

Duke of Lancaster's Foundation

England & Wales · Charity number 1085881

Details

Other names	THE DUCHY OF LANCASTER JUBILEE TRUST
Status	Registered
Legal form	Other
Registered	2001-03-28
Register	View on the Charity Commission register

Contact

Address	Duchy Of Lancaster 1 Lancaster Place London WC2E 7ED
Phone	02072691700
Email	info@duchyoflancaster.co.uk

Activities

Objects: (A) THE MAINTENANCE OR INCREASE OF THE STIPENDS OF CLERGY WHO HAVE AT ANY TIME LIVED OR WORKED IN THE COUNTY PALATINE (MEANING THE COUNTY PALATINE OF LANCASTER AND ALL THE REST OF THE AREA OF LANCASHIRE GREATER MANCHESTER AND MERSEYSIDE) AND THE PROVISION OF ADVICE AND ASSISTANCE FOR THE BETTER SUPPORT OF THE CLERGY WHOSE LIVINGS ARE WITHIN THE GIFT OF THE DUKE OF LANCASTER; (B) THE MAINTENANCE OR PRESERVATION FOR THE PUBLIC BENEFIT OF ANY MONUMENT CASTLE OR OTHER PROPERTY OF HISTORICAL OR ARCHITECTURAL INTEREST EDUCATIVE VALUE OR ARTISTIC MERIT ON OR IN THE VICINITY OF LAND FORMING PART OF THE POSSESSIONS OF THE DUCHY AND INCLUDING ANY SUCH PROPERTY FORMING PART OF THE POSSESSIONS OF THE DUCHY NOTWITHSTANDING THAT IT FORMS SUCH PART; (C) THE ADVANCEMENT OF THE CHRISTIAN FAITH BY: (I) REPAIRING, IMPROVING, MAINTAINING AND PRESERVING THE FABRIC AND CONTENTS OF THE QUEEN'S CHAPEL OF THE SAVOY ("THE CHAPEL") AND ITS GROUNDS; (2) PROVIDING FOR THE CELEBRATION OF DIVINE SERVICE AT THE CHAPEL; AND (3) PROVIDING A STIPEND AND ACCOMMODATION FOR THE MINISTER OR MINISTERS FOR THE TIME BEING SERVING THE CHAPEL AND RELIEVING IN CASES OF FINANCIAL NEED MINISTERS OR RETIRED MINISTERS WHO HAVE SERVED AT THE CHAPEL; (D) THE EDUCATION OF THE PUBLIC BY UNDERTAKING OR SUPPORTING CLASSES, SEMINARS, LECTURES, MUSICAL OR DRAMATIC PERFORMANCES OR OTHER ARTISTIC ACTIVITIES AT THE CHAPEL AND BY MEANS OF MAKING GRANTS TO OTHER BODIES OR INSTITUTIONS; (E) SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES THINK FIT.

Activities: (1)The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands. (2)The advancement of the Christian faith by maintaining and supporting the Queen's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster.(3)Other such charitable purposes.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Religious Activities, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£13,204,664	£399,557	£41,784,222	0
2024-03-31	£1,419,224	£467,163	£29,274,884	0
2023-03-31	£576,026	£460,266	£26,656,146	0
2022-03-31	£531,434	£359,821	£26,593,557	0
2021-03-31	£467,515	£360,481	-	-

Trustees

Name	Role	Appointed
Dr ANNA KEAY OBE		2025-03-12
James William Pender Chalmers		2025-07-09
RICHARD BROYD CBE		2025-03-12
Sir James Leigh-Pemberton		2023-09-12
Sonia Tolaney		2020-10-30

Accounts

DUKE OF LANCASTER'S FOUNDATION

(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

Registered Charity Number 1085881

**REPORT OF THE TRUSTEES
AND ACCOUNTS FOR THE YEAR
TO 31st MARCH 2025**

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

FOR THE YEAR TO 31st MARCH 2025

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DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sir James Leigh-Pemberton CVO Sir Michael Stevens GCVO (retired 9 July 2025) Sonia Tolaney KC Richard Broyd CBE Dr Anna Keay OBE James Chalmers (appointed 9 July 2025)
Secretary	Hugh Bruce-Watt
Registered Office	1 Lancaster Place Strand London WC2E 7ED
Charity number	1085881
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Coutts & Co. 440 Strand London WC2R OQS
Investment manager	Cazenove Capital 1 London Wall Place London EC2Y 5AU
Investment advisor	Stanhope Consulting 35 Portman Square London W1H 6LR
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR Farrers LLP 66 Lincoln's Inn Fields London WC2A 3LH

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

REPORT OF THE TRUSTEES
FOR THE YEAR TO 31st MARCH 2025

1. Objectives of the Foundation

The objectives of the Foundation are:

- The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands.
- The advancement of the Christian faith by maintaining and supporting the King's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster.
- Such other charitable purposes as the Trustees think fit.

Applications for grants should be addressed to the Secretary.

The Trustees passed a resolution to change the name of The Duchy of Lancaster Jubilee Trust to the Duke of Lancaster's Foundation on 12 March 2025.

Donations from His Majesty The King in Right of His Duchy of Lancaster may be given to the Foundation with the request that they are, for the time being, invested to provide an income to support the objects of the Foundation. The Trustees have accordingly placed the donations received into a separate investment fund, the Expendable Endowment Fund.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned donations will contribute to the aims and objectives they have set. The Trustees consider that the current policy for making donations delivers public benefit. Details of the objectives which form the basis of this policy are given above.

2. Grant making policy

The Foundation has established its grant making policy to achieve its objects for the public benefit. The Foundation invites applications for grants that will meet the stated objectives of the Foundation and these will be assessed on a merit basis as to value for money and impact in achieving the aims of the Foundation.

3. Achievements and performance

The Trustees have reviewed and are content that the objectives of the charity as highlighted have been achieved during the course of the year. The Trustees are content that the income generated over the course of the year has been utilised in accordance with the objectives.

During the year the Foundation made 5 grants totalling £351,446 (2024: 5 grants £351,446) as set out in Note 5 to the financial statements. This includes a grant for £350,000 to the King's Chapel of the Savoy; this has been spent supporting the running and upkeep of the Chapel and clergy.

The Foundation continues to fulfil its objects through its grant-making policy and it is the Trustees' intention to continue doing so.

The Trustees aim is to gift sufficient funds to the King's Chapel of the Savoy to allow the Chapel to meet any shortfall in its funding and this has been achieved in the year.

The investment aim is for the portfolio to generate income of circa £500,000, whilst preserving capital value in real terms. Due to the performance of the markets in the year the portfolio has met the income target.

4. Financial review

Donations of £12,300,000 have been received in the year, (2024: £746,904 pledged in the year of which £532,749 had been received and £214,155 in debtors at 31 March 2024) and placed in the Endowment Fund.

Investments have been acquired within the powers set out in the Trust Deed and in accordance with the Statement of Investment Principles set out on pages 15 and 16.

Over the year, the Foundations investment assets increased in value by £12,065,275 (46.4%).

During the year the investment income generated was £904,644 (2024 : £672,320).

**REPORT OF THE TRUSTEES (continued)
FOR THE YEAR TO 31st MARCH 2025**

5. Risk management

The principal risks faced by the Foundation lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Foundation to make effective grants. The Trustees consider variability of investment returns on the permanent endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and Stanhope Consulting as our investment consultants who regularly review the risk profile of the portfolio. The operational risk from ineffective grant making is mitigated by the fact that the main recipient of the Charity is well understood by the Trustees who are able to assess the effectiveness that the grant making has from the impact and benefit that the grants have. Smaller grants are assessed on merit on an individual basis and will only be granted if the Trustees understand how these funds will benefit the recipient.

6. Reserves

The Trustees' policy is to distribute investment income received and to maintain a reserve in the General Fund. At the year end the balance of the General Fund was a surplus of £3,385,035 (2024: £1,504,665).

The Expendable Endowment fund had a balance of £38,399,187 at the year end (2024: £27,770,219). Although not forming part of the main reserves, the Trustees do have the power to transfer funds to the Unrestricted Fund to meet shortfalls in funding when required.

7. Plans for future periods

The plan for future periods is to satisfy the charity's objectives and to maintain an investment portfolio in accordance with the total return objective as agreed by the Trustees as set out in the Statement of Investment Principles.

8. Structure, governance, management and administrative details

Governing Instrument

Duke of Lancaster's Foundation (formerly The Duchy of Lancaster Jubilee Trust) was constituted on 15 March 2001 under a declaration of trust. The registered charity number is 1085881.

Trustees and principal officers

Trustees are appointed by the Receiver General of the Duchy of Lancaster. The Trustees during the year were:

	<u>Appointed</u>	<u>Retired</u>
Sir James Leigh-Pemberton CVO		
Sir Nathan Thompson KCVO		1 November 2024
Hugh Bullock CVO		12 March 2025
Sir Michael Stevens GCVO		9 July 2025
Lord Downshire		12 March 2025
Sonia Tolaney KC		
Lucy Macdonald		12 March 2025
Jill May		12 March 2025
Alistair Elliott		12 March 2025
Alastair Martin CVO		12 March 2025
Richard Broyd CBE	12 March 2025	
Dr Anna Keay OBE	12 March 2025	
James Chalmers	9 July 2025	

Secretary:

Hugh Bruce-Watt

The Trustees meet twice a year to discuss the affairs of the Charity. The day to day administration of the Foundation is delegated to the staff of the Duchy of Lancaster through a service level agreement that is reviewed annually. Trustees are provided with adequate support and training where training needs are identified to allow them to effectively conduct their role.

**REPORT OF THE TRUSTEES (continued)
FOR THE YEAR TO 31st MARCH 2025**

8. Structure, governance, management and administrative details (continued)

Administration

Administrative support for the charity is provided by The Duchy of Lancaster from its offices at 1 Lancaster Place, Strand, London WC2E 7ED.

Advisors

Bankers:	Coutts & Co. 440 Strand London WC2R 0QS	Solicitors:	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment advisor:	Stanhope Consulting 35 Portman Square London W1H 6LR	Solicitors:	Farrers LLP 66 Lincoln's Inn Fields London WC2A 3LH
Investment manager:	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Auditors:	Saffery LLP 71 Queen Victoria Street London EC4V 4BE

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have undertaken a review of major risks facing the charity and taken steps to mitigate them.

