

Refreshing Collaborative Empowering
 Supportive Optimistic Passionate
 Optimistic Respectful Total Commitment Imaginative
 Pioneering Warm Equality Supportive Responsive
 Agile Integrity Fair Youth-centered Fresh
 Fair Integrity Fair Fair Fair Fair Fair Fair Fair Fair
 Fresh Collaborative Agile
 Visionary Respectful Innovative Fair Forward-thinking Warm
 Inspirational Warm
 Excellence

The Queen's Commonwealth Trust Annual Report and Accounts 2019/20



QUEEN'S
 COMMONWEALTH
 TRUST

SATURDAY



A9BGYBDK

A04

15/08/2020

#124

COMPANIES HOUSE



The Queen's Commonwealth Trust (QCT) has helped connect many young people like myself to opportunities, and to each other. To live our dreams and create a better world. I had the privilege of attending the 2019 One Young World Conference as a QCT scholar. I am now working with QCT alumni to build better futures for Indigenous youth across the globe. As the world changes, the response and support QCT offers young people pivots accordingly. I look forward to seeing the impact that future QCT programmes, co-designed by young people, have on bringing to life the dreams of tomorrow's leaders.

Lisa Rapley
Co-Founder, Yuludarla Karulbo
Australia



The Justice Desk hosts The Duke and Duchess of Sussex during the Africa Royal Tour

1

TRUSTEES' REPORT

The Trustees present their annual report for the year ended 31 March 2020 under the Companies Act 2006 together with the audited accounts for the year.

The financial statements have been prepared on the basis of the accounting policies set out in Note 1 to the financial statements and comply with the applicable law, the requirements of the Charities Statement of Recommended Practice 2015 and the Charities (Accounts and Reports) Regulations 2008.



Lisa Rapley (in red) alongside members of Team QCT

Trustees' Report

Introduction from our Chairman	2
The Context of our Work	3
Activities and Achievements	4
Champion	5
Fund	6
Connect	7
Fundraising	8
Future Plans	9
Financial Performance	11
Governance and Risk	13
Statement of Trustees' Responsibilities	17
Independent Auditor's Report	18
Financial Statements and Notes	21
References and Administration	38

Thank you to our friends and supporters who contributed their words to describe QCT for our front cover word cloud.

Chair's Introduction

Lisa Rapley's words open this year's Annual Report as a reminder that it is young people who are the abiding focus of The Queen's Commonwealth Trust. On behalf of Trustees, it is therefore a huge pleasure to thank all the young people in our new network for all that they do.

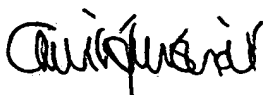
To our donors: heartfelt thanks to you, too, for your belief in us and the generous support you have given. Nor can I thank enough our tremendous staff and my fellow Trustees who, together, do so much to drive our mission. This year, I would particularly like to thank our retiring Trustees, Christopher Coombe and Diana Good, for the very substantial contribution of expertise and heartfelt commitment they have given during their time with us.

We know that young people are expert at identifying and then solving the problems faced by their own communities, such as poverty, lack of access to education, human rights abuses and climate change. In their hundreds of thousands, they run projects, social enterprises and charities that together provide vital help for many millions of people. Young people are a massive global resource of expertise and ability. That's why The Queen's Commonwealth Trust wanted to get behind them, highlight their value and share their knowledge.

What follows is a report of our progress last year. It is a story of our young network, now 650 strong, plugged into an audience of over two million people who have actively engaged with our content online. It shows the grants we have made and the talented young people we have championed, funded, connected and inspired to do more.

In these dark days of a global pandemic, the young people we work alongside are, through our channels, sharing ideas, content and practical tools for others, while continuing to serve and support their communities. Their outstanding effort has continued apace in spite of these current circumstances, an inspiring message of resilience and optimism.

Our young people are the heart of The Queen's Commonwealth Trust. Each one of them and us is better, wiser and stronger for the interest and support shown in this remarkable work, for which I am enormously grateful.



The Rt. Hon. Lord Geidt GCB GCVO OBE QSO,
Chairman of The Queen's Commonwealth Trust

QCT Board of Trustees

Stephen Ball
Samantha Cohen
Leslie Ferrar
Chrisann Jarrett
Baroness Lane-Fox
Janette Wilkinson

With thanks to our
retired trustees

Christopher Coombe
Diana Good



The context of our work

The Commonwealth is home to 2.4 billion people. Of these, 60% are under 30. Our Commonwealth is full of resourceful, entrepreneurial, dynamic young people active in pursuit of making life better for others.

These young people know the problems their communities face – like poverty, the effects of climate change, lack of access to education and healthcare, and barriers to employment. They have the solutions and the networks to deliver meaningful, practical help to those who need it. They are a huge resource – but less than 1% of the international development budget goes to them.

If this were to change, and more investment were to be made in youth-led development, we could be closer to achieving the Sustainable Development Goals (SDGs) to benefit everyone, everywhere.

This is where QCT comes in.

Our charitable objectives are broadly defined – we may carry out any activity that is considered charitable. This allows us to support young people who are working on a wide variety of ventures that help other people.

In helping young people help others, we fulfil our charitable purpose and help support communities in need all around the world.

Champion, Fund and Connect are the three pillars driving our work.



Atu and Mwayi Kampesi, co-founders of Planet Green Africa, Malawi

Our vision is a world where young people are equal partners in driving change.

Our mission is to champion, fund and connect young people who are driving change locally, nationally and globally.

Activities & Achievements 2019/20

This was the first year that our work really got underway in earnest. With the team in place, we could trial the creation of new content, evolve and improve our grant-making and begin to measure the value of this work. We used digital metrics to assess audience reach and engagement and agreed milestones in each grant we made. Our new grant-making methodology, with the addition of technical assistance to help founders to strengthen their organisations, will make assessment of progress and success far easier in 2021/21. Last year, we built a global network of young social entrepreneurs, professionals, policy makers and those just starting out. This network will improve our decision-making and take us forward. Together with our staff team, this is Team QCT.

Our staff worked with the network to champion youth leadership, on funding strategy and distribution, and to drive connections with opportunities and information.

Together, we reached an audience of 42 million people with the content we shared online. To make the best funding decisions, we redesigned our grant-making process and made grants to 10 upcoming youth-led organisations in Africa.

Encouraged by the network, we began to consider the legacy of colonialism. This is something that matters deeply to the young people with us. We accepted that, to work for an equal future, we must acknowledge the past. Together, we began to shape QCT as a contemporary Commonwealth institution, with this approach at its heart. This project helped develop our COVID-19 Emergency Grants Fund, ensuring those most affected by historic injustice over generations were the first to be invited to apply for funding. This work continues in 2020.



Towards the Common Good

Team QCT has a considerable breadth and depth of expertise and insight, developed through first-hand experience of global issues and shared learning across many generations. This shared perspective on what it is to be equal is essential to deliver our vision and mission.

