



## The Sovereign

## Prince of Wales

## Royal Collection Turst

### Public money

### Privy Purse and other Private Income

### Private

### Charity

#### Sovereign Grant

#### Duchy of Lancaster

#### Private

#### Duchy of Cornwall

	Sovereign Grant	Duchy of Lancaster	Private	Duchy of Cornwall	Charity
<b>Description:</b>	The Sovereign Grant provides funding from the Treasury for use by the Royal Household in support of His Majesty's official duties as Head of State, Head of Nation and Head of Commonwealth.	The Duchy of Lancaster is a private estate, which for over 600 years has provided the Sovereign with an independent source of income.	Private assets and income of the Monarch, including the estates (Balmoral and Sandringham) and investments.	The Duchy of Cornwall is a private estate, which for over 600 years has provided the Heir with an independent source of income.	Registered charity, which is an independently funded part of the Royal Household, responsible for the maintenance and restoration of the Royal Collection and managing public access to official residences.
<b>Purpose:</b>	<p><b>To fund:</b></p> <ul style="list-style-type: none"> <li>Expenditure to support His Majesty's official duties as Head of State and Head of Nation.</li> <li>Staff costs and running expenses of His Majesty's official household.</li> <li>Maintenance of the Occupied Royal Palaces in England.</li> <li>Travel by working Members of the Royal Family representing His Majesty in undertaking official duties.</li> </ul> <p>Does not provide personal income to any Members of the Royal Family.</p>	<p><b>To fund:</b></p> <ul style="list-style-type: none"> <li>Official costs not covered by the Sovereign Grant and personal income of working Members of the Royal Family (except the Prince and Princess of Wales who are funded by the Duchy of Cornwall).</li> <li>Costs, including staff, to run and maintain His Majesty's private residences and estates.</li> <li>Private expenses.</li> <li>Taxation.</li> </ul>		<p><b>To fund:</b></p> <ul style="list-style-type: none"> <li>Official costs of the Prince and Princess of Wales not covered by the Sovereign Grant.</li> <li>Charitable activities.</li> <li>Personal residences.</li> <li>Private expenses.</li> </ul>	<p><b>To fund:</b></p> <ul style="list-style-type: none"> <li>Administration and care of the Royal Collection.</li> <li>Sharing of collection, including exhibitions and publications.</li> <li>Facilities management charge to reimburse the Sovereign Grant for the use of Buckingham Palace and Windsor Castle for paid admissions, reducing the burden on the public purse.</li> </ul> <p>No payments to Royal Family.</p>
<b>Funding/Income:</b>	<p><b>2026-27:</b> Total of £137.9m, of which £97.6m Core and £40.3m BP Reservicing.</p> <p><b>2027-32:</b> Reduces to £100m pa, of which up to £11.7m pa. on avg. for clean energy transition.</p>	<p><b>2025-26:</b> Duchy of Lancaster adjusted net revenue surplus of £25.2m</p>	Private	<p><b>2025-26:</b> Duchy of Cornwall net surplus distributable of £21.55m</p>	RCT derives income from access to Occupied Royal Palaces, exhibitions and retail sales.
<b>Limitations:</b>	<p>Can only be used to fund official business in line with the Sovereign Grant Act (2011), subject to Treasury Managing Public Money standards.</p> <p>The percentage used to calculate the Sovereign Grant reviewed every 5 years. Provision that restricts the Grant from being lower than the previous year's amount. Primary legislation is required to reduce the Grant amount.</p>	Only income can be distributed. Capital must be retained in Duchy.	None	Only income can be distributed. Capital must be retained in Duchy.	Subject to Charity Laws and Regulation.
<b>Assets:</b>	His Majesty has no beneficial interest in any of the Occupied Royal Palaces or Assets purchased by the Sovereign Grant.	<p><b>2025-26:</b> £687m assets Proceeds on sale of capital assets must be retained in Duchy.</p>	Beneficial ownership	<p><b>2025-26:</b> £1.2bn net assets Proceeds on sale of capital assets must be retained in Duchy.</p>	Royal Collection is one of the world's great art collections and is held in trust by The King as Sovereign for his successors and the nation. It is not owned by him as a private individual and he cannot sell any part of it.
<b>Oversight:</b>	<ul style="list-style-type: none"> <li>Royal Trustees Report: Annual, 5-yearly</li> <li>Treasury: Monthly performance report, annual budget, 3-year plans</li> <li>Lord Chamberlain's Committee</li> <li>Audit and Risk Assurance Committee</li> <li>Accounting Officer</li> </ul>	<ul style="list-style-type: none"> <li>Chancellor of the Duchy of Lancaster</li> <li>Duchy Council</li> <li>Audit and Risk Committee</li> <li>Treasury: Annual accounts</li> </ul>	Private	<ul style="list-style-type: none"> <li>The Prince's Council</li> <li>Executive Committee</li> <li>Audit and Risk Committee</li> <li>Remuneration Committee</li> <li>Treasury: Annual accounts</li> </ul>	<ul style="list-style-type: none"> <li>Regulated by the Charity Commission</li> <li>Trustee Board</li> <li>Management Board</li> <li>Finance and Audit Committee</li> </ul>
<b>Transparency:</b>	<ul style="list-style-type: none"> <li>Annual Report and Accounts</li> <li>Treasury Managing Public Money standards</li> <li>Sovereign Grant Framework Agreement</li> </ul>	Annual report	Tax	Annual report	Annual report
<b>Audit:</b>	National Audit Office (NAO)	External Audit	External Audit/Independent verification	External Audit	External Audit
<b>Taxation:</b>					
<b>Income tax:</b>	Public money – N/A	Taxed in HM's hands	Yes	Taxed in PoW's hands	Charity – N/A
<b>CGT:</b>	Public money – N/A	No - capital gains not distributed	Yes - on private capital gains	No - capital gains not distributed	Charity – N/A
<b>IHT:</b>	Public money – N/A	No	No - gifts to next Sovereign Yes - gifts to other individuals	No	Charity – N/A