Approved by the Trustees on 7 OCTOBER 2025 and signed on their behalf by:



Sir James Leigh-Pemberton CVO
Trustee

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of the Duke of Lancaster's Foundation for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)**

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP

Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: *13 October 2025*

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2025

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations	2	-	12,300,000	12,300,000	746,904
Investments	3	904,664	-	904,664	672,320
Total		<u>904,664</u>	<u>12,300,000</u>	<u>13,204,664</u>	<u>1,419,224</u>
Expenditure on:					
Raising Funds	4	-	27,671	27,671	104,111
Charitable activities	5	371,886	-	371,886	363,052
Total		<u>371,886</u>	<u>27,671</u>	<u>399,557</u>	<u>467,163</u>
Net(losses) / gains on investments	9	-	(295,769)	(295,769)	1,666,677
Net income		<u>532,778</u>	<u>11,976,560</u>	<u>12,509,338</u>	<u>2,618,738</u>
Transfer between funds		1,347,592	(1,347,592)	-	-
Net movement in funds		<u>1,880,370</u>	<u>10,628,968</u>	<u>12,509,338</u>	<u>2,618,738</u>
Reconciliation of funds:					
Total funds brought forward		1,504,665	27,770,219	29,274,884	26,656,146
Total funds carried forward		<u>3,385,035</u>	<u>38,399,187</u>	<u>41,784,222</u>	<u>29,274,884</u>

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2024

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2024 £
Income and endowments from:				
Donations	2	-	746,904	746,904
Investments	3	672,320	-	672,320
Total		<u>672,320</u>	<u>746,904</u>	<u>1,419,224</u>
Expenditure on:				
Raising Funds	4	-	104,111	104,111
Charitable activities	5	363,052	-	363,052
Total		<u>363,052</u>	<u>104,111</u>	<u>467,163</u>
Net gains on investments	9	-	1,666,677	1,666,677
Net income		<u>309,268</u>	<u>2,309,470</u>	<u>2,618,738</u>
Transfer between funds		506,750	(506,750)	-
Net movement in funds		<u>816,018</u>	<u>1,802,720</u>	<u>2,618,738</u>
Reconciliation of funds:				
Total funds brought forward		688,647	25,967,499	26,656,146
Total funds carried forward		<u>1,504,665</u>	<u>27,770,219</u>	<u>29,274,884</u>

The notes on pages 11 to 14 form part of these accounts.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

BALANCE SHEET AT 31st MARCH 2025

	Notes	2025 £	2024 £
Fixed Assets			
Investments	8	38,032,774	27,556,064
Current Assets			
Debtors	10	389,187	228,451
Cash and deposits		3,368,501	1,522,249
		3,757,688	1,750,700
Creditors: amounts falling due within one year			
Accruals	12	(6,240)	(31,880)
Net Current Assets		3,751,448	1,718,820
Net Assets		41,784,222	29,274,884
Capital Fund			
Expendable Endowment	13	38,399,187	27,770,219
Income Fund			
Unrestricted General Fund	13	3,385,035	1,504,665
		41,784,222	29,274,884

Approved by the Trustees on 7 OCTOBER 2025 and signed on their behalf by:

James Leigh-Pemberton

Sir James Leigh-Pemberton CVO
Trustee

Registered Charity Number 1085881

The notes on pages 11 to 14 form part of these accounts.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

CASH FLOW STATEMENT
FOR THE YEAR TO 31st MARCH 2025

		Total 2025	Total 2024
	Notes	£	£
Net cash inflow from operating activities	14	<u>941,288</u>	<u>157,519</u>
Cash flows from investing activities			
Dividends		823,616	637,162
Interest		81,048	35,158
Net cash inflow from investing activities		<u>904,664</u>	<u>672,320</u>
Change in cash and cash equivalents in the year		1,845,952	829,839
Cash and cash equivalents at start of year		<u>1,522,549</u>	<u>692,410</u>
Cash and cash equivalents at end of year		<u><u>3,368,501</u></u>	<u><u>1,522,249</u></u>
Cash Comprises:			
Cash at bank		<u>3,368,501</u>	<u>1,522,249</u>

The notes on pages 11 to 14 form part of these accounts.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2025

1. Accounting Policies

(a) Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The most significant key assumptions that affect items in the accounts are the carrying value of assets held by the Foundation and the level of investment return due to the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

The functional currency is Sterling. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Significant judgements, key assumptions and estimates

Accounting estimates and judgements are continually evaluated and are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Duchy makes estimates and assumptions concerning the future. The resulting accounting estimates could, by definition, differ from the actual outcome.

There are no estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Income

Donations are accounted for on an accruals basis. Interest from banks and dividends are accounted for on an accruals basis.

(d) Grants

Grants are accounted for when the intention to make the payment is communicated to the beneficiary. If there are conditions attached to the payment then the grant is accounted for once the conditions are no longer within the control of the Trustees.

(e) Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements.

(f) Taxation

The Trust carries on activities which are exempt from corporation tax and income tax. The Charity suffers Value Added Tax which is included with the expenditure to which it relates.

(g) Fixed Asset Investments

Fixed Asset Investments are stated in the Balance Sheet at the quoted market valuation at the year end.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash at hand and on deposit held at call at the bank.

(i) Debtors

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

(j) Creditors

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

(k) Expendable Endowment Fund

Donations from the Duchy of Lancaster are invested to provide an income from which grants may be made in accordance with the reserves policy set out in the Report of the Trustees.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR TO 31st MARCH 2025

2. Donations	2025 £	2024 £
His Majesty the King in Right of His Duchy of Lancaster	12,300,000	746,904

3. Investment income	2025 £	2024 £
Dividends	823,616	637,162
Bank interest	81,048	35,158
	<u>904,664</u>	<u>672,320</u>

4. Raising Funds	2025 £	2024 £
Investment Management Fees	27,671	104,111
	<u>27,671</u>	<u>104,111</u>

5. Charitable activities	Grants to Institutions £	Grants to Individuals £	2025 £	2024 £
The King's Chapel of the Savoy	350,000	-	350,000	350,000
Other grants	1,196	250	1,446	1,446
Governance costs (see Note 6)	20,440	-	20,440	11,606
	<u>371,636</u>	<u>250</u>	<u>371,886</u>	<u>363,052</u>

A total of 5 grants were paid (2024: 5) including 1 to an individual for £250 (2024: 1 for £250).

6. Governance costs	2025 £	2024 £
Auditors fees - for audit	6,240	5,880
Other administration costs	14,200	5,726
	<u>20,440</u>	<u>11,606</u>

The administration of the Trust is managed by the Trustees and the office of the Duchy of Lancaster. The Duke of Lancaster Foundation contributed £4,200 during the year (2024: £4,200) to the Duchy of Lancaster towards these administration costs.

7. Trustee and Staff Costs

None of the Trustees received any remuneration or expenses during the year (2024: £nil). The charity has no directly employed staff.

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR TO 31st MARCH 2025

8. Investments	2025 £	2024 £
Authorised unit trusts:		
Cazenove	38,032,774	-
Newton	-	27,556,064
	<u>38,032,774</u>	<u>27,556,064</u>

The historic cost of investments at 31st March 2025 was £38,449,479 (2024: £27,670,659).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the Trustees' Annual Report.

9. Reconciliation of movement of investments	2025 £	2024 £
Authorised unit trusts:		
Market value at 1st April 2024	27,556,064	25,967,499
Additions	10,800,000	-
Management fee	(27,521)	(78,112)
(Losses) / Gains in value of investments	(295,769)	1,666,677
Market value at 31st March 2025	<u>38,032,774</u>	<u>27,556,064</u>

All investments are in authorised unit trusts.

The investment portfolio was moved from Newton to Cazenove 31st March 2024. Cazenove investment management fees and associated charges are charged at 0.77% and taken from the unit trust.

Equalisation within the portfolio is credited to the capital cash account and reinvested into the portfolio if cash is not required.

10. Debtors	2025 £	2024 £
Donations from His Majesty the King /Her Majesty The Queen in Right of His / Her Duchy of Lancaster	-	214,155
Dividends	366,413	-
Deposit interest	22,774	14,296
	<u>389,187</u>	<u>228,451</u>

11. Related Parties

Certain of the Duke of Lancaster's Foundation's expenses are incurred initially by the Duchy of Lancaster and then recharged to the Foundation. The amount of such expenses relating to the year ended 31st March 2025 was £8,700 (2024: £7,010). During the year a related Duchy of Lancaster Charity paid for a joint Directors and Officers insurance policy, the Duke of Lancaster's Foundation reimbursed them £1,253 (2024:£nil).

Donations from His Majesty The King in Right of His Duchy of Lancaster may be given to the Foundation with the request that they are, for the time being, invested to provide an income to support the objects of the Foundation. The Trustees have accordingly placed the donations received into a separate investment fund, the Expendable Endowment Fund. Donations of £12,300,000 have been received in the year. There is also a cash payment of £214,155 which related to a debtor at 31 March 2024.

12. Accruals	2025 £	2024 £
Investment Management Fees	-	26,000
Audit	6,240	5,880
	<u>6,240</u>	<u>31,880</u>

DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR TO 31st MARCH 2025

13. Net assets by fund

	2025		2024	
	Unrestricted General Fund £	Expendable endowment £	Unrestricted General Fund £	Expendable endowment £
Investments	-	38,032,774	-	27,556,064
Current assets	3,391,275	366,413	1,536,545	214,155
Current liabilities	(6,240)	-	(31,880)	-
Net Assets	<u>3,385,035</u>	<u>38,399,187</u>	<u>1,504,665</u>	<u>27,770,219</u>

During the year there was a transfer of £1,347,592, between the Expendable Endowment Fund and the Unrestricted General Fund (2024 : £506,750).

14. Reconciliation of net income / (expenditure) to net cash inflow from operating activities

	2025 £	2024 £
Net income as per statement of financial activities	12,509,338	2,618,738
Adjusted for:		
Net losses/ (gains) on investments	295,769	(1,666,677)
Purchase of Investments	(10,800,000)	-
Investment income	(904,664)	(672,320)
Investment Management fees	27,521	78,112
Increase in receivables	(161,036)	(226,694)
(Decrease) / Increase in payables	(25,640)	26,360
Net cash inflow from operating activities	<u>941,288</u>	<u>157,519</u>

THE DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

STATEMENT OF INVESTMENT PRINCIPLES

Background and purpose of portfolio

Duke of Lancaster's Foundation was constituted in 2001 to fund charitable causes, particularly the maintenance of historic buildings within Duchy estates.

Investment objectives

The primary objective of the Foundation's investment portfolio is to provide an increasing distributable income while maintaining the real value of the Foundation's assets over the long term.

Liquidity requirement

There is no requirement to hold a specific proportion of assets in cash or other short term asset classes but all investment should be in relatively liquid vehicles.

Ethical considerations

The managers of the portfolio are expected to take into account best practice in terms of sustainable investing and corporate governance when assessing any individual investment. The assets are currently invested in the Cazenove Charity Sustainable Multi Asset Fund.

Return target

The income target and the need to preserve capital against long term inflation and ensure future income growth will require a total real return from the investment portfolio of 3.5% p.a. The Cazenove benchmark is CPI+4% p.a.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is acceptable given the Trust's long term time horizon and return objectives but to limit capital and other risks in the portfolio, the portfolio should be well diversified across asset classes and individual investments in line with a standard medium risk profile.

Investment management arrangements

The Trustees will appoint investment managers to manage the assets of the portfolio in accordance with the principles set out in this statement and within the guidelines set down from time to time by the trustees.

The Trustees will monitor the performance of the manager against the stated investment benchmark on a quarterly basis but it is anticipated that the manager will be given a period of tenure of between three and five years.

Currency and hedging

The Foundation's liabilities are all in sterling and therefore the bulk of the portfolio should be held in sterling to avoid unnecessary currency risk. Non sterling exposure should be limited to 30%. Qualifying, sterling denominated collective vehicles, where underlying, non-qualifying assets exceed 30%, are not subject to this restriction.

THE DUKE OF LANCASTER'S FOUNDATION
(Formerly THE DUCHY OF LANCASTER JUBILEE TRUST)

STATEMENT OF INVESTMENT PRINCIPLES (continued)

Restricted asset classes

There should be no investment in gold bullion and commodities nor in private equity vehicles.

Other restrictions

- a. No holding is to exceed 1% of the issued share capital of a company without prior permission of the Trustees.
- b. No acquisition should result in the relevant holding representing more than 5% of the value of the portfolio without prior consent of the Trustees, save in the case of a government security or managed fund. This does not preclude the retention of a holding that attains a value in excess of 5% of the Fund after purchase.
- c. The manager is not permitted to enter into futures, options and other derivative products, including forward foreign exchange transactions, other than when used as part of normal portfolio management by the manager of the pooled fund(s) in which the Trust is invested.
- d. The manager must have the prior approval of the Trustees before:-
 - Investing in non readily realisable investments;
 - Effecting off-exchange transactions;
 - Entering underwriting or sub-underwriting commitments;

Approval to carry out any restricted activity may be given by one Trustee and the Secretary of the Trust upon receipt of a written recommendation from the manager. Any such approval must be reported to the Trustees at their next meeting.

Review process

The Trustees will review the contents of this statement of investment objectives on an annual basis and modify if it is deemed appropriate.

