided £1,448 (2015/2016: £Nil) as gifts in kind.

£137,600 (2015/16: £100,000) was received as donations from the Amersi Foundation, an organisation of which a Trustee of Prince's Trust International, Mohamed Amersi, is the Chairman and founder.

£93,483 (2015/16: £67,083) was received as gifts in kind and £Nil (2015/16: £11,507) as donations from DLA Piper. We also received £Nil (2015/16: £10,250) as donations from Zeus Capital. Both DLA Piper and Zeus Capital are organisations of which Sir Nigel Knowles, a trustee of Prince's Trust International, served as Chairman during the financial year.

£15,000 (2015/16: £Nil) was received as a donation from Rupert Goodman personally for the Team Programme in Jordan. Mr Goodman is a Trustee of Prince's Trust International.

The Prince's Trust (parent charity) has made a working capital facility of up to £1.2 million (2015/16: £1.2 million) available to Prince's Trust International.

There were no outstanding balances in relation to the above at the balance sheet date.

#### 13. Taxation

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

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