We are drawing on our shared history as members of the Commonwealth family to build new understanding and trust as we go. This way, we can offer a fresh, contemporary and informed view of what it really means to work for the common good.

In the era of COVID-19, young leaders need to be able to deliver vital services in communities across the globe. Resilience, ingenuity and the drive to create a better world are intrinsic to our movement. Young people have the immense reservoir of hope that we need. Tapping into this now, when hope is needed most, requires leaders, organisations and institutions to change. For this new world order to succeed, young people must be seen as they are: not as passive recipients of guidance, but as young professionals, founders, experts – required as we build anew.

Strengthening connections between us builds solidarity and presents an opportunity for learning from and responding to new challenges that have emerged from old systems and ways of thinking. Through meaningful participation in all decision-making, young people's experience, expertise and insight can contribute to shaping a better world, where no one is left behind. In the words of Pat Bishop TC, a Trinidadian cultural icon, 'None have crossed 'til all have reached the other side'.

Benedict Bryan
Nicola Brentnall

Champion

2019 saw QCT's digital activity really get underway.

Visits to our website exceeded 70,000 in March 2020 alone, and we nearly doubled our social media following – with over 80,000 individuals joining us across Instagram, Facebook and Twitter.

Our content reached over 42 million people, with over 2.6 million people actively engaging with it – more than double the industry benchmark. We know our audience is young and eager to hear from relatable peers who are doing great work and finally getting recognition for it.

We championed 117 young leaders, sharing their stories and experience to inspire others to take action. Our audience tells us this content provides hope and inspiration, helping to show that everybody and anybody can make a difference – and that they, too, can lead.

Visibility on our channels provides credibility and influences others to engage in driving social purpose. If we can mobilise more and more people this way, young people will deliver more positive impact and the SDGs may well be within reach.

"All of you give me so much hope for the future and inspire me to do more"

- Instagram, March 2020

5 *"Having QCT as a major partner has brought trust nationally, and attention internationally. The association to QCT has caught the attention of the business sector, and we had four corporate donations made to the organisation as a result."*

- Jessica Dewhurst,
The Justice Desk

"Being championed has led to my work being featured on platforms such as @SussexRoyal where it has been seen by millions of people. I have also been contacted by local and national press here in Kenya who want to share my story and join the fight to save our planet."

- Elizabeth Wathuti
GGI Kenya

#TeamQCT with The Duke and Duchess of Sussex: Raising awareness, money and confidence.

The Duke and Duchess of Sussex understand the power of purpose and the role young people play. In turn, young people value their support.

Together, we highlighted how young people are making a significant contribution in areas such as tackling gender-based violence, providing access to education, entrepreneurship, campaigning for gender equality and improving mental health. All events were covered extensively in media outlets and this has led to increased donations, increased credibility and self-confidence.



"The Duke and Duchess are like an extension of the QCT network. We are all passionate young people who want to make positive differences in the world and aren't afraid to put ourselves out there, roll up our sleeves and get the job done, and that's exactly what they're like, too."

- GirlDreamer

Fund

We are piloting our main grant-making programme in Africa, given that it has one of the fastest-growing and youngest populations in the Commonwealth. We fund organisations at a tipping point – where small, unrestricted grants make a big difference. Founders report that unrestricted funds boost their confidence – knowing that QCT trusts them to invest the money to the best effect – and enable them to make more effective and impactful use of funding. We gave £341,000 in grants last year – the majority directly to founders and to young people, and a small component through our partners WE Movement, CAMFED and Future Foundations.

Take the work of Eco Brixs in Uganda. Co-founder Andy Bownds told us that, because of QCT's support, the organisation is now able to sustainably employ a staff team of 13 and support the livelihoods of 30 contractors.

COVID-19

Team QCT members helped create the COVID-19 Emergency Grants Fund for young people tackling the effects of the virus. They help us to find and fund more young founders like Andy, working at the grassroots, helping communities and tackling the SDGs.

Our founders want to ensure sustainability and further investment from others, so we now offer practical, professional advice and guidance to help them strengthen their operations.

“By providing a means for people to earn their own income, we help contribute to a growing economy while supporting the most vulnerable community members.

“

Being able to offer employment to a full team, we have increased the sustainability of the whole organisation and the impact we have.

QCT was the first major funder to support us. This takes us over a massive barrier, becoming a recognised organisation with branding and targets. QCT taking that leap with us made it possible, helping us prove the model we had established and show its scalability. As a result, we have been able to prove our model and gain funding from others.

This has been possible because we have been able to use QCT funds as needs arise to increase the capacity of our work.”

Andy Bownds

“...without systems to back the dream (which most funders do not invest in) most organizations die young. The QCT advice helped us to identify gaps that urgently need plugging. By facilitating the process, QCT has enabled us to be at the centre of our own process, which is vital for our long-term sustainability.”

- Benjamin Rukwengye, Founder of Boundless Minds

“QCT serves as a coach, giving technical assistance to me and my team on how to strengthen our systems for optimal performance and overall impact.”

- Eudem Oseal, Founder of MAYHEM

These organisations have the potential to help many more people, and we look forward to seeing how they develop in the coming year.



Connect

We built a global network of 650 people over the year. With groups working on projects such as grant-making strategy and assessment, considering Commonwealth history and its role in guiding the future approach of QCT, digital content creation, and more, we have plans for far more active engagement with and between network members in the future.

We also want QCT to be the easily accessible place for the tools, resources and advice young people say they need. We looked for mission- and vision-aligned partners to contribute to our resources covering leadership development and entrepreneurship.

We joined forces with Taj Pabari, the young founder of Fiftysix Creations and designer of the Business Camp Academy, which teaches schoolchildren about entrepreneurship and business skills. Rhianwen Hart, QCT's Marketing Manager, and Taj Pabari created Starting Out with QCT together.



Q&A with Taj Pabari

RH: Hey Taj! we're here to share how we created Starting Out with QCT.

TP: We both wanted to develop a platform that would appeal to all young people, not just a handful of young people in a handful of regions. We had an amazing blueprint in the Business Camp Academy model but by coming together, we were able to take that and create a e-learning platform designed to get young people thinking how impactful a career in entrepreneurship can be and how their small social change actions can be scaled into something quite exciting.

RH: We love how this brings thousands of budding social entrepreneurs together, who share their learning as they go.

TP: Yes exactly. One of the reasons we love QCT is that you work with young people, from all backgrounds, right across the Commonwealth. It's pretty unusual for us to be working on this scale.

RH: Are communities like the one we are building with Starting Out with QCT important?

TP: 100%, having a supportive community is vital to young entrepreneurs. Entrepreneurship is a tough sport and having a network of other young people who are going through the exact challenges you have is massive. It can be the difference between giving up and success. Starting Out with QCT is providing real tangible tools to help people identify an issue, design solutions and then, with the support of others, show them how they can make a real difference".