Last reviewed: October 2025

Accounts

THE DUCHY OF LANCASTER JUBILEE TRUST
Registered Charity Number 1085881

**REPORT OF THE TRUSTEES
AND ACCOUNTS FOR THE YEAR
TO 31st MARCH 2024**

THE DUCHY OF LANCASTER JUBILEE TRUST

FOR THE YEAR TO 31st MARCH 2024

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THE DUCHY OF LANCASTER JUBILEE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sir James Leigh-Pemberton CVO Nathan Thompson CVO Hugh Bullock Sir Michael Stevens KCVO Lord Downshire Sonia Tolaney KC Lucy Macdonald Jill May Alistair Elliott Alastair Martin CVO
Secretary	Hugh Bruce-Watt
Registered Office	1 Lancaster Place Strand London WC2E 7ED
Charity number	1085881
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Coutts & Co. 440 Strand London WC2R OQS
Investment manager	Cazenove Capital 1 London Wall Place London EC2Y 5AU
Solicitors	Farrer & Co. LLP 66 Lincoln's Inn Fields London WC2A 3LH

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2024

1. Objectives of the Trust

The objectives of the Trust are:

- The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands.
- The advancement of the Christian faith by maintaining and supporting the King's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster. Following the death of the Queen on the 8th September 2022 The Queen's Chapel of the Savoy is now known as the King's Chapel of the Savoy.
- Such other charitable purposes as the Trustees think fit.

Applications for grants should be addressed to the Secretary.

Donations from His Majesty The King in Right of His Duchy of Lancaster may be given to the Trust with the request that they are, for the time being, invested to provide an income to support the objects of the Trust. The Trustees have accordingly placed the donations received into a separate investment fund, the Expendable Endowment Fund. Donations of £746,904 have been pledged in the year of which £532,749 has been received and £214,155 is in debtors at the year ended 31 March 2024 (2023: £nil).

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned donations will contribute to the aims and objectives they have set. The Trustees consider that the current policy for making donations delivers public benefit. Details of the objectives which form the basis of this policy are given above.

2. Grant making policy

The Trust has established its grant making policy to achieve its objects for the public benefit. The Trust invites applications for grants that will meet the stated objectives of the Trust and these will be assessed on a merit basis as to value for money and impact in achieving the aims of the Trust.

3. Achievements and performance

The Trustees have reviewed and are content that the objectives of the charity as highlighted have been achieved during the course of the year. The Trustees are content that the income generated over the course of the year has been utilised in accordance with the objectives.

During the year the Trust made 5 grants totalling £351,446 (2023: 5 grants £351,446) as set out in Note 5 to the financial statements. This includes a grant for £350,000 to the King's Chapel of the Savoy; this has been spent supporting the running and upkeep of the Chapel and clergy.

The Trust continues to fulfil its objects through its grant-making policy and it is the Trustees' intention to continue doing so.

The Trustees aim is to gift sufficient funds to the King's Chapel of the Savoy to allow the Chapel to meet any shortfall in its funding and this has been achieved in the year.

The investment aim is for the portfolio to generate income of circa £500,000, whilst preserving capital value in real terms. Due to the performance of the markets in the year the portfolio has met the income target.

4. Financial review

Investments have been acquired within the powers set out in the Trust Deed and in accordance with the Statement of Investment Principles set out on pages 15 and 16.

Over the year, the Trust's investment assets increased in value by £1,588,565 (6.1%).

During the year the investment income generated was £672,320 (2023 : £576,026).

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2024

5. Risk management

The principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Trust to make effective grants. The Trustees consider variability of investment returns on the permanent endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and Stanhope Capital as our investment consultants who regularly review the risk profile of the portfolio. The operational risk from ineffective grant making is mitigated by the fact that the main recipient of the Charity is well understood by the Trustees who are able to assess the effectiveness that the grant making has from the impact and benefit that the grants have. Smaller grants are assessed on merit on an individual basis and will only be granted if the Trustees understand how these funds will benefit the recipient.

6. Reserves

The Trustees' policy is to distribute investment income received and to maintain a reserve in the General Fund. At the year end the balance of the General Fund was a surplus of £1,504,665.

The Expendable Endowment fund had a balance of £27,770,219 at the year end. Although not forming part of the main reserves, the Trustees do have the power to transfer funds to the Unrestricted Fund to meet shortfalls in funding when required.

7. Plans for future periods

The plan for future periods is to satisfy the charity's objectives and to maintain an investment portfolio in accordance with the total return objective as agreed by the Trustees as set out in the Statement of Investment Principles.

8. Structure, governance, management and administrative details

Governing Instrument

The Duchy of Lancaster Jubilee Trust was constituted on 15th March 2001 under a declaration of trust. The registered charity number is 1085881.

Trustees and principal officers

Trustees are appointed by the Receiver General of the Duchy of Lancaster. The Trustees during the year were:

	<u>Appointed</u>	<u>Retired</u>
Sir James Leigh-Pemberton CVO	12 September 2023	
Sir Alan Reid GCVO		4 July 2023
Nathan Thompson CVO		
Hugh Bullock		
Sir Michael Stevens KCVO		
Lord Downshire		
Sonia Tolaney KC		
Lucy Macdonald		
Jill May		
Alistair Elliott		
Alastair Martin CVO		

Secretary:

Hugh Bruce-Watt

The Trustees meet twice a year to discuss the affairs of the Charity. The day to day administration of the Trust is delegated to the staff of the Duchy of Lancaster through a service level agreement that is reviewed annually. Trustees are provided with adequate support and training where training needs are identified to allow them to effectively conduct their role.

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2024

8. Structure, governance, management and administrative details (continued)

Administration

Administrative support for the charity is provided by The Duchy of Lancaster from its offices at 1 Lancaster Place, Strand, London WC2E 7ED.

Advisors

Bankers:	Coutts & Co. 440 Strand London WC2R OQS	Solicitors:	Farrer & Co. LLP 66 Lincoln's Inn Fields London WC2A 3LH
Investment manager:	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Auditors:	Saffery LLP 71 Queen Victoria Street London EC4V 4BE

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have undertaken a review of major risks facing the charity and taken steps to mitigate them.

Approved by the Trustees on 10/09/2024 and signed on their behalf by:



Sir James Leigh-Pemberton CVO
Trustee

THE DUCHY OF LANCASTER JUBILEE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Duchy of Lancaster Jubilee Trust for the year ended 31 March 2024 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jamie Younger
Saffery LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London

Date: 14 October 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE DUCHY OF LANCASTER JUBILEE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2024**

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations	2	-	746,904	746,904	-
Investments	3	672,320	-	672,320	576,026
Total		<u>672,320</u>	<u>746,904</u>	<u>1,419,224</u>	<u>576,026</u>
Expenditure on:					
Raising Funds	4	-	104,111	104,111	99,665
Charitable activities	5	363,052	-	363,052	360,601
Total		<u>363,052</u>	<u>104,111</u>	<u>467,163</u>	<u>460,266</u>
Net gains /(losses) on investments	9	-	1,666,677	1,666,677	(53,171)
Net income		<u>309,268</u>	<u>2,309,470</u>	<u>2,618,738</u>	<u>62,589</u>
Transfer between funds		<u>506,750</u>	<u>(506,750)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>816,018</u>	<u>1,802,720</u>	<u>2,618,738</u>	<u>62,589</u>
Reconciliation of funds:					
Total funds brought forward		<u>688,647</u>	<u>25,967,499</u>	<u>26,656,146</u>	<u>26,593,557</u>
Total funds carried forward		<u>1,504,665</u>	<u>27,770,219</u>	<u>29,274,884</u>	<u>26,656,146</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2023**

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2023 £
Income and endowments from:				
Donations	2	-	-	-
Investments	3	576,026	-	576,026
Total		<u>576,026</u>	<u>-</u>	<u>576,026</u>
Expenditure on:				
Raising Funds	4	-	99,665	99,665
Charitable activities	5	360,601	-	360,601
Total		<u>360,601</u>	<u>99,665</u>	<u>460,266</u>
Net (losses) on investments	9	-	(53,171)	(53,171)
Net income/(expenditure)		<u>215,425</u>	<u>(152,836)</u>	<u>62,589</u>
Transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>215,425</u>	<u>(152,836)</u>	<u>62,589</u>
Reconciliation of funds:				
Total funds brought forward		<u>473,222</u>	<u>26,120,335</u>	<u>26,593,557</u>
Total funds carried forward		<u>688,647</u>	<u>25,967,499</u>	<u>26,656,146</u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

BALANCE SHEET AT 31st MARCH 2024

	Notes	2024 £	2023 £
Fixed Assets			
Investments	8	<u>27,556,064</u>	<u>25,967,499</u>
Current Assets			
Debtors	10	228,451	1,757
Cash and deposits		<u>1,522,249</u>	<u>692,410</u>
		1,750,700	694,167
Creditors: amounts falling due within one year			
Accruals	12	<u>(31,880)</u>	<u>(5,520)</u>
Net Current Assets		<u>1,718,820</u>	<u>688,647</u>
Net Assets		<u>29,274,884</u>	<u>26,656,146</u>
 Capital Fund			
Expendable Endowment	13	27,770,219	25,967,499
 Income Fund			
Unrestricted General Fund	13	<u>1,504,665</u>	<u>688,647</u>
		<u>29,274,884</u>	<u>26,656,146</u>

Approved by the Trustees on 10/09/2024 and signed on their behalf by:

James Leigh-Pemberton

Sir James Leigh-Pemberton CVO

Trustee

Registered Charity Number 1085881

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

**CASH FLOW STATEMENT
FOR THE YEAR TO 31st MARCH 2024**

		Total 2024	Total 2023
	Notes	£	£
Net cash inflow / (outflow) from operating activities	14	<u>157,519</u>	<u>(361,435)</u>
Cash flows from investing activities			
Dividends		637,162	573,479
Interest		35,158	2,547
Net cash inflow from investing activities		<u>672,320</u>	<u>576,026</u>
Change in cash and cash equivalents in the year		829,839	214,591
Cash and cash equivalents at start of year		<u>692,410</u>	<u>477,819</u>
Cash and cash equivalents at end of year		<u><u>1,522,249</u></u>	<u><u>692,410</u></u>
Cash Comprises:			
Cash at bank		<u>1,522,249</u>	<u>692,410</u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2024

1. Accounting Policies

(a) Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant key assumptions that affect items in the accounts are the carrying value of assets held by the Trust and the level of investment return due to the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

The functional currency is Sterling. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Significant judgements, key assumptions and estimates

Accounting estimates and judgements are continually evaluated and are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Duchy makes estimates and assumptions concerning the future. The resulting accounting estimates could, by definition, differ from the actual outcome.

There are no estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Income

Donations are accounted for on an accruals basis. Interest from banks and dividends are accounted for on an accruals basis.

(d) Grants

Grants are accounted for when the intention to make the payment is communicated to the beneficiary. If there are conditions attached to the payment then the grant is accounted for once the conditions are no longer within the control of the Trustees.

(e) Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements.

(f) Taxation

The Trust carries on activities which are exempt from corporation tax and income tax. The Charity suffers Value Added Tax which is included with the expenditure to which it relates.

(g) Fixed Asset Investments

Fixed Asset Investments are stated in the Balance Sheet at the quoted market valuation at the year end.

(h) Expendable Endowment Fund

Donations from the Duchy of Lancaster are invested to provide an income from which grants may be made in accordance with the reserves policy set out in the Report of the Trustees.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2024

2. Donations		2024 £	2023 £	
His Majesty the King /Her Majesty The Queen in Right of His / Her Duchy of Lancaster		<u>746,904</u>	<u>-</u>	
3. Investment income		2024 £	2023 £	
Dividends		637,162	573,479	
Bank interest		<u>35,158</u>	<u>2,547</u>	
		<u>672,320</u>	<u>576,026</u>	
4. Raising Funds		2024 £	2023 £	
Investment Management Fees		<u>104,111</u>	<u>99,665</u>	
		<u>104,111</u>	<u>99,665</u>	
5. Charitable activities				
	Grants to Institutions £	Grants to Individuals £	2024 £	2023 £
The King's Chapel of the Savoy	350,000	-	350,000	350,000
Other grants	1,196	250	1,446	1,446
Governance costs (see Note 6)	<u>11,606</u>	<u>-</u>	<u>11,606</u>	<u>9,155</u>
	<u>362,802</u>	<u>250</u>	<u>363,052</u>	<u>360,601</u>

A total of 5 grants were paid (2023: 5) including 1 to an individual for £250 (2023: 1 for £250).

6. Governance costs	2024 £	2023 £
Auditors fees - for audit	5,880	5,520
Other administration costs	<u>5,726</u>	<u>3,635</u>
	<u>11,606</u>	<u>9,155</u>

The administration of the Trust is managed by the Trustees and the office of the Duchy of Lancaster. The Duchy of Lancaster Jubilee Trust contributed £4,200 during the year (2023: £3,600) to the Duchy of Lancaster towards these administration costs.

7. Trustee and Staff Costs

None of the Trustees received any remuneration or expenses during the year (2023: £nil). The charity has no directly employed staff.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2024

8. Investments	2024 £	2023 £
Authorised unit trusts:		
Cazenove	27,556,064	-
Newton	-	25,967,499
	<u>27,556,064</u>	<u>25,967,499</u>

The historic cost of investments at 31st March 2024 was £27,670,659 (2023: £19,538,850).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the Trustees' Annual Report.

9. Reconciliation of movement of investments	2024 £	2023 £
Authorised unit trusts:		
Market value at 1st April 2023	25,967,499	26,120,335
Management fee	(78,112)	(99,665)
Gains / (Losses) in value of investments	1,666,677	(53,171)
Market value at 31st March 2024	<u>27,556,064</u>	<u>25,967,499</u>

All investments are in authorised unit trusts.

Newton charges investment management fees of 0.4% per annum which are taken from Capital, except the final quarter. Following the move in the portfolio to Cazenove these were settled by cash.

10. Debtors	2024 £	2023 £
Donations from His Majesty the King /Her Majesty The Queen in Right of His / Her Duchy of Lancaster	214,155	-
Deposit interest	14,296	1,757
	<u>228,451</u>	<u>1,757</u>

11. Related Parties

Certain of The Duchy of Lancaster Jubilee Trust's expenses are incurred initially by the Duchy of Lancaster and then recharged to the Trust. The amount of such expenses relating to the year ended 31st March 2024 was £7,010 (2023: £4,620).

Donations from His Majesty The King in Right of His Duchy of Lancaster may be given to the Trust with the request that they are, for the time being, invested to provide an income to support the objects of the Trust. The Trustees have accordingly placed the donations received into a separate investment fund, the Expendable Endowment Fund. Donations of £746,904 have been pledged in the year of which £532,749 has been received and £214,155 is in debtors at the year ended 31 March 2024 (2023: £nil).

12. Accruals	2024 £	2023 £
Investment Management Fees	26,000	-
Audit	5,880	5,520
	<u>31,880</u>	<u>5,520</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2024**

13. Net assets by fund

	2024		2023	
	Unrestricted General Fund £	Expendable endowment £	Unrestricted General Fund £	Expendable endowment £
Investments	-	27,556,064	-	25,967,499
Current assets	1,536,545	214,155	694,167	-
Current liabilities	(31,880)	-	(5,520)	-
Net Assets	<u>1,504,665</u>	<u>27,770,219</u>	<u>688,647</u>	<u>25,967,499</u>

During the year there was a transfer of £506,750, between the Expendable Endowment Fund and the Unrestricted General Fund (2023 : £nil).

14. Reconciliation of net income / (expenditure) to net cash outflow from operating activities

	2024 £	2023 £
Net income as per statement of financial activities	2,618,738	62,589
Adjusted for:		
Net losses/ (gains) on investments	(1,666,677)	53,171
Investment income	(672,320)	(576,026)
Investment Management fees	78,112	99,665
Increase in receivables	(226,694)	(1,734)
Increase in payables	26,360	900
Net cash outflow from operating activities	<u>157,519</u>	<u>(361,435)</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Background and purpose of portfolio

Duchy of Lancaster Jubilee Trust was constituted in 2001 to fund charitable causes, particularly the maintenance of historic buildings within Duchy estates.

Investment objectives

The primary objective of the Trust's investment portfolio is to provide an increasing distributable income while maintaining the real value of the Trust's assets over the long term.

Liquidity requirement

There is no requirement to hold a specific proportion of assets in cash or other short term asset classes but all investment should be in relatively liquid vehicles.

Ethical considerations

There are no specific constraints on the Trust investment portfolio in terms of ethical, social or environmental matters but the managers of the portfolio are expected to take into account best practice in terms of corporate governance and SRI factors when assessing any individual investment.

Return target

The current income requirement for the portfolio is circa £500,000 p.a. The income target and the need to preserve capital against long term inflation and ensure future income growth will require a total real return from the investment portfolio of 3.5% p.a.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is acceptable given the Trust's long term time horizon and return objectives but to limit capital and other risks in the portfolio, the portfolio should be well diversified across asset classes and individual investments in line with a standard medium risk profile.

Investment benchmark

The table below shows the benchmark against which the manager's performance will be monitored. There are no asset allocation constraints placed on the manager.

Benchmark indices	Benchmark %
FTSE All Share	50
FTSE World (ex UK)	25
FTSE Govt. All Stocks	20
7-day cash	5

Investment management arrangements

The Trustees will appoint investment managers to manage the assets of the portfolio in accordance with the principles set out in this statement and within the guidelines set down from time to time by the trustees.

The Trustees will monitor the performance of the manager against the stated investment benchmark on a quarterly basis but it is anticipated that the manager will be given a period of tenure of between three and five years.

Currency and hedging

The Trust's liabilities are all in sterling and therefore the bulk of the portfolio should be held in sterling to avoid unnecessary currency risk. Non sterling exposure should be limited to 30%. Qualifying, sterling denominated collective vehicles, where underlying, non-qualifying assets exceed 30%, are not subject to this restriction.

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Restricted asset classes

There should be no investment in gold bullion and commodities nor in private equity vehicles.

Other restrictions

- a. No holding is to exceed 1% of the issued share capital of a company without prior permission of the Trustees.
- b. No acquisition should result in the relevant holding representing more than 5% of the value of the portfolio without prior consent of the Trustees, save in the case of a government security or managed fund. This does not preclude the retention of a holding that attains a value in excess of 5% of the Fund after purchase.
- c. The manager is not permitted to enter into futures, options and other derivative products, including forward foreign exchange transactions, other than when used as part of normal portfolio management by the manager of the pooled fund(s) in which the Trust is invested.
- d. The manager must have the prior approval of the Trustees before:-
 - Investing in non readily realisable investments;
 - Effecting off-exchange transactions;
 - Entering underwriting or sub-underwriting commitments;

Approval to carry out any restricted activity may be given by one Trustee and the Secretary of the Trust upon receipt of a written recommendation from the manager. Any such approval must be reported to the Trustees at their next meeting.

Review process

The Trustees will review the contents of this statement of investment objectives on an annual basis and modify if it is deemed appropriate.

Last reviewed: May 2024

Duke of Lancaster's Foundation

England & Wales - Charity number 1085881

Accounts

THE DUCHY OF LANCASTER JUBILEE TRUST
Registered Charity Number 1085881

**REPORT OF THE TRUSTEES
AND ACCOUNTS FOR THE YEAR
TO 31st MARCH 2023**

THE DUCHY OF LANCASTER JUBILEE TRUST

FOR THE YEAR TO 31st MARCH 2023

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8	STATEMENT OF FINANCIAL ACTIVITIES
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15	STATEMENT OF INVESTMENT PRINCIPLES

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2023

1. Objects of the Trust

The objects of the Trust are:

- The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands.
- The advancement of the Christian faith by maintaining and supporting the King's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster. Following the death of the Queen on the 8th September 2022 The Queen's Chapel of the Savoy will now be known as the King's Chapel of the Savoy.
- Such other charitable purposes as the Trustees think fit.

Applications for grants should be addressed to the Secretary.

Donations from His Majesty The King in Right of His Duchy of Lancaster may be given to the Trust with the request that they are, for the time being, invested to provide an income to support the objects of the Trust. The Trustees have accordingly placed the donations received into a separate investment fund, the Expendable Endowment Fund. No donations have been received in the year ended 31 March 2023 (2022: £nil).

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned donations will contribute to the aims and objectives they have set. The Trustees consider that the current policy for making donations delivers public benefit. Details of the objectives which form the basis of this policy are given above.

2. Grant making policy

The Trust has established its grant making policy to achieve its objects for the public benefit. The Trust invites applications for grants that will meet the stated objectives of the Trust and these will be assessed on a merit basis as to value for money and impact in achieving the aims of the Trust.

3. Achievements and performance

The Trustees have reviewed and are content that the objectives of the charity as highlighted have been achieved during the course of the year. The Trustees are content that the income generated over the course of the year has been utilised in accordance with the objectives.

During the year the Trust made 5 grants totalling £351,446 (2022: 5 grants £351,446) as set out in Note 5 to the financial statements. This includes a grant for £350,000 to the King's Chapel of the Savoy; this has been spent supporting the running and upkeep of the Chapel and clergy.

The Trust continues to fulfil its objects through its grant-making policy and it is the Trustees' intention to continue doing so.

The Trustees aim is to gift sufficient funds to the King's Chapel of the Savoy to allow the Chapel to meet any shortfall in its funding and this has been achieved in the year.

The investment aim is for the portfolio to generate income of circa £500,000, whilst preserving capital value in real terms. Due to the performance of the markets in the year the portfolio has met the income target.

4. Financial review

Investments have been acquired within the powers set out in the Trust Deed and in accordance with the Statement of Investment Principles set out on pages 15 and 16.

Over the year, the Trust's investment assets decreased in value by £152,836 (-0.6%).

During the year the investment income generated was £576,026 (2022 : £531,434).

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2023

5. Risk management

The principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Trust to make effective grants. The Trustees consider variability of investment returns on the permanent endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and Stanhope Capital as our investment consultants who regularly review the risk profile of the portfolio. The operational risk from ineffective grant making is mitigated by the fact that the main recipient of the Charity is well understood by the Trustees who are able to assess the effectiveness that the grant making has from the impact and benefit that the grants have. Smaller grants are assessed on merit on an individual basis and will only be granted if the Trustees understand how these funds will benefit the recipient.

6. Reserves

The Trustees' policy is to distribute investment income received and to maintain a reserve in the General Fund. At the year end the balance of the General Fund was a surplus of £688,647.

The Expendable Endowment fund had a balance of £25,967,499 at the year end. Although not forming part of the main reserves, the Trustees do have the power to transfer funds to the Unrestricted Fund to meet shortfalls in funding when required.

7. Plans for future periods

The plan for future periods is to satisfy the charity's objectives and to maintain an investment portfolio in accordance with the total return objective as agreed by the Trustees as set out in the Statement of Investment Principles.

8. Structure, governance, management and administrative details

Governing Instrument

The Duchy of Lancaster Jubilee Trust was constituted on 15th March 2001 under a declaration of trust. The registered charity number is 1085881.

Trustees and principal officers

Trustees are appointed by the Receiver General of the Duchy of Lancaster. The Trustees during the year were:

	<u>Appointed</u>	<u>Retired</u>
Sir James Leigh-Pemberton CVO	12 September 2023	
Sir Alan Reid GCVO		4 July 2023
Nathan Thompson CVO		
Hugh Bullock		
Sir Michael Stevens KCVO		
Lord Downshire		
Marcus Rose		31 December 2022
Sonia Tolaney KC		
Lucy Macdonald		
Jill May		
Alistair Elliott	1 February 2023	
Alastair Martin	1 February 2023	

Secretary:

Hugh Bruce-Watt

The Trustees meet two times a year and make all major grant making and investment decisions. The day to day administration of the Trust is delegated to the staff of the Duchy of Lancaster. Trustees are provided with adequate support and training where training needs are identified to allow them to effectively conduct their role.