Fundraising

2019/20 has been an encouraging year for fundraising, and we are on our way to building sustainable income in line with our strategy. Our family of supporters has almost doubled compared to the previous year. We have diversified our income, winning support from corporate partners including Linklaters LLP and Aviva plc, and from events like the Pageant at the Royal Windsor Horse Show and King Power Royal Charity Polo.

Our small team raised £680,000 in 2019/20 (net of gifts in kind) less than 2018/19 only because of the exceptional start-up grants of £3.1 million received that year. This money was given by The Queen's Trust to get us underway quickly. We are drawing it down through planned deficits, to develop our offer while building sustainable income streams.

In line with expectations, we drew £652,000 from the start-up grant. We delivered an ambitious programme and our results show the potential we have. We hope to welcome more donors to the family in 2020/21.

Funding a start-up is bold. Our supporters backed us at a crucial time and we appreciate this more than we can say.



Andy Bownds, founder of Eco Brixs, Uganda

'What I value most at QCT is the "nobility of spirit" – a desire to serve that I see in QCT and most clearly in the young leaders that the organisation supports: they give so much for others. QCT understands them, empowers them and provides what they need. At the same time it encourages them to share their learning and expertise with others. This is equality, trust and respect. Everything QCT does for the young leaders and for its supporters is done with integrity. This matters to me. I trust QCT's work, the team and I know exactly where our donation is going.'



Cristiana Falcone (Lady) Sorrell
CEO, JMC MRJ Sorrell Foundation

'Our firmwide Social Impact programme sees our people using their skills and expertise to make a lasting difference to communities local to our offices. Of course, disadvantage is often far away from these locations and so we rely on partnership to extend our work to those who need it most. We are delighted that QCT now leads much of this, connecting us with young people and not-for-profit organisations to which we can provide business and legal support and advice from afar. Professionalism and reliability are critical when engagement is virtual, and QCT is proving an exemplary partner for this work.'

Matt Sparkes
Head of Corporate Responsibility, Linklaters LLP

Future plans

Our network will grow and will play a more prominent role in the day-to-day life of QCT – participating in various ways across all of the areas set out below to ensure our decision-making is informed by the diverse experience around the world.

1. Impact measurement

With our digital and grant-making offers underway, we can complete our measurement framework and find what has the biggest impact for young people – the true measure of our success. The data we gather over the next 18 months will inform where we put our focus.

2. Fundraising

In 2020/21, we hope to grow and diversify our funding even further, though we are mindful that this will be against a very uncertain global context. Our Board and Senior Management Team will work together to deploy our networks to the best possible effect. We will continue to ensure our supporters have the best experience with us and understand the difference their investment is making on the ground.



Chhavi Khandelwal, co-founder of Saturday Art Class, India

3. Champion

We will continue to grow our online audiences and build out our YouTube channel to leverage the highly engaged youth audience on this platform. Future content will build on our digital principles of inspire, involve and inform. The purpose of this work is to share the experience, advice, insight and expertise of young people in order that they can attract interest, support and investment in their work, while providing the information and advice other young people need from truly relatable role models. This work will inspire thousands more young people to have the confidence to get started or to continue to develop as leaders.

We will promote these stories and share the impact of young people and their organisations as widely as we can.

4. Fund

We will increase grant-making to respond to COVID-19. We will provide technical assistance, practical advice and guidance both to those we fund and, through creating relevant and accessible digital content, to thousands more young social entrepreneurs around the world – for whom this material could make all the difference. The focus will be on strengthening systems and understanding in areas such as finance, strategy, safeguarding and governance – all essential areas that organisations need to develop in order to increase their ability to have an impact in a sustainable manner and that investors want to see.

5. Connect

To mobilise as many young people as we can, we will promote our work widely so more people can engage with what we offer. We will expand our digital communications with a youth-led webinar series, and with informal discussions being introduced so our network members can share their expertise directly with a wide audience. Topics will cover both organisational and personal resilience, showing the many different forms of leadership that exist while sharing practical tips and advice. We will launch an online networking platform to ensure our network can connect and collaborate – sharing skills and ideas, and creating new opportunities.

Future plans

6. Governance

Trustee Board

We will further refresh the Board to include more expertise and insight around entrepreneurial young people. Our focus will be to find those with experience of youth-driven international development, safeguarding, grant-making, digital and impact evaluation.

Advisors

We will re-energise the Advisors of the QCT, introducing more young people in our network who provide advice, guidance and mentorship for staff and the wider Team QCT.

“

As an Advisor, I have had the honour of being with QCT from the very start. The need was huge but everything happened at a lightning pace – typical of an ambitious start-up fired with passion and purpose. It was these values and this need that inspired me to agree to see how I could use my 40 years of corporate experience in helping to shape the organisation.

I feel humbled that, currently, I can offer coaching, corporate relationship development and introductions to new supporters. It's wonderful to see how far and fast QCT has progressed, and now that the infrastructure is built and stable I'm excited for its future. It also now allows me to explore how I could further dial up my collaboration with the team and the CEO to help shape a meaningful programme for me and my fellow Advisors, using my strategic knowledge from the corporate world.

Dr Kamel Hothi OBE
Advisor

10

Safeguarding

At the heart of the work of QCT is respect and care for young people and the communities they serve. Safeguarding will continue to be a top priority in 2020/21, with additional training planned for staff, Trustees and those we work with, and the development and dissemination of tools and guidance underway. We will improve our safeguarding advice for those with whom we attend events that involve young people.

All staff members, Trustees and Advisors sign our Code of Behaviour. Safeguarding is a standing item on all Board agendas, the COO as our designated safeguarding lead provides Trustees with regular reports on safeguarding, the measures the organisation has in place, and safeguarding concerns as and when they arise.

We work with the organisations supported through the grant programme to raise awareness of safeguarding issues and assist them to develop a safeguarding culture within their organisations. This includes providing funding and technical assistance to help them develop appropriate safeguarding policies and processes. We discuss safeguarding as part of our ongoing conversations with those we fund, and we require partner organisations and founders to report all safeguarding concerns. We have a digital safeguarding policy in place to guide our work online, and both this and our overall safeguarding policy are available on our website home page.

During the year one safeguarding concern relating to direct QCT activity was raised. This was considered and addressed in line with our safeguarding policy. It did not meet the requirements of serious incident reporting to the Charity Commission. In line with our policy, the matter was investigated and the person involved, and Trustees, were satisfied with the QCT response. Additional processes have been put in place to minimise similar future risk.

Financial performance

In the year ended 31 March 2020, QCT received total income of £796,756 (2019: £3,649,539), including gift-in-kind contributions of £102,636 (2019: £105,970) and bank interest of £14,229 (2019: £3,792). Total expenditure in the year amounted to £1,448,901 (2019: £882,110), including gift-in-kind contributions.

Going concern

The Trustees have assessed the Charity's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of the updated forecasts to 31 July 2021, a consideration of key risks, including the impact of COVID-19, that could negatively impact the charity and the latest available valuation of the investment portfolio.