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2023

8. Structure, governance, management and administrative details (continued)

Administration

Administrative support for the charity is provided by The Duchy of Lancaster from its offices at 1 Lancaster Place, Strand, London WC2E 7ED.

Advisors

Bankers:	Coutts & Co. 440 Strand London WC2R 0QS	Solicitors:	Farrer & Co. LLP 66 Lincoln's Inn Fields London WC2A 3LH
Investment manager:	Newton Investment Management Ltd 160 Queen Victoria Street London EC4V 4LA	Auditors:	Saffery LLP 71 Queen Victoria Street London EC4V 4BE

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have undertaken a review of major risks facing the charity and taken steps to mitigate them.

Approved by the Trustees on 13/09/2023 and signed on their behalf by:



Sir James Leigh-Pemberton CVO
Trustee

THE DUCHY OF LANCASTER JUBILEE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Duchy of Lancaster Jubilee Trust for the year ended 31 March 2023 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES continued

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Saffery LLP". The signature is written in a cursive, flowing style.

Saffery LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London

Date: 26 October 2023

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2023

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2023 £	Total 2022 restated £
Income and endowments from:					
Donations	2	-	-	-	-
Investments	3	576,026	-	576,026	531,434
Total		<u>576,026</u>	<u>-</u>	<u>576,026</u>	<u>531,434</u>
Expenditure on:					
Raising Funds	4	-	99,665	99,665	101,236
Charitable activities	5	360,601	-	360,601	359,821
Total		<u>360,601</u>	<u>99,665</u>	<u>460,266</u>	<u>461,057</u>
Net (losses) / gains on investments	9	-	(53,171)	(53,171)	2,424,803
Net income/(expenditure)		<u>215,425</u>	<u>(152,836)</u>	<u>62,589</u>	<u>2,495,180</u>
Transfer between funds		-	-	-	-
Net movement in funds		<u>215,425</u>	<u>(152,836)</u>	<u>62,589</u>	<u>2,495,180</u>
Reconciliation of funds:					
Total funds brought forward		<u>473,222</u>	<u>26,120,335</u>	<u>26,593,557</u>	<u>24,098,377</u>
Total funds carried forward		<u>688,647</u>	<u>25,967,499</u>	<u>26,656,146</u>	<u>26,593,557</u>

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2022

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2022 £
Income and endowments from:				
Donations	2	-	-	-
Investments	3	531,434	-	531,434
Total		<u>531,434</u>	<u>-</u>	<u>531,434</u>
Expenditure on:				
Raising Funds	4	-	-	-
Charitable activities	5	359,821	-	359,821
Total		<u>359,821</u>	<u>-</u>	<u>359,821</u>
Net gain on investments	9	-	2,323,567	2,323,567
Net income/(expenditure)		<u>171,613</u>	<u>2,323,567</u>	<u>2,495,180</u>
Transfer between funds		(349,325)	349,325	-
Net movement in funds		<u>(177,712)</u>	<u>2,672,892</u>	<u>2,495,180</u>
Reconciliation of funds:				
Total funds brought forward		<u>650,934</u>	<u>23,447,443</u>	<u>24,098,377</u>
Total funds carried forward		<u>473,222</u>	<u>26,120,335</u>	<u>26,593,557</u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

BALANCE SHEET AT 31st MARCH 2023

	Notes	2023 £	2022 £
Fixed Assets			
Investments	8	<u>25,967,499</u>	<u>26,120,335</u>
Current Assets			
Debtors	10	1,757	23
Cash and deposits		<u>692,410</u>	<u>477,819</u>
		694,167	477,842
Creditors: amounts falling due within one year			
Accruals	12	<u>(5,520)</u>	<u>(4,620)</u>
Net Current Assets		<u>688,647</u>	<u>473,222</u>
Net Assets		<u><u>26,656,146</u></u>	<u><u>26,593,557</u></u>
Capital Fund			
Expendable Endowment	13	25,967,499	26,120,335
Income Fund			
Unrestricted General Fund	13	<u>688,647</u>	<u>473,222</u>
		<u><u>26,656,146</u></u>	<u><u>26,593,557</u></u>

Approved by the Trustees on 13/09/2023 and signed on their behalf by:

James Leigh-Pemberton

Sir James Leigh-Pemberton CVO
Trustee

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

CASH FLOW STATEMENT
FOR THE YEAR TO 31st MARCH 2023

		Total 2023	Total 2022
	Notes	£	£
Net cash outflow from operating activities	14	<u>(361,435)</u>	<u>(359,405)</u>
Cash flows from investing activities			
Dividends		573,479	531,381
Interest		2,547	53
Net cash inflow from investing activities		<u>576,026</u>	<u>531,434</u>
Change in cash and cash equivalents in the year		214,591	172,029
Cash and cash equivalents at start of year		<u>477,819</u>	<u>305,790</u>
Cash and cash equivalents at end of year		<u><u>692,410</u></u>	<u><u>477,819</u></u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2023

1. Accounting Policies

(a) Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant key assumptions that affect items in the accounts are the carrying value of assets held by the Trust and the level of investment return due to the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

The functional currency is Sterling. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Significant judgements, key assumptions and estimates

Accounting estimates and judgements are continually evaluated and are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Duchy makes estimates and assumptions concerning the future. The resulting accounting estimates could, by definition, differ from the actual outcome.

There are no estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Income

Donations are accounted for on an accruals basis. Interest from banks and dividends are accounted for on an accruals basis.

(d) Grants

Grants are accounted for when the intention to make the payment is communicated to the beneficiary. If there are conditions attached to the payment then the grant is accounted for once the conditions are no longer within the control of the Trustees.

(e) Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements.

(f) Taxation

The Trust carries on activities which are exempt from corporation tax and income tax. The Charity suffers Value Added Tax which is included with the expenditure to which it relates.

(g) Fixed Asset Investments

Fixed Asset Investments are stated in the Balance Sheet at the quoted market valuation at the year end.

(h) Expendable Endowment Fund

Donations from the Duchy of Lancaster are invested to provide an income from which grants may be made in accordance with the policy set out in paragraph 6 of the Report of the Trustees.

THE DUCHY OF LANCASTER JUBILEE TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2023**

2. Donations	2023 £	2022 £
His Majesty the King /Her Majesty The Queen in Right of His / Her Duchy of Lancaster	<u>-</u>	<u>-</u>

3. Investment income	2023 £	2022 £
Dividends	573,479	531,381
Bank interest	2,547	53
	<u>576,026</u>	<u>531,434</u>

4. Raising Funds	2023 £	2022 restated £
Investment Management Fees	99,665	101,236
	<u>99,665</u>	<u>101,236</u>

5. Charitable activities	Grants to Institutions £	Grants to Individuals £	2023 £	2022 £
The King's Chapel of the Savoy	350,000	-	350,000	350,000
Other grants	1,196	250	1,446	1,446
Governance costs (see Note 6)	9,155	-	9,155	8,375
	<u>360,351</u>	<u>250</u>	<u>360,601</u>	<u>359,821</u>

A total of 5 grants were paid (2022 : 5) including 1 to an individual for £250 (2022 : 1 for £250).

6. Governance costs	2023 £	2022 £
Auditors fees - for audit	5,520	3,850
Other administration costs	3,635	4,525
	<u>9,155</u>	<u>8,375</u>

The administration of the Trust is managed by the Trustees and the office of the Duchy of Lancaster. The Duchy of Lancaster Jubilee Trust contributed £3,600 during the year (2022 : £3,600) to the Duchy of Lancaster towards these administration costs.

7. Trustee and Staff Costs

None of the Trustees received any remuneration or expenses during the year (2022: £nil). The charity has no directly employed staff.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2023

8. Investments

	2023 £	2022 £
Authorised unit trusts:		
Newton	25,967,499	26,120,335
	<u>25,967,499</u>	<u>26,120,335</u>

The historic cost of investments at 31st March 2023 was £19,538,850 (2022: £19,624,063).

Newton charges investment management fees of 0.4% per annum which are taken from Capital.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the Trustees' Annual Report.

9. Reconciliation of movement of investments

	2023 £	2022 <i>restated</i> £
Authorised unit trusts:		
Market value at 1st April 2022	26,120,335	23,796,768
Management fee	(99,665)	(101,236)
(Losses) / Gains in value of investments	(53,171)	2,424,803
Market value at 31st March 2023	<u>25,967,499</u>	<u>26,120,335</u>

All investments are in authorised unit trusts.

Management fees have been disclosed this year and the prior year is shown on a comparable basis.

10. Debtors

	2023 £	2022 £
Deposit interest	1,757	23
	<u>1,757</u>	<u>23</u>

11. Related Parties

Certain of The Duchy of Lancaster Jubilee Trust's expenses are incurred initially by the Duchy of Lancaster and then recharged to the Trust. The amount of such expenses relating to the year ended 31st March 2023 was £4,620 (2022: £4,320).

12. Accruals

	2023 £	2022 £
Audit	5,520	4,620
	<u>5,520</u>	<u>4,620</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2023

13. Net assets by fund

	2023		2022	
	Unrestricted General Fund £	Expendable endowment £	Unrestricted General Fund £	Expendable endowment £
Investments	-	25,967,499	-	26,120,335
Current assets	694,167	-	477,842	-
Current liabilities	(5,520)	-	(4,620)	-
Net Assets	<u>688,647</u>	<u>25,967,499</u>	<u>473,222</u>	<u>26,120,335</u>

During the year there was no transfer between the Expendable Endowment Fund and the Unrestricted General Fund (2022 : £349,325).

14. Reconciliation of net (expenditure)/ income to net cash outflow from operating activities

	2023 £	2022 £
Net income as per statement of financial activities	62,589	2,495,180
Adjusted for:		
Net losses/ (gains) on investments	53,171	(2,424,803)
Investment income	(576,026)	(531,434)
Investment Management fees	99,665	101,236
(Increase)/ Decrease in receivables	(1,734)	(4)
Increase /(Decrease) in payables	900	420
Net cash outflow from operating activities	<u>(361,435)</u>	<u>(359,405)</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Background and purpose of portfolio

Duchy of Lancaster Jubilee Trust was constituted in 2001 to fund charitable causes, particularly the maintenance of historic buildings within Duchy estates.

Investment objectives

The primary objective of the Trust's investment portfolio is to provide an increasing distributable income while maintaining the real value of the Trust's assets over the long term.

Liquidity requirement

There is no requirement to hold a specific proportion of assets in cash or other short term asset classes but all investment should be in relatively liquid vehicles.

Ethical considerations

There are no specific constraints on the Trust investment portfolio in terms of ethical, social or environmental matters but the managers of the portfolio are expected to take into account best practice in terms of corporate governance and SRI factors when assessing any individual investment.

Return target

The current income requirement for the portfolio is circa £500,000 p.a. The income target and the need to preserve capital against long term inflation and ensure future income growth will require a total real return from the investment portfolio of 3.5% p.a.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is acceptable given the Trust's long term time horizon and return objectives but to limit capital and other risks in the portfolio, the portfolio should be well diversified across asset classes and individual investments in line with a standard medium risk profile.

Investment benchmark

The table below shows the benchmark against which the manager's performance will be monitored. There are no asset allocation constraints placed on the manager.

Benchmark indices	Benchmark %
FTSE All Share	50
FTSE World (ex UK)	25
FTSE Govt. All Stocks	20
7-day cash	5

Investment management arrangements

The Trustees will appoint investment managers to manage the assets of the portfolio in accordance with the principles set out in this statement and within the guidelines set down from time to time by the trustees.

The Trustees will monitor the performance of the manager against the stated investment benchmark on a quarterly basis but it is anticipated that the manager will be given a period of tenure of between three and five years.

Currency and hedging

The Trust's liabilities are all in sterling and therefore the bulk of the portfolio should be held in sterling to avoid unnecessary currency risk. Non sterling exposure should be limited to 30%. Qualifying, sterling denominated collective vehicles, where underlying, non-qualifying assets exceed 30%, are not subject to this restriction.

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Restricted asset classes

There should be no investment in gold bullion and commodities nor in private equity vehicles.

Other restrictions

- a. No holding is to exceed 1% of the issued share capital of a company without prior permission of the Trustees.
- b. No acquisition should result in the relevant holding representing more than 5% of the value of the portfolio without prior consent of the Trustees, save in the case of a government security or managed fund. This does not preclude the retention of a holding that attains a value in excess of 5% of the Fund after purchase.
- c. The manager is not permitted to enter into futures, options and other derivative products, including forward foreign exchange transactions, other than when used as part of normal portfolio management by the manager of the pooled fund(s) in which the Trust is invested.
- d. The manager must have the prior approval of the Trustees before:-
 - Investing in non readily realisable investments;
 - Effecting off-exchange transactions;
 - Entering underwriting or sub-underwriting commitments;

Approval to carry out any restricted activity may be given by one Trustee and the Secretary of the Trust upon receipt of a written recommendation from the manager. Any such approval must be reported to the Trustees at their next meeting.

Review process

The Trustees will review the contents of this statement of investment objectives on an annual basis and modify if it is deemed appropriate.

Last reviewed: December 2022

Accounts

THE DUCHY OF LANCASTER JUBILEE TRUST
Registered Charity Number 1085881

**REPORT OF THE TRUSTEES
AND ACCOUNTS FOR THE YEAR
TO 31st MARCH 2022**

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2022

1. Objects of the Trust

The objects of the Trust are:

- The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands.
- The advancement of the Christian faith by maintaining and supporting the Queen's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster.
- Such other charitable purposes as the Trustees think fit.

Applications for grants should be addressed to the Secretary.

Donations from Her Majesty The Queen in Right of Her Duchy of Lancaster have been given to the Trust with the request that they are, for the time being, invested to provide an income to support the objects of the Trust. The Trustees have accordingly placed the donations into a separate investment fund, the Expendable Endowment Fund.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned donations will contribute to the aims and objectives they have set. The Trustees consider that the current policy for making donations delivers public benefit. Details of the objectives which form the basis of this policy are given above.

2. Grant making policy

The Trust has established its grant making policy to achieve its objects for the public benefit. The Trust invites applications for grants that will meet the stated objectives of the Trust and these will be assessed on a merit basis as to value for money and impact in achieving the aims of the Trust.

3. Achievements and performance

The Trustees have reviewed and are content that the objectives of the charity as highlighted have been achieved during the course of the year. The Trustees are content that the income generated over the course of the year has been utilised in accordance with the objectives.

During the year the Trust made 5 grants totalling £351,446 (2021: 5 grants £351,446) as set out in Note 4 to the financial statements. This includes a grant for £350,000 to the Queen's Chapel of the Savoy; this has been spent supporting the running and upkeep of the Chapel and clergy.

The Trust continues to fulfil its objects through its grant-making policy and it is the Trustees' intention to continue doing so.

The Trustees aim is to gift sufficient funds to the Queen's Chapel of the Savoy to allow the Chapel to meet any shortfall in its funding and this has been achieved in the year.

The investment aim is for the portfolio to generate income of circa £500,000, whilst preserving capital value in real terms. Due to the performance of the markets in the year the portfolio has met the income target.

4. Financial review

Investments have been acquired within the powers set out in the Trust Deed and in accordance with the Statement of Investment Principles set out on pages 15 and 16.

Over the year, the Trust's investment assets increased in value by £2,323,567 (+10%).

During the year the investment income generated was £531,434 (2021 : £467,515).

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2022

5. Risk management

The principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Trust to make effective grants. The Trustees consider variability of investment returns on the permanent endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and Stanhope Capital as our investment consultants who regularly review the risk profile of the portfolio. The operational risk from ineffective grant making is mitigated by the fact that the main recipient of the Charity is well understood by the Trustees who are able to assess the effectiveness that the grant making has from the impact and benefit that the grants have. Smaller grants are assessed on merit on an individual basis and will only be granted if the Trustees understand how these funds will benefit the recipient.

6. Reserves

The Trustees' policy is to distribute investment income received and to maintain a reserve in the General Fund. At the year end the balance of the General Fund was a surplus of £473,222, following a transfer to the endowment fund of £349,325.

The Expendable Endowment fund had a balance of £26,120,335 at the year end. Although not forming part of the main reserves, the Trustees do have the power to transfer funds to the Unrestricted Fund to meet shortfalls in funding when required.

7. Plans for future periods

The plan for future periods is to satisfy the charity's objectives and to maintain an investment portfolio in accordance with the total return objective as agreed by the Trustees as set out in the Statement of Investment Principles.

8. Structure, governance, management and administrative details

Governing Instrument

The Duchy of Lancaster Jubilee Trust was constituted on 15th March 2001 under a declaration of trust. The registered charity number is 1085881.

Trustees and principal officers

Trustees are appointed by the Receiver General of the Duchy of Lancaster. The Trustees during the year were:

	<u>Appointed</u>	<u>Retired</u>
Sir Alan Reid GCVO		
Nathan Thompson CVO		
Kathryn Matthews		
Hugh Bullock		31 December 2021
Sir Michael Stevens KCVO		
Lord Downshire		
Marcus Rose		
Sonia Tolaney QC	10 October 2021	
Lucy Macdonald	24 February 2022	
Jill May	24 February 2022	

Secretary:

Hugh Bruce-Watt

The Trustees meet two times a year and make all major grant making and investment decisions. The day to day administration of the Trust is delegated to the staff of the Duchy of Lancaster. Trustees are provided with adequate support and training where training needs are identified to allow them to effectively conduct their role.

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2022

8. Structure, governance, management and administrative details (continued)

Administration

Administrative support for the charity is provided by The Duchy of Lancaster from its offices at 1 Lancaster Place, Strand, London WC2E 7ED.

Advisors

Bankers:	Coutts & Co. 440 Strand London WC2R 0QS	Solicitors:	Farrer & Co. LLP 66 Lincoln's Inn Fields London WC2A 3LH
Investment manager:	Newton Investment Management Ltd 160 Queen Victoria Street London EC4V 4LA	Auditors:	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have undertaken a review of major risks facing the charity and taken steps to mitigate them.

Approved by the Trustees on 1 December 2022 and signed on their behalf by:



Sir Alan Reid GCVO
Trustee

THE DUCHY OF LANCASTER JUBILEE TRUST
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Duchy of Lancaster Jubilee Trust for the year ended 31 March 2022 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 charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES continued

Matters on which we are required to report by exception (continued)

- 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 set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES continued

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: 6/12/22

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2022

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations	2	-	-	-	-
Investments	3	531,434	-	531,434	467,515
Total		<u>531,434</u>	<u>-</u>	<u>531,434</u>	<u>467,515</u>
Expenditure on:					
Charitable activities	4	359,821	-	359,821	360,481
Total		<u>359,821</u>	<u>-</u>	<u>359,821</u>	<u>360,481</u>
Net gains/(losses) on investments	8	-	2,323,567	2,323,567	4,126,073
Net income/(expenditure)		<u>171,613</u>	<u>2,323,567</u>	<u>2,495,180</u>	<u>4,233,107</u>
Transfer between funds		(349,325)	349,325	-	-
Net movement in funds		<u>(177,712)</u>	<u>2,672,892</u>	<u>2,495,180</u>	<u>4,233,107</u>
Reconciliation of funds:					
Total funds brought forward		650,934	23,447,443	24,098,377	19,865,270
Total funds carried forward		<u>473,222</u>	<u>26,120,335</u>	<u>26,593,557</u>	<u>24,098,377</u>

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2021

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2021 £
Income and endowments from:				
Donations	2	-	-	-
Investments	3	467,515	-	467,515
Total		<u>467,515</u>	<u>-</u>	<u>467,515</u>
Expenditure on:				
Charitable activities	4	360,481	-	360,481
Total		<u>360,481</u>	<u>-</u>	<u>360,481</u>
Net gain on investments	8	-	4,126,073	4,126,073
Net income/(expenditure)		<u>107,034</u>	<u>4,126,073</u>	<u>4,233,107</u>
Transfer between funds		-	-	-
Net movement in funds		<u>107,034</u>	<u>4,126,073</u>	<u>4,233,107</u>
Reconciliation of funds:				
Total funds brought forward		543,900	19,321,370	19,865,270
Total funds carried forward		<u>650,934</u>	<u>23,447,443</u>	<u>24,098,377</u>

The notes on pages 10 to 13 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

BALANCE SHEET AT 31st MARCH 2022

	Notes	2022 £	2021 £
Fixed Assets			
Investments	7	<u>26,120,335</u>	<u>23,796,768</u>
Current Assets			
Debtors	9	23	19
Cash and deposits		<u>477,819</u>	<u>305,790</u>
		477,842	305,809
Creditors: amounts falling due within one year			
Accruals	11	(4,620)	(4,200)
Other Creditors	12	-	-
Net Current Assets		<u>473,222</u>	<u>301,609</u>
Net Assets		<u>26,593,557</u>	<u>24,098,377</u>
Capital Fund			
Expendable Endowment	13	26,120,335	23,947,443
Income Fund			
Unrestricted General Fund	13	<u>473,222</u>	<u>150,934</u>
		<u>26,593,557</u>	<u>24,098,377</u>

Approved by the Trustees on 1 December 2022 and signed on their behalf by:


Sir Alan Reid GCVO
Trustee

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

**CASH FLOW STATEMENT
FOR THE YEAR TO 31st MARCH 2022**

	Notes	Total 2022 £	Total 2021 £
Net cash outflow from operating activities	14	<u>(359,405)</u>	<u>(715,477)</u>
Cash flows from investing activities			
Dividends		531,381	467,350
Interest		53	165
Purchase of investments		-	-
Net cash inflow/(outflow) from investing activities		<u>531,434</u>	<u>467,515</u>
Change in cash and cash equivalents in the year		172,029	(247,962)
Cash and cash equivalents at start of year		<u>305,790</u>	<u>553,752</u>
Cash and cash equivalents at end of year		<u><u>477,819</u></u>	<u><u>305,790</u></u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2022

1. Accounting Policies

(a) Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant key assumptions that affect items in the accounts are the carrying value of assets held by the Trust and the level of investment return due to the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

The functional currency is Sterling. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Significant judgements, key assumptions and estimates

Accounting estimates and judgements are continually evaluated and are based on past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Duchy makes estimates and assumptions concerning the future. The resulting accounting estimates could, by definition, differ from the actual outcome.

There are no estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Income

Donations are accounted for on an accruals basis. Interest from banks and dividends are accounted for on an accruals basis.

(d) Grants

Grants are accounted for when the intention to make the payment is communicated to the beneficiary. If there are conditions attached to the payment then the grant is accounted for once the conditions are no longer within the control of the Trustees.

(e) Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements.

(f) Taxation

The Trust carries on activities which are exempt from corporation tax and income tax. The Charity suffers Value Added Tax which is included with the expenditure to which it relates.

(g) Fixed Asset Investments

Fixed Asset Investments are stated in the Balance Sheet at closing market quotation at the year end.

(h) Expendable Endowment Fund

Donations from the Duchy of Lancaster are invested to provide an income from which grants may be made in accordance with the policy set out in paragraph 6 of the Report of the Trustees.

THE DUCHY OF LANCASTER JUBILEE TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2022**

2. Donations	2022 £	2021 £
Her Majesty The Queen in Right of Her Duchy of Lancaster	<u>-</u>	<u>-</u>

3. Investment income	2022 £	2021 £
Dividends	531,381	467,350
Bank interest	53	165
	<u>531,434</u>	<u>467,515</u>

4. Charitable activities	Grants to Institutions £	Grants to Individuals £	2022 £	2021 £
The Queen's Chapel of the Savoy	350,000	-	350,000	350,000
Other grants	1,196	250	1,446	1,446
Governance costs (see Note 5)	8,375	-	8,375	9,035
	<u>359,571</u>	<u>250</u>	<u>359,821</u>	<u>360,481</u>

A total of 5 grants were paid (2021 : 5) including 1 to an individual for £250 (2021 : 1 for £250).