The COVID-19 pandemic has had a significant immediate impact on the Charity's ability to fundraise although in terms of operational activities, the Charity has been able to adapt and continue in line with plans. As a result of an exceptional donation from The Queen's Trust in March 2019, the Charity holds sufficient reserves to cover its existing grant commitments and continue its planned charitable activities. This includes the gradual disbursement of funds received from The Queen's Trust, together with a continued focus to raise funds in the next financial year at least in line with funds raised during this financial year, which given multi-year commitments and existing relationships is considered to be reasonable. A key area of uncertainty is in relation to the impact of the current market turmoil on the valuation of investments. However, as at 1 July 2020, the value of investments had recovered to £1.99 million.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Fundraising strategy

QCT has registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. QCT employs three members of staff who are professional fundraisers. No fundraising activities are done on the Charity's behalf by third parties. It has developed and implemented an appropriate due diligence process for potential new donors and ensures that potentially vulnerable donors are not approached. No complaints have been received this year, nor in the prior year, by the Charity in regards to its fundraising activity. A fundraising strategy and detailed business plan have been developed in order to map out and establish the Charity's ability to raise the required levels of funds. The strategy and plan include targets relating to a balanced and diverse funding mix to build sustainability and reduce risk. Fundraising income and expenditure are monitored on a monthly basis. The Charity has set a realistic target forward into 2020 given the challenges of COVID-19. There are plans to diversify income, have a fundraising presence in the United States and develop new corporate partnerships.

Principal funding sources

QCT has benefited from the extraordinary generosity of a number of individuals, foundations and companies who have supported the Charity's vision and mission. QCT could not achieve a fraction of what it does without the support of its donor community.

In March 2019, The Queen's Trust – one of the first supporters of QCT – elected to make QCT the recipient of the final funds it held at the end of its planned run-down, resulting in a one-off gift of £2,672,287. This exceptional donation will enable QCT to deliver greater impact over the next few years. At the same time, QCT needs to continue to fundraise to generate sustainable and diverse income.

Managing the charity's financial assets

QCT currently holds some funds in low-risk responsible investments in line with the investment policy. QCT holds sufficient funds to cover commitments for the financial year in interest-bearing bank accounts.

Financial performance

Grants Policy

Grant-making is a key activity that QCT undertakes to contribute to achievement of the Trustees' aims and objectives. QCT supports young leaders who are working hard to change the world, funding exceptionally committed young people who are driving meaningful social impact in their communities and contributing to positive progress on the UN SDGs. QCT funds those who are locally grounded, who are already taking action and need support at a pivotal moment to do more, better. The Trustees consider the use of carefully considered and structured grant making and management supported by technical assistance to be an appropriate means by which they can realise their charitable objectives of 'furthering such purposes as are exclusively charitable according to the law of England and Wales'. Information on Grants are included in Note 5.

Investments Policy

QCT's investment policy objectives are to provide a return that maintains the real (inflation adjusted) value of the capital as measured by the Consumer Price Index, while also generating either income or capital uplift to support the work of the charity.

The Trustees require environmental, social and governance (ESG) issues to be considered during investment analysis and decision-making. The Trustees' investment policy supports positive stewardship in line with the UK Stewardship Code and constructive engagement with investee companies to seek improvement in ethical standards across ESG areas.

The Trustees' investment policy applies both negative criteria to avoid investing in companies involved in certain industries and activities that are considered to have a negative impact upon society and the environment, and positive criteria, encouraging the allocation of funds to companies or issuers that are involved in activities aligned with QCT's objectives, and that benefit society and the environment. The negative criteria should be applied first and subsequently positive criteria.

Investment performance is reported on in the Investment Note 10 and in the Post-Balance Sheet Note 18.

Reserves policy

Reserves are needed to build the sustainability and viability of QCT, to bridge the gap between the receipt and spending of income, and to cover unanticipated expenditure as QCT works through a period of rapid expansion of its charitable activities.

The Trustees consider that the level of unrestricted reserves, at this crucial stage of the Charity's development, should cover the full cost of the planned annual grants programme and between six and twelve months of other annual costs, ranging from £1.11m to £1.69m. The level of total reserves as at 31 March 2020 was £3,294,868 (at 31 March 2019: £4,088,219), of which unrestricted reserves were £3,194,868 (at 31 March 2019: £3,988,219).

The high level of reserves reflects the receipt of the gift from The Queen's Trust in March 2019. The gift will enable QCT to expand its charitable activities while ensuring its continuing viability and manage the impact of COVID-19. As grants and investment in digital development are made, the Trustees expect that these levels of exceptional reserves will diminish to align with the reserves policy.

The Trustees consider the current level of reserves to be sufficient. The Trustees review the reserves policy every year.

Benefits for key management personnel

Trustees are involved in the setting of key management personnel appointments and remuneration. Key management personnel comprise the Chief Executive Officer, Chief Operating Officer, Marketing and Digital Innovation Director, Fundraising Director and Finance Director. In view of the nature of the Charity, the Trustees benchmark against pay levels in other London-based charities of a similar size published by a respected recruitment firm.



Benjamin Rukwenge, founder of Boundless Minds, Uganda

Governance and risk

Governing document and public benefit

QCT is a company limited by guarantee governed by its Articles of Association dated 15 November 2016 and is registered as a charity with the Charity Commission of England and Wales. The Directors of the company are also the Trustees of the Charity. QCT's charitable objectives are to further such purposes as are exclusively charitable according to the law in England and Wales. QCT achieves its charitable objectives through its Champion, Fund and Connect work.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing QCT's objectives, activities, outcomes and policies. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set for the year ahead to ensure the Trust delivers a positive benefit to people across the Commonwealth.

Appointment of Trustees and Trustee induction

Trustees are appointed for an initial three-year period. The rules governing the rotation of Trustees allow for retiring Trustees to seek reappointment for up to two further three-year terms. Trustees are chosen with reference to their experience to ensure a suitable range of skills is represented in the leadership team. On appointment, new Trustees attend induction sessions with members of the Senior Management Team and receive briefings and key strategy documentation and policies.

Organisation

The Board of Trustees is accountable for the operation of the Charity. The Board met quarterly during the year. The Senior Management Team manages the day-to-day operations of the Charity. To facilitate effective operations, the Board has delegated authority to management, within terms of delegation approved by the Trustees, for operational matters including finance, employment and charitable activity.

Related parties and cooperation with other organisations

None of the Trustees receives remuneration or other benefit from their work with the Charity, and no Trustee claimed reimbursement for expenses. All Trustees and members of the Senior Management Team complete an annual return detailing their ownership and control of other organisations. They are required to disclose any conflicts of interest as they emerge to excuse them from participating in discussions where a conflict of interest exists.

During the year ending on 31 March 2020, related party transactions occurred between QCT and The Queen Elizabeth Diamond Jubilee Trust. These transactions are disclosed in Note 14 to the Accounts on page 35.

Governance and risk

Compliance with the Charity Governance Code

The Trustees have adopted the Charity Governance Code as a tool to support their review of the governance of QCT.

QCT's Trustees consider that the charity meets the definition of a public benefit entity under FRS 102. The Trustees have reviewed the objectives, activities, achievements and performance for the year and are satisfied that QCT has complied with the requirements of public benefit reporting as set out in the Charity Commission's general guidance on public benefit.

QCT's Trustees acknowledge that QCT is best placed to fulfil its vision, mission and strategic goals if it has effective governance in place. QCT's Trustees are clear about their roles and legal responsibilities, are committed to supporting QCT to effectively deliver its charitable objectives and contribute to QCT's continued development.

QCT has put a number of the Charity Governance Code's control measures in place. These include clear and accountable Trustee term limits within the Charity's Articles of Association, which state no Trustee can serve more than three three-year terms, and an explicit statement regarding the size of the Charity's Board, which shall consist of a maximum of 12 Trustees. Further recruitment is planned with a focus on diversifying Board membership.

While QCT already applies a considerable number of the recommended practices relating to each of the Charity Governance Code's seven principles, the Charity and its Trustees will take the time to consider the further ways by which QCT's governance can be improved and its overall effectiveness as an organisation increased.

Governance and risk

Risk management

QCT has a risk management strategy that ensures a regular review of reports and discussion with management to identify key risks, agree appropriate mitigations, and gain assurance that policies, systems and processes to mitigate identified risks are in place. The Senior Management Team reviews risks and mitigating actions on a monthly basis, reporting significant changes to the Trustees. The Trustees review the effectiveness of the risk management framework at least once each year and are kept apprised of emerging risks and mitigating responses.

Current key risks considered by QCT are:

Risk factor	Mitigating action
Safeguarding – A failure to safeguard those who come into contact with our work .	Comprehensive safeguarding culture, policy and procedures embedded in the organisation, with regular training and scenario planning.
Impact measurement – A failure to measure the impact of our work, leading to sub-optimal use of funds.	Development of a robust approach to impact measurement, together with a learning culture, to support increased responsiveness.
Due diligence – Insufficient due diligence carried out with regard to those receiving funding or appearing on the digital channels.	Robust due diligence policy and procedures in place, together with experienced and skilled staff.
Fundraising – A failure to raise sufficient income to continue operations.	Increased focus on strategic fundraising, including close monitoring of results. Increased level of resource focused on fundraising.
Fiduciary – A breach of legislation, or fraud.	Structured and risk-informed review of policies and processes in place.
COVID-19 – The implications on the viability of QCT if COVID-19 persists for multiple years, requiring increased COVID-19 grant-making and substantially impacting on fundraising.	Increased focus on fundraising together with appropriate budgetary caution.

Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements

The Trustees 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 they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

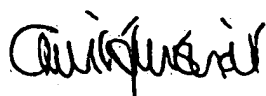
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Trustees on 9 July 2020 and signed on its behalf by:



The Rt. Hon. Lord Geidt GCB GCVO OBE QSO,
Chairman of The Queen's Commonwealth Trust

Independent Auditor's Report to the Members of The Queen's Commonwealth Trust

Opinion

We have audited the financial statements of The Queen's Commonwealth Trust for the year ended 31 March 2020, which comprise the Statement of Financial Activities, Balance Sheet, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of The Queen's Commonwealth Trust

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 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 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

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.

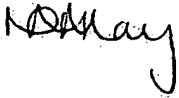
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of The Queen's Commonwealth Trust

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.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 21st July 2020



Young leaders at Q&A event held at the FCO, London, October 2019

Financial Statements And Notes

For the year ended 31 March 2020

The Queen's Commonwealth Trust
Statement of Financial Activities (Including Income and
Expenditure Account)
for the year ended 31 March 2020

	Note	2020 Unrestricted £	Restricted £	Total £	2019 Total £
Income from					
Donations	4	572,300	-	572,300	306,490
Grants	4	69,227	141,000	210,227	3,339,257
Interest receivable	15	14,229	-	14,229	3,792
Total income		655,756	141,000	796,756	3,649,539
Expenditure on					
Cost of raising funds	5	259,600	-	259,600	175,776
Charitable activities	5	1,048,301	141,000	1,189,301	706,334
Total expenditure		1,307,901	141,000	1,448,901	882,110
Net (expenditure)/income before gains on investments		(652,145)	-	(652,145)	2,767,429
Net (losses)/gains on investments	10	(141,206)	-	(141,206)	-
Net (expenditure)/income		(793,351)	-	(793,351)	2,767,429
Net movement in funds		(793,351)	-	(793,351)	2,767,429
Reconciliation of funds					
Funds brought forward	13	3,988,219	100,000	4,088,219	1,320,790
Total funds to carry forward	13	3,194,868	100,000	3,294,868	4,088,219

The notes on pages 25 to 37 refer to these financial statements.

The Queen's Commonwealth Trust

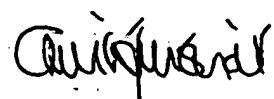
Balance Sheet

as at 31 March 2020

		As at 31 March 2020	As at 31 March 2019
	Note	£	£
Fixed assets			
Tangible assets	9	-	12,829
Investments	10	1,857,377	-
Total fixed assets		1,857,377	12,829
Current assets			
Debtors and prepayments	11	7,797	104,998
Cash in hand and at bank	15	1,855,938	4,173,133
Total current assets		1,863,735	4,278,131
Liabilities			
Creditors due within one year	12	(426,244)	(202,741)
Net current assets		1,437,491	4,075,390
Total net assets		3,294,868	4,088,219
The funds of the charity			
Restricted funds	13	100,000	100,000
Unrestricted funds	13	3,194,868	3,988,219
Total charity funds		3,294,868	4,088,219

The notes on pages 25 to 37 form part of these financial statements.

The financial statements were approved by the Trustees on 9 July 2020 and were signed on their behalf by:



The Rt. Hon. Lord Geidt GCB GCVO OBE QSO,
Chairman of The Queen's Commonwealth Trust

The Queen's Commonwealth Trust

Cash Flow Statement

for the year ended 31 March 2020

	As at 31 March 2020	As at 31 March 2019	Note
	£	£	
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(£331,424)	£2,766,974	Table 1
Cash flows from investing activities			
Interest from investments	£14,229	£3,792	
Purchase of property, plant and equipment	-	(£19,242)	
Purchase of fixed asset investments	(£2,000,000)	-	
Net cash provided by / (used in) investing activities	(£1,985,771)	(£15,450)	
Change in cash and cash equivalents in the year	(£2,317,195)	£2,751,524	
Cash and cash equivalents at the beginning of the year	£4,173,133	£1,421,609	
Cash and cash equivalents at the end of the year	£1,855,938	£4,173,133	Table 2

Table 1. Reconciliation of net income/(expenditure) to net cash from operating activities

Net income for the period	(£652,145)	£2,767,429
Adjustment for depreciation charges	£1,603	£6,413
Investment fees charged to fund	£1,417	-
Dividends, interest and rent from investments	(£14,229)	(£3,792)
Loss on disposal of fixed assets	£11,226	-
Decrease in debtors	£97,201	(£103,011)
Increase in creditors	£223,503	£99,935
Net cash provided by (used in) operating activities	(£331,424)	£2,766,974

Table 2: Analysis of cash and cash equivalents

Cash in hand	£227,976	£680,113
Notice deposits (less than three months)	£1,627,962	£3,493,020
Total cash and cash equivalents	£1,855,938	£4,173,133

Notes to the accounts

1. Legal status of the Trust

The Queen's Commonwealth Trust is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The Trust is incorporated in England and Wales and its registered office is Thomas House, 84 Eccleston Square, London SW1V 1PX.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the Trust's accounts:

(a) Basis of preparation

The accounts (financial statements) have been prepared under the historic cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102.