5. Governance costs	2022 £	2021 £
Auditors fees - for audit	3,850	3,500
Auditors fees - advice	-	-
Other administration costs	4,525	5,535
	<u>8,375</u>	<u>9,035</u>

The administration of the Trust is managed by the Trustees and the office of the Duchy of Lancaster. The Duchy of Lancaster Jubilee Trust contributed £3,600 during the year (2021 : £3,635) to the Duchy of Lancaster towards these administration costs.

6. Trustee and Staff Costs

None of the Trustees received any remuneration or expenses during the year (2021: £nil). The charity has no directly employed staff.

7. Investments	2022 £	2021 £
Authorised unit trusts:		
Newton	26,120,335	23,796,768
	<u>26,120,335</u>	<u>23,796,768</u>

The historic cost of investments at 31st March 2022 was £19,624,063 (2021: £15,121,264).

Newton charges investment management fees of 0.4% per annum which are taken from Capital.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the Trustees' Annual Report.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2022

8. Reconciliation of movement of investments

	2022 £	2021 £
Authorised unit trusts:		
Market value at 1st April 2021	23,796,768	19,670,695
Additions	-	-
Disposals	-	-
Net realised gain/(loss)	-	-
Net unrealised gain/(loss)	2,323,567	4,126,073
Market value at 31st March 2022	<u>26,120,335</u>	<u>23,796,768</u>

All investments are in authorised unit trusts.

9. Debtors

	2022 £	2021 £
Deposit interest	23	19
	<u>23</u>	<u>19</u>

10. Related Parties

Certain of The Duchy of Lancaster Jubilee Trust's expenses are incurred initially by the Duchy of Lancaster and then recharged to the Trust. The amount of such expenses relating to the year ended 31st March 2022 was £4,320 (2021: £nil).

11. Accruals

	2022 £	2021 £
Audit	4,620	4,200
Other	-	-
	<u>4,620</u>	<u>4,200</u>

12. Other Creditors

	2022 £	2021 £
Donations	-	-
	<u>-</u>	<u>-</u>

13. Net assets by fund

	2022		2021	
	Unrestricted General Fund £	Expendable endowment £	Unrestricted General Fund £	Expendable endowment £
Investments	-	26,120,335	-	23,796,768
Current assets	477,842	0	155,134	150,675
Current liabilities	(4,620)	-	(4,200)	-
Net Assets	<u>473,222</u>	<u>26,120,335</u>	<u>150,934</u>	<u>23,947,443</u>

During the year there was a transfer between the Expendable Endowment Fund and the Unrestricted General Fund of £349,325 (2021 : £nil).

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2022

14. Reconciliation of net income (expenditure) to net cash outflow from operating activities

	2022 £	2021 £
Net income (expenditure) as per statement of financial activities	2,495,180	4,233,107
Adjusted for:		
Net (gains)/losses on investments	(2,323,567)	(4,126,073)
Investment income	(531,434)	(467,515)
Decrease/(Increase) in receivables	(4)	374
(Decrease)/Increase in payables	420	(355,370)
Net cash outflow from operating activities	<u>(359,405)</u>	<u>(715,477)</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Background and purpose of portfolio

Duchy of Lancaster Jubilee Trust was constituted in 2001 to fund charitable causes, particularly the maintenance of historic buildings within Duchy estates.

Investment objectives

The primary objective of the Trust's investment portfolio is to provide an increasing distributable income while maintaining the real value of the Trust's assets over the long term.

Liquidity requirement

There is no requirement to hold a specific proportion of assets in cash or other short term asset classes but all investment should be in relatively liquid vehicles.

Ethical considerations

There are no specific constraints on the Trust investment portfolio in terms of ethical, social or environmental matters but the managers of the portfolio are expected to take into account best practice in terms of corporate governance and SRI factors when assessing any individual investment.

Return target

The current income requirement for the portfolio is circa £500,000 p.a. The income target and the need to preserve capital against long term inflation and ensure future income growth will require a total real return from the investment portfolio of 3.5% p.a.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is acceptable given the Trust's long term time horizon and return objectives but to limit capital and other risks in the portfolio, the portfolio should be well diversified across asset classes and individual investments in line with a standard medium risk profile.

Investment benchmark

The table below shows the benchmark against which the manager's performance will be monitored. There are no asset allocation constraints placed on the manager.

Benchmark indices	Benchmark %
FTSE All Share	50
FTSE World (ex UK)	25
FTSE Govt. All Stocks	20
7-day cash	5

Investment management arrangements

The Trustees will appoint investment managers to manage the assets of the portfolio in accordance with the principles set out in this statement and within the guidelines set down from time to time by the trustees.

The Trustees will monitor the performance of the manager against the stated investment benchmark on a quarterly basis but it is anticipated that the manager will be given a period of tenure of between three and five years.

Currency and hedging

The Trust's liabilities are all in sterling and therefore the bulk of the portfolio should be held in sterling to avoid unnecessary currency risk. Non sterling exposure should be limited to 30%. Qualifying, sterling denominated collective vehicles, where underlying, non-qualifying assets exceed 30%, are not subject to this restriction.

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Restricted asset classes

There should be no investment in gold bullion and commodities nor in private equity vehicles.

Other restrictions

- a. No holding is to exceed 1% of the issued share capital of a company without prior permission of the Trustees.
- b. No acquisition should result in the relevant holding representing more than 5% of the value of the portfolio without prior consent of the Trustees, save in the case of a government security or managed fund. This does not preclude the retention of a holding that attains a value in excess of 5% of the Fund after purchase.
- c. The manager is not permitted to enter into futures, options and other derivative products, including forward foreign exchange transactions, other than when used as part of normal portfolio management by the manager of the pooled fund(s) in which the Trust is invested.
- d. The manager must have the prior approval of the Trustees before:-
 - Investing in non readily realisable investments;
 - Effecting off-exchange transactions;
 - Entering underwriting or sub-underwriting commitments;

Approval to carry out any restricted activity may be given by one Trustee and the Secretary of the Trust upon receipt of a written recommendation from the manager. Any such approval must be reported to the Trustees at their next meeting.

Review process

The Trustees will review the contents of this statement of investment objectives on an annual basis and modify if it is deemed appropriate.

Last reviewed: December 2022

Accounts

THE DUCHY OF LANCASTER JUBILEE TRUST
Registered Charity Number 1085881

**REPORT OF THE TRUSTEES
AND ACCOUNTS FOR THE YEAR
TO 31st MARCH 2021**

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2021

1. Objects of the Trust

The objects of the Trust are:

- The maintenance and preservation for the public benefit of any monument, castle or other property of historical or architectural interest in the vicinity of the Duchy lands.
- The advancement of the Christian faith by maintaining and supporting the Queen's Chapel of the Savoy and clergy whose livings are within the gift of the Duke of Lancaster.
- Such other charitable purposes as the Trustees think fit.

Applications for grants should be addressed to the Secretary.

Donations from Her Majesty The Queen in Right of Her Duchy of Lancaster have been given to the Trust with the request that they are, for the time being, invested to provide an income to support the objects of the Trust. The Trustees have accordingly placed the donations into a separate investment fund, the Expendable Endowment Fund.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the Trustees consider how planned donations will contribute to the aims and objectives they have set. The Trustees consider that the current policy for making donations delivers public benefit. Details of the objectives which form the basis of this policy are given above.

2. Grant making policy

The Trust has established its grant making policy to achieve its objects for the public benefit. The Trust invites applications for grants that will meet the stated objectives of the Trust and these will be assessed on a merit basis as to value for money and impact in achieving the aims of the Trust.

3. Achievements and performance

The Trustees have reviewed and are content that the objectives of the charity as highlighted have been achieved during the course of the year. The Trustees are content that the income generated over the course of the year has been utilised in accordance with the objectives.

During the year the Trust made 5 grants totalling £351,446 (2020: 5 grants £351,446) as set out in Note 4 to the financial statements. This includes a grant for £350,000 to the Queen's Chapel of the Savoy; this has been spent supporting the running and upkeep of the Chapel and clergy.

The Trust continues to fulfil its objects through its grant-making policy and it is the Trustees' intention to continue doing so.

The Trustees aim is to gift sufficient funds to the Queen's Chapel of the Savoy to allow the Chapel to meet any shortfall in its funding and this has been achieved in the year.

The investment aim is for the portfolio to generate income of circa £500,000, whilst preserving capital value in real terms. Due to the performance of the markets in the year the portfolio has not met the income target but has generated an increase in value of 21%.

4. Financial review

Investments have been acquired within the powers set out in the Trust Deed and in accordance with the Statement of Investment Principles set out on pages 15 and 16.

Over the year, the Trust's investment assets increased in value by £4,126,073 (+21%).

During the year the investment income generated was £467,515 (2020 : £624,644).

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR TO 31st MARCH 2021

5. Risk management

The principal risks faced by the Trust lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Trust to make effective grants. The Trustees consider variability of investment returns on the permanent endowment to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and Stanhope Capital as our investment consultants who regularly review the risk profile of the portfolio. The operational risk from ineffective grant making is mitigated by the fact that the main recipient of the Charity is well understood by the Trustees who are able to assess the effectiveness that the grant making has from the impact and benefit that the grants have. Smaller grants are assessed on merit on an individual basis and will only be granted if the Trustees understand how these funds will benefit the recipient.

6. Reserves

The Trustees' policy is to distribute investment income received and to maintain a reserve in the General Fund. At the year end the balance of the General Fund was a surplus of £150,934.

The Expendable Endowment fund had a balance of £23,947,443 at the year end. Although not forming part of the main reserves, the Trustees do have the power to transfer funds to the Unrestricted Fund to meet shortfalls in funding when required.

7. Plans for future periods

The plan for future periods is to satisfy the charity's objectives and to maintain an investment portfolio in accordance with the total return objective as agreed by the Trustees as set out in the Statement of Investment Principles.

8. Structure, governance, management and administrative details

Governing Instrument

The Duchy of Lancaster Jubilee Trust was constituted on 15th March 2001 under a declaration of trust. The registered charity number is 1085881.

Trustees and principal officers

Trustees are appointed by the Receiver General of the Duchy of Lancaster. The Trustees during the year were:

	<u>Appointed</u>	<u>Retired</u>
Sir Alan Reid GCVO		
Nathan Thompson CVO		
Kathryn Matthews		
Hugh Bullock		
Sir Michael Stevens KCVO		
Lord Downshire		
Marcus Rose		
Chris Adcock, CVO	08 Sep 20	

Secretary:

Hugh Bruce-Watt

The Trustees meet two times a year and make all major grant making and investment decisions. The day to day administration of the Trust is delegated to the staff of the Duchy of Lancaster. Trustees are provided with adequate support and training where training needs are identified to allow them to effectively conduct their role.

THE DUCHY OF LANCASTER JUBILEE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR TO 31st MARCH 2021

8. Structure, governance, management and administrative details (continued)

Administration

Administrative support for the charity is provided by The Duchy of Lancaster from its offices at 1 Lancaster Place, Strand, London WC2E 7ED.

Advisors

Bankers:

Coutts & Co.
440 Strand
London
WC2R 0QS

Solicitors:

Farrer & Co. LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Investment manager:

Newton Investment Management Ltd
160 Queen Victoria Street
London
EC4V 4LA

Auditors:

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have undertaken a review of major risks facing the charity and taken steps to mitigate them.