The Trustees have assessed the Charity's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of the updated forecasts to 31 July 2020, a consideration of key risks, including the impact of Covid-19, that could negatively impact the charity and the latest available valuation of the investment portfolio.

The Covid-19 pandemic has had a significant immediate impact on the Charity's ability to fundraise although in terms of operational activities, the Charity has been able to adapt and continue in line with plans. As a result of an exceptional donation from The Queen's Trust in March 2019, the Charity holds sufficient reserves to cover its existing grant commitments and continue its planned charitable activities. This includes the gradual disbursement of funds received from The Queen's Trust. A key area of uncertainty is in relation to the impact of the current market turmoil on the valuation of investments, which is addressed in Note 18.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

(b) Income

Income is recognised in the Statement of Financial Activities when the Trust becomes entitled to the income, it is probable that the income will be received, and the amount can be measured with reasonable accuracy.

Grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance. Where the grant is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

Donations are recognised when the Trust becomes entitled to the funds, when the amount can be measured reliably and when receipt is probable.

Investment income is accounted for when receivable. Income that has been earned, but that has not yet been received, is accrued as being receivable.

Notes to the accounts

(c) Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the economic benefit from the use by the Charity of the item is probable, and the economic benefit can be measured reliably.

On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity, which is the amount the Charity would have had to have paid for equivalent services on the open market.

(d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

(e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are donations that the donor has specified are to be used solely for particular areas of QCT's work or for specific projects being undertaken by QCT.

(f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds includes salaries and overhead costs for the staff undertaking fundraising activities;

Expenditure on charitable activity includes all direct costs of delivering the charitable programme, including grants payable to other charities supported by the Trust; and

Support costs include the salaries and overhead costs of the staff undertaking activities that are not directly attributable to a particular programme of charitable activity, including governance, finance, personnel and IT, and all office running costs and consumables not directly attributable to a particular programme of charitable activity. General support costs comprise the same, less governance costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(g) Allocation of support costs

Support costs are allocated to costs of generating funds and charitable activities on the basis of the relative size of the business units involved with fundraising and charitable work. The size of these functions is determined by reference to the weighted cost of salaries of staff members in each business unit.

(h) Debtors

Trade and other debtors are recognised at the settlement due. Prepayments are valued at the amount prepaid.

(i) Cash at bank and in hand

Where the Trust holds cash on deposit that has a maturity date of three months or less, the amounts are disclosed as cash at bank and in hand.

(j) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due can be measured or estimated reliably.

Notes to the accounts

(k) Tangible assets

Tangible fixed assets costing more than £2,500 are capitalised and are valued at their purchase cost, including any incidental expenses on acquisition. Any impairment is recognised in the year in which it occurs in the corresponding Statement of Financial Activities category. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less residual values, on a straight-line basis over their expected useful economic lives as follows: computer equipment – three years. During the year, the capitalisation policy was revised upwards from £500 to £2,500 to allow for more efficient financial management.

(l) Financial instruments

QCT has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short-term cash deposits and the group's debtors, excluding prepayments. Financial liabilities held at amortised cost comprise the group's short- and long-term creditors, excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Investments are included in the accounts at market value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

(m) Operating leases

Rentals in relation to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the most likely term of the lease.

3. Critical accounting judgements and key estimates and assumptions

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Valuation of donated goods and services

We sought advice on the value of services provided as gifts in kind, including an understanding of the methodology behind their calculation, from the companies and organisations that donated them. We reviewed their calculations and have compared them to the amounts we would have had to have paid for equivalent services on the open market and concluded that the valuations we were given represent fair value.

Notes to the accounts

4. Income from donations and grants

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Donations				
Donations	469,664		469,664	306,490
Donated goods and services	<u>102,636</u>	-	<u>102,636</u>	<u>105,970</u>
	572,300	-	572,300	412,460
Grants				
The Queen Elizabeth Diamond Jubilee Trust	-	100,000	100,000	-
The Queen's Trust	69,227	-	69,227	3,122,287
Oak Foundation	-	-	-	100,000
Graff/FACET Foundation	-	11,000	11,000	11,000
Stephen Gordon Catto Charitable Trust	-	30,000	30,000	-
	69,227	141,000	210,227	3,233,287
Total	<u>641,527</u>	<u>141,000</u>	<u>782,527</u>	<u>3,645,747</u>

Donated services and facilities represent the estimated cost of services donated to QCT, and are recognised on the advice of the value of services provided as gifts in kind, including an understanding of the methodology behind their calculation, from the companies and organisations that donated them. We reviewed their calculations and have compared them to the amounts we would have had to have paid for equivalent services on the open market and concluded that the valuations we were given represent fair value.

	2020 £	2019 £
Gifted staff time	-	72,970
AKQA – website design and development	44,092	-
Linklaters LLC – professional services	11,294	-
Aviva plc – staff development	11,250	-
Discounted office accommodation	36,000	33,000
Total	<u>102,636</u>	<u>105,970</u>

Notes to the accounts

5. Analysis of expenditure

QCT has three aspects of work aligned to its charitable objectives:

- **Champion:** We amplify the insights, experience and know-how of young leaders through our digital platforms to inform and inspire others.
- **Fund:** We fund youth-led projects at a tipping point when a small amount of money can act as a catalyst for sustainable growth and impact.
- **Connect:** We connect young people to a global network of peers, so they can learn together and share resources, tips and advice.

QCT apportions direct expenditure between the three objectives based on the objective for which the costs were incurred. QCT apportions support costs between the three objectives based on a split of the full-time equivalent staffing time within the Champion, Fund and Connect teams.

Apportionment of support costs is based on the size of the business units involved with fundraising and charitable work and is determined by reference to the weighted cost of salaries of staff members in each business unit.

	Grants £	Directly Attributable £	Support Costs £	2020 £	2019 £
Raising funds	-	163,502	96,098	259,600	175,776
Total Expenditure on Raising Funds	-	163,502	96,098	259,600	175,776
Charitable activities					
Objective 1: Champion	-	174,750	46,330	221,080	216,493
Objective 2: Fund	340,867	225,550	150,166	716,583	404,899
Objective 3: Connect	-	198,905	52,733	251,638	89,942
Total Charitable Activities Cost	340,867	599,205	249,229	1,189,301	706,334
Total	340,867	762,707	345,327	1,448,901	882,110

Notes to the accounts

	2020 £	2019 £
Analysis of grants paid		
Boundless Minds	20,000	-
CAMFED (for CAMA)	68,000	50,000
Eco Brixs	25,000	-
Edward Rice Justice Desk	35,000	35,000
Future Foundations	3,720	-
GirlDreamer	-	11,500
iDebate Rwanda	15,750	-
IYAN	20,000	-
Justice Defenders (formerly African Prison's Project)	35,000	8,873
Kisoboka Africa	20,000	-
MAYEIN	25,000	-
OneDay Health	20,000	-
Planet Green Africa	15,000	-
RBA Initiative	15,807	-
Teach For All	-	72,000
Tonga Youth Leaders	600	6,000
Uganda Marathon	-	138
Ukani Malawi	14,000	-
Unloc	-	25,000
WE	24,800	42,000
WISE	10,000	-
Less grants recovered/cancelled	(26,810)	-
Total	340,867	250,511

6. Analysis of governance and support costs

QCT initially identifies the general support and governance costs. These are apportioned between the charitable and fundraising activities undertaken in the year (see Note 5). Refer to the table below for the basis of apportionment and the analysis of general support and governance costs.

	General support £	Governance costs £	2020 total £	2019 total £	Basis of apportionment
Legal fees, constitutional documents	-	-	-	4,813	Governance
Salaries and related costs	107,650	55,409	163,059	190,189	Allocated on weighted cost of salaries
General office administration	163,045	4,436	167,481	261,523	Allocated on weighted cost of salaries
Trustee meetings	-	2,487	2,487	1,623	Governance
Audit fees for these financial statements	-	12,300	12,300	12,000	Governance
Total	270,695	74,632	345,327	470,148	

Notes to the accounts

7. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

There were 13 posts in QCT (2019: 11). The staff comprise a mixture of full-time and part-time workers; the average monthly full-time equivalent was 11 (2019: 6).

	2020	2019
Average monthly number of employees analysed by function:		
Direct charitable and support	9	6
Fundraising	2	1
Total	11	7

Staff costs for the above employees were:		
	2020	2019
	£	£
Wages and salaries	607,837	347,280
Social security costs	69,207	41,729
Pensions (defined contribution)	28,472	17,953
Total	705,516	406,962

QCT did not make any redundancy payments during the year (2019: £nil).

Higher-paid employees

Three employees received emoluments in respect of the year in excess of £60,000 within the bands shown below. Emoluments include taxable benefits but exclude employer pension costs.

	2020	2019
£120,001–£130,000	1	-
£100,001–£110,000	-	1
£70,001–£80,000	2	-

Key management personnel

Key management personnel are defined as the Senior Management Team, comprising the Chief Executive Officer, Chief Operating Officer, Marketing and Digital Innovation Director, Fundraising Director and Finance Director.

	2020	2019
	£	£
Key management personnel aggregate emoluments	406,994	303,932

Trustee emoluments

The Charity Trustees were not employed by the Trust, nor paid or given any other benefits or expenses from the Trust.

Notes to the accounts

8. Corporation taxation

The Queen's Commonwealth Trust is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

9. Tangible fixed assets

	2020 Computer Equipment £	2019 Computer Equipment £
Cost or valuation		
At the beginning of the year	19,242	-
Acquisitions	-	19,242
Disposals	(19,242)	-
At the end of the year	-	19,242
Depreciation		
At the beginning of the year	6,413	-
Depreciation during the year	1,603	6,413
Disposals	(8,016)	-
At the end of the year	-	6,413
Net book value		
Net book value at the beginning of the year	12,829	-
Net book value at the end of the year	-	12,829

10. Investments

Investments are included in the accounts at market value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

Market value	2020 £	2019 £
Market value at 1 April 2019	-	-
Additions at cost	2,000,000	-
Funds withdrawn	-	-
Investment manager fees paid	(1,417)	-
Net investment gains/(losses)	(141,206)	-
Market value at 31 March 2020	1,857,377	-
Historic cost at 31 March 2020	2,000,000	-

Investments are held in a mixture of cash or cash equivalents and listed investments, and are managed by Coutts.

Notes to the accounts

Investments comprise the following investments

	2020	2020
	£ Market value	£ Historic cost
Cash or cash equivalents	£152,294	£81,375
Listed investments	£1,705,083	£1,918,625
Totals	<u>£1,857,377</u>	<u>£2,000,000</u>

11. Debtors

	2020	2019
	£	£
Accrued income	-	100,000
Prepayments	7,797	4,998
	<u>7,797</u>	<u>104,998</u>

12. Creditors: amounts falling due within one year

	2020	2019
	£	£
Grants payable	321,077	60,500
Trade creditors	19,332	12,706
Taxation and social security	21,967	18,333
Accruals	63,868	111,202
	<u>426,244</u>	<u>202,741</u>

Notes to the accounts

13. Analysis of charitable funds

Analysis of movements in unrestricted funds				
	Balance at 1 April 2019 £	Income £	Expenditure £	Funds at 31 March 2020 £
General fund	3,988,219	655,756	1,449,107	3,194,868

Analysis of movements in unrestricted funds				
	Balance at 1 April 2018 £	Income £	Expenditure £	Funds at 31 March 2019 £
General fund	1,255,790	3,538,539	806,110	3,988,219

Analysis of movements in restricted funds				
	Balance at 1 April 2019 £	Income £	Expenditure £	Funds at 31 March 2020 £
Grant fund	100,000	-	(100,000)	-
Grant fund: southern Africa	-	11,000	(11,000)	-
Grant fund: Africa	-	30,000	(30,000)	-
The Queen Elizabeth Diamond Jubilee Trust (Queen's Young Leaders website)	-	100,000	-	100,000
Total	100,000	141,000	(141,000)	100,000

Analysis of movements in restricted funds				
	Balance at 1 April 2018 £	Income £	Expenditure £	Funds at 31 March 2019 £
Grant fund	65,000	100,000	65,000	100,000
Grant fund: southern Africa	-	11,000	11,000	-
Total	65,000	111,000	76,000	100,000

Notes to the accounts

Name of restricted fund	Period of restricted fund	Description, nature and purposes of the fund
Grant fund	Year to 31 March 2020	Created through donations for the purpose of giving grants to community initiatives led by young people throughout the Commonwealth.
Grant fund: southern Africa	Year to 31 March 2021	Created for the purpose of distributing grant money to projects led by young people in southern Africa.
Grant fund: Africa	Year to 31 March 2021	Created for the purpose of distributing grant money to projects led by young people in Africa.
The Queen Elizabeth Diamond Jubilee Trust (Queen's Young Leaders website)	From 20 January 2020 to 31 October 2024	Created for the purpose of managing a legacy website until October 2024.