Approved by the Trustees on 8 Sept 2021 and signed on their behalf by:



Sir Alan Reid GCVO
Trustee

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Duchy of Lancaster Jubilee Trust for the year ended 31 March 2021 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES continued

Matters on which we are required to report by exception (continued)

- 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 set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

THE DUCHY OF LANCASTER JUBILEE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES continued

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: 12.9.21

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE DUCHY OF LANCASTER JUBILEE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2021**

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations	2	-	-	-	-
Investments	3	467,515	-	467,515	624,644
Total		<u>467,515</u>	<u>-</u>	<u>467,515</u>	<u>624,644</u>
Expenditure on:					
Charitable activities	4	360,481	-	360,481	358,051
Total		<u>360,481</u>	<u>-</u>	<u>360,481</u>	<u>358,051</u>
Net gains/(losses) on investments	8	-	4,126,073	4,126,073	(2,084,274)
Net income/(expenditure)		<u>107,034</u>	<u>4,126,073</u>	<u>4,233,107</u>	<u>(1,817,681)</u>
Transfer between funds		-	-	-	-
Net movement in funds		<u>107,034</u>	<u>4,126,073</u>	<u>4,233,107</u>	<u>(1,817,681)</u>
Reconciliation of funds:					
Total funds brought forward		543,900	19,321,370	19,865,270	21,682,951
Total funds carried forward		<u>650,934</u>	<u>23,447,443</u>	<u>24,098,377</u>	<u>19,865,270</u>

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31st MARCH 2020**

	Notes	Unrestricted Fund £	Expendable Endowment Fund £	Total 2020 £
Income and endowments from:				
Donations	2	-	-	-
Investments	3	624,644	-	624,644
Total		<u>624,644</u>	<u>-</u>	<u>624,644</u>
Expenditure on:				
Charitable activities	4	358,051	-	358,051
Total		<u>358,051</u>	<u>-</u>	<u>358,051</u>
Net gain on investments	8	-	(2,084,274)	(2,084,274)
Net income/(expenditure)		<u>266,593</u>	<u>(2,084,274)</u>	<u>(1,817,681)</u>
Transfer between funds		-	-	-
Net movement in funds		<u>266,593</u>	<u>(2,084,274)</u>	<u>(1,817,681)</u>
Reconciliation of funds:				
Total funds brought forward		277,307	21,405,644	21,682,951
Total funds carried forward		<u>543,900</u>	<u>19,321,370</u>	<u>19,865,270</u>

The notes on pages 10 to 13 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

BALANCE SHEET AT 31st MARCH 2021

	Notes	2021 £	2020 £
Fixed Assets			
Investments	7	<u>23,796,768</u>	<u>19,670,695</u>
Current Assets			
Debtors	9	19	393
Cash and deposits		<u>305,790</u>	<u>553,752</u>
		305,809	554,145
Creditors: amounts falling due within one year			
Accruals	11	(4,200)	(9,570)
Other Creditors	12	-	(350,000)
Net Current Assets		<u>301,609</u>	<u>194,575</u>
Net Assets		<u>24,098,377</u>	<u>19,865,270</u>
Capital Fund			
Expendable Endowment	13	23,947,443	19,821,370
Income Fund			
Unrestricted General Fund	13	<u>150,934</u>	<u>43,900</u>
		<u>24,098,377</u>	<u>19,865,270</u>

Approved by the Trustees on 8 Sept 22 and signed on their behalf by:



Sir Alan Reid GCVO
Trustee

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

**CASH FLOW STATEMENT
FOR THE YEAR TO 31st MARCH 2021**

	Notes	Total 2021 £	Total 2020 £
Net cash outflow from operating activities	14	<u>(715,477)</u>	<u>(4,931)</u>
Cash flows from investing activities			
Dividends		467,350	623,409
Interest		165	1,235
Purchase of investments		-	(500,000)
Net cash inflow/(outflow) from investing activities		<u>467,515</u>	<u>124,644</u>
Change in cash and cash equivalents in the year		(247,962)	119,713
Cash and cash equivalents at start of year		<u>553,752</u>	<u>434,039</u>
Cash and cash equivalents at end of year		<u><u>305,790</u></u>	<u><u>553,752</u></u>

The notes on pages 11 to 14 form part of these accounts.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2021

1. Accounting Policies

(a) Basis of Accounting

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 Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant key assumptions that affect items in the accounts are the carrying value of assets held by the Trust and the level of investment return due to the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

The functional currency is Sterling. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Income

Donations are accounted for on an accruals basis. Interest from banks and dividends are accounted for on an accruals basis.

(c) Grants

Grants are accounted for when the intention to make the payment is communicated to the beneficiary. If there are conditions attached to the payment then the grant is accounted for once the conditions are no longer within the control of the Trustees.

(d) Governance costs

Governance costs comprise costs incurred in Trust administration and compliance with regulatory requirements.

(e) Taxation

The Trust carries on activities which are exempt from corporation tax and income tax. The Charity suffers Value Added Tax which is included with the expenditure to which it relates.

(f) Fixed Asset Investments

Fixed Asset Investments are stated in the Balance Sheet at closing market quotation at the year end.

(g) Expendable Endowment Fund

Donations from the Duchy of Lancaster are invested to provide an income from which grants may be made in accordance with the policy set out in paragraph 6 of the Report of the Trustees.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2021

2. Donations

	2021 £	2020 £
Her Majesty The Queen in Right of Her Duchy of Lancaster	-	-

3. Investment income

	2021 £	2020 £
Dividends	467,350	623,409
Bank interest	165	1,235
	<u>467,515</u>	<u>624,644</u>

4. Charitable activities

	Grants to Institutions £	Grants to Individuals £	2021 £	2020 £
The Queen's Chapel of the Savoy	350,000	-	350,000	350,000
Other grants	1,196	250	1,446	1,446
Governance costs (see Note 5)	9,035	-	9,035	6,605
	<u>360,231</u>	<u>250</u>	<u>360,481</u>	<u>358,051</u>

A total of 5 grants were paid (2020 : 5) including 1 to an individual for £250 (2020 : 1 for £250).

5. Governance costs

	2021 £	2020 £
Auditors fees - for audit	3,500	2,475
Auditors fees - advice	-	-
Other administration costs	5,535	4,130
	<u>9,035</u>	<u>6,605</u>

The administration of the Trust is managed by the Trustees and the office of the Duchy of Lancaster. The Duchy of Lancaster Jubilee Trust contributed £3,635 during the year (2020 : £3,635) to the Duchy of Lancaster towards these administration costs.

6. Trustee and Staff Costs

None of the Trustees received any remuneration or expenses during the year (2020: £nil). The charity has no directly employed staff.

7. Investments

	2021 £	2020 £
Authorised unit trusts:		
Newton	23,796,768	19,670,695
	<u>23,796,768</u>	<u>19,670,695</u>

The historic cost of investments at 31st March 2021 was £15,121,264 (2019: £15,121,264).
Newton charges investment management fees of 0.4% per annum which are taken from Capital.

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the Trustees' Annual Report.

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31st MARCH 2021

8. Reconciliation of movement of investments

	2021 £	2020 £
Authorised unit trusts:		
Market value at 1st April 2020	19,670,695	21,254,969
Additions	-	500,000.00
Disposals	-	-
Net realised gain/(loss)		
Net unrealised gain/(loss)	4,126,073	(2,084,274)
Market value at 31st March 2021	<u>23,796,768</u>	<u>19,670,695</u>

All investments are in authorised unit trusts.

9. Debtors

	2021 £	2020 £
Deposit interest	19	393
	<u>19</u>	<u>393</u>

10. Related Parties

Certain of The Duchy of Lancaster Jubilee Trust's expenses are incurred initially by the Duchy of Lancaster and then recharged to the Trust. The amount of such expenses relating to the year ended 31st March 2021 was Nil (2020: £2,970).

11. Accruals

	2021 £	2020 £
Audit	4,200	3,000
Other	-	6,570
	<u>4,200</u>	<u>9,570</u>

12. Other Creditors

	2021 £	2020 £
Donations	-	350,000
	<u>-</u>	<u>350,000</u>

13. Net assets by fund

	2021		2020	
	Unrestricted General Fund £	Expendable endowment £	Unrestricted General Fund £	Expendable endowment £
Investments	-	23,796,768	-	19,670,695
Current assets	155,134	150,675	403,470	150,675
Current liabilities	(4,200)	-	(359,570)	-
Net Assets	<u>150,934</u>	<u>23,947,443</u>	<u>43,900</u>	<u>19,821,370</u>

During the year there was no transfer between the Expendable Endowment Fund and the Unrestricted General Fund (2020 : £nil).

THE DUCHY OF LANCASTER JUBILEE TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31st MARCH 2021

14. Reconciliation of net income (expenditure) to net cash outflow from operating activities

	2021 £	2020 £
Net income (expenditure) as per statement of financial activities	4,233,107	(1,817,681)
Adjusted for:		
Net (gains)/losses on investments		
Investment income	(4,126,073)	2,084,274
Decrease/(Increase) in receivables	(467,515)	(624,644)
(Decrease)/Increase in payables	374	150
Net cash outflow from operating activities	<u>(355,370)</u>	<u>352,970</u>
	<u>(715,477)</u>	<u>(4,931)</u>

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Background and purpose of portfolio

Duchy of Lancaster Jubilee Trust was constituted in 2001 to fund charitable causes, particularly the maintenance of historic buildings within Duchy estates. It is currently valued at £19.9 million.

Investment objectives

The primary objective of the Trust's investment portfolio is to provide an increasing distributable income while maintaining the real value of the Trust's assets over the long term.

Liquidity requirement

There is no requirement to hold a specific proportion of assets in cash or other short term asset classes but all investment should be in relatively liquid vehicles.

Ethical considerations

There are no specific constraints on the Trust investment portfolio in terms of ethical, social or environmental matters but the managers of the portfolio are expected to take into account best practice in terms of corporate governance and SRI factors when assessing any individual investment.

Return target

The current income requirement for the portfolio is circa £500,000 p.a. The income target and the need to preserve capital against inflation and ensure future income growth will require a total real return from the investment portfolio of 3.5% p.a.

Risk tolerance

A reasonable level of capital volatility within the investment portfolio is acceptable given the Trust's long term time horizon and return objectives but to limit capital and other risks in the portfolio, the portfolio should be well diversified across asset classes and individual investments in line with a standard medium risk profile.

Investment benchmark

The table below shows the benchmark against which the manager's performance will be monitored. There are no asset allocation constraints placed on the manager.

Benchmark indices	Benchmark %
FTSE Govt. All Share	50
FTSE World (ex UK)	25
FTSE Govt. All Stocks	20
7-day cash	5

Investment management arrangements

The Trustees will appoint investment managers to manage the assets of the portfolio in accordance with the principles set out in this statement and within the guidelines set down from time to time by the trustees.

The Trustees will monitor the performance of the manager against the stated investment benchmark on a quarterly basis but it is anticipated that the manager will be given a period of tenure of between three and five years.

Currency and hedging

The Trust's liabilities are all in sterling and therefore the bulk of the portfolio should be held in sterling to avoid unnecessary currency risk. Non sterling exposure should be limited to 30%. Qualifying, sterling denominated collective vehicles, where underlying, non-qualifying assets exceed 30%, are not subject to this restriction.

THE DUCHY OF LANCASTER JUBILEE TRUST

STATEMENT OF INVESTMENT PRINCIPLES

Restricted asset classes

There should be no investment in gold bullion and commodities nor in private equity vehicles.

Other restrictions

- a. No holding is to exceed 1% of the issued share capital of a company without prior permission of the Trustees.
- b. No acquisition should result in the relevant holding representing more than 5% of the value of the portfolio without prior consent of the Trustees, save in the case of a government security or managed fund. This does not preclude the retention of a holding that attains a value in excess of 5% of the Fund after purchase.
- c. The manager is not permitted to enter into futures, options and other derivative products, including forward foreign exchange transactions, other than when used as part of normal portfolio management by the manager of the pooled fund(s) in which the Trust is invested.
- d. The manager must have the prior approval of the Trustees before:-
 - Investing in non readily realisable investments;
 - Effecting off-exchange transactions;
 - Entering underwriting or sub-underwriting commitments;

Approval to carry out any restricted activity may be given by one Trustee and the Secretary of the Trust upon receipt of a written recommendation from the manager. Any such approval must be reported to the Trustees at their next meeting.

Review process

The Trustees will review the contents of this statement of investment objectives on an annual basis and modify if it is deemed appropriate.

Last reviewed: August 2019