Analysis of net assets between funds

	Investments	Tangible Fixed Assets £	Other Net Assets £	2020 total funds £
Unrestricted funds	1,857,377	-	1,337,491	3,194,868
Restricted funds	-	-	100,000	100,000
Total funds	<u>1,857,377</u>	<u>-</u>	<u>1,437,491</u>	<u>3,294,868</u>

	Tangible fixed assets £	Other net assets £	2019 total funds £
Unrestricted funds	12,829	3,975,390	3,988,219
Restricted funds	-	100,000	100,000
Total funds	<u>12,829</u>	<u>4,075,390</u>	<u>4,088,219</u>

14. Related party transactions

The following material transactions occurred with other entities in which Trustees and senior staff members have executive responsibilities.

A grant of £100,000 was received from The Queen Elizabeth Diamond Jubilee Trust (QEDJT) before it closed to support the Queen's Young Leaders legacy website-hosting and the management of personal data of the Queen's Young Leaders until October 2024. Lord Geidt is the Chair of Trustees of QCT and was a Trustee of QEDJT. There were no outstanding balances due at the year end.

There were no other related party transactions in the financial year.

Notes to the accounts

15. Financial instruments

QCT has the following financial instruments:

Financial assets, measured at amortised value		
	2020	2019 (restated)
	£	£
Trade debtors	-	100,000
Cash	<u>1,855,938</u>	<u>4,173,133</u>
	1,855,938	4,273,133
Financial assets, measured at fair value		
	£	£
Investments	1,857,377	-
Financial liabilities, measured at amortised value		
	£	£
Grants payable	321,077	60,500
Trade creditors	19,332	12,706
Accruals	<u>63,868</u>	<u>111,202</u>
	404,277	184,408
Net total	<u>3,309,038</u>	<u>4,088,725</u>
Interest income and expense of financial assets/(liabilities)		
	£	£
Interest received	14,229	3,792
	<u>14,229</u>	<u>3,792</u>

Upon review, the restatement relates to accruals being included as a financial instrument.

16. Operating leases

Operating lease rentals are charges to expense on a straight-line basis over the term of the lease.

At 31 March 2020, QCT's future lease payments under non-cancellable leases were as follows:

	Rental leases 2020	Rental leases 2019
	£	£
Less than one year	14,400	14,400
Within one to five years	1,200	15,600

Lease payments recognised as an expense in the year totalled £14,400 (2019: £13,200).

Notes to the accounts

17. Statement of financial activities for the Prior Year to 31 March 2019

	Unrestricted Funds Prior year to 31 March 2019 £	Restricted Funds Prior year to 31 March 2019 £	Total Funds Prior year to 31 March 2019 £
Income			
Donations	3,534,747	111,000	3,645,747
Interest receivable	3,792	-	3,792
Total income	3,538,539	111,000	3,649,539
Expenditure			
Cost of raising funds	175,776	-	175,776
Charitable activities	630,334	76,000	706,334
Total expenditure	806,110	76,000	882,110
Net income/(expenditure)	2,732,429	35,000	2,767,429
Reconciliation of funds			
Funds brought forward	1,255,790	65,000	1,320,790
Total funds to carry forward	3,988,219	100,000	4,088,219

18. Post Balance Sheet note

Since the year end the Covid-19 pandemic has continued to take hold globally. The pandemic has had a significant immediate impact on the Charity's ability to fundraise. The Trustees and management team are actively managing the impact as detailed in the going concern statement in the accounting policies and there have been no material changes in activity since the balance sheet date. As at 1 July 2020, the value of investments had recovered to £1.99 million.

References and Administration

Trustees

The directors of the charitable company are its Trustees for the purpose of charity law. The Trustees are appointed in accordance with the Memorandum of Association.

The Trustees who held office during this accounting period were:

	Appointed	Resigned
Chairman		
Lord Geidt GCB GCVO OBE QSO	16 November 2016	
Deputy Chairman		
Christopher Coombe	21 February 2017	19 March 2020
Samantha Cohen CVO	16 November 2016	
Leslie Ferrar CVO	21 February 2017	
Baroness Martha Lane-Fox CBE	30 May 2018	
Diana Good	16 June 2018	7 April 2020
Janette Wilkinson	1 May 2019	
Chrisann Jarrett	1 December 2019	
Stephen Ball	7 May 2020	
Chief Executive		
Nicola Brentnall MVO	16 November 2016	
Company Secretary		
Christopher Kelly	25 July 2019	

Auditor	Solicitors	Bank
Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH	Harbottle & Lewis 7 Savoy Court London W1S 1HP	Coutts & Co 440 Strand London WC2R 0QS



Principal and registered office address

Thomas House
84 Eccleston Square
London SW1V 1PX

Registered Charity Number: 1172107 / Registered Company Number: 10482169

www.queenscommonwealthtrust.org

IMAGE CREDITS

Inside Cover:	The QCTxOYW 2019 cohort in London
Pg. 1:	The Justice Desk with QCT's President and Vice-President during their royal tour (Chris de Beer-Procter for MBR Films)
Pg. 3:	Atu and Mwayi Kampesi (Planet Green Africa)
Pg. 5:	HRH The Duke and Duchess of Sussex with members of the QCT network (Hazel Thompson for Crossfire Agency)
Pg. 7:	Taj Pabari (Fiftysix Creations)
Pg. 8:	Andy Bownds (Eco Brixx)
Pg. 9:	Chhavi Khandelwal (Saturday Art Class)
Pg. 13:	Benjamin Rukwengye (Boundless Minds)
Pg. 21:	Young leaders at the QCTxOYW welcome reception (Supa Network)

PRINCIPAL FUNDERS AND SUPPORTERS

The Queen's Commonwealth Trust could not have made the progress it has, or worked with the many young people it has, without the support and kindness of our donors. The Queen's Commonwealth Trust is very grateful and would like to add its thanks to them here.



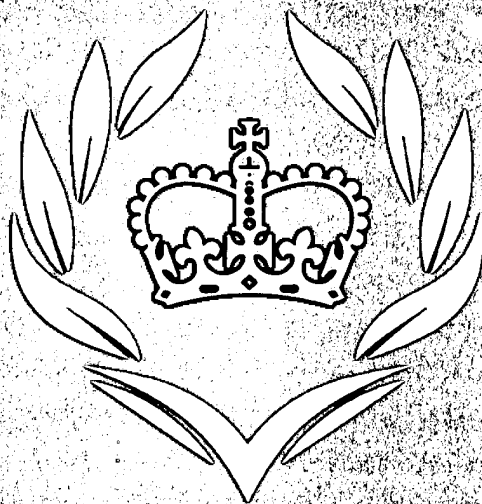
Cristiana Falcone, Lady Sorrell:
JMCMRJ Sorrell Foundation

The Exilarch's
Foundation

Lawrence Graff OBE:
The Graff Foundation

The Queen Elizabeth
Diamond Jubilee Trust

The King Power Royal Charity Polo Day 2019
for the Khun Vichai Srivaddhanaprabha
Memorial Polo Trophy



QUEEN'S
COMMONWEALTH
TRUST