

# THE SOVEREIGN GRANT AND SOVEREIGN GRANT RESERVE

Year to 31 March 2015



## FINANCIAL SUMMARY

| <i>Year to 31 March</i>      | <b>2015</b> | 2014 |
|------------------------------|-------------|------|
|                              | <b>£m</b>   | £m   |
| <b>Income</b>                | <b>13.3</b> | 13.4 |
| <b>Expenditure</b>           |             |      |
| Payroll costs                | <b>18.7</b> | 18.2 |
| Other staff costs            | <b>1.2</b>  | 1.3  |
| Property maintenance         | <b>11.7</b> | 13.3 |
| Travel                       | <b>5.1</b>  | 4.2  |
| Utilities                    | <b>3.4</b>  | 3.3  |
| Housekeeping and hospitality | <b>2.1</b>  | 2.0  |
| Other                        | <b>6.8</b>  | 6.8  |
| <b>Net Expenditure</b>       | <b>35.7</b> | 35.7 |

The Sovereign Grant Act 2011 which came into effect from 1 April 2012 consolidated the funding provided to support the official duties of The Queen and maintain the Occupied Royal Palaces that up until 31 March 2012 had been provided under the Civil List and the Grants-in-aid for the Maintenance of the Occupied Royal Palaces, Royal Travel and Communications and Information.

The Queen's official expenditure is met from public funds in exchange for the surrender by The Queen of the revenue from the Crown Estate. The Sovereign Grant is calculated based on 15% of the income account net surplus of the Crown Estate for the financial year two years previous. The Crown Estate surplus for the financial year 2012-13 amounted to £252.6 million thereby producing a Sovereign Grant of £37.9 million for 2014-15.

Official expenditure met by the Sovereign Grant in 2014-15 amounted to £35.7 million (2013-14: £35.7 million) in line with the previous year. The equivalent of the excess of the Sovereign Grant and other income over expenditure of £2.2 million in 2014-15 was transferred to the Sovereign Grant Reserve (2013-14: £0.4 million).

## EXPENDITURE FUNDED FROM OTHER SOURCES

### **Duchy of Lancaster**

Income from the Duchy of Lancaster forms part of The Queen's Privy Purse income. The Privy Purse is a historical term used to describe The Queen's private income and it is largely used to meet official expenditure incurred by Her Majesty and Other Members of the Royal Family which is not met by the Sovereign Grant and is taxed to the extent that the income is not used for official purposes. Accounts for the Duchy of Lancaster are presented to both Houses of Parliament annually, copies of which are available on-line at [www.duchyoflancaster.co.uk](http://www.duchyoflancaster.co.uk).

### **Duchy of Cornwall**

Income from the Duchy of Cornwall funds the private and official expenditure of The Prince of Wales and The Duchess of Cornwall. The Prince of Wales also meets the official expenditure of The Duke and Duchess of Cambridge and Prince Henry of Wales out of this income, which is taxed to the extent it is not used to meet official expenditure. Accounts for the Duchy of Cornwall are published and laid before Parliament annually, copies of which are available on-line at [www.duchyofcornwall.org](http://www.duchyofcornwall.org).

### **The Royal Collection**

The Royal Collection consists of works of art of all kinds and is held by The Queen as Sovereign in trust for Her successors and for the Nation. All costs of maintaining the Royal Collection are met by The Royal Collection Trust, a registered charity, from visitor admissions to the Occupied Palaces and related activities. The Royal Collection Trust receives no funding from the Government or the National Lottery. Around seven million people saw items from the Royal Collection in royal palaces during 2014-15 and many more people saw items from the Royal Collection on loan to museums and galleries around the world. An annual report is published by The Royal Collection Trust, copies of which are available on-line at [www.royalcollection.org.uk](http://www.royalcollection.org.uk).

*A detailed Sovereign Grant and Sovereign Grant Reserve annual report for 2014-15 is available on-line at [www.royal.gov.uk](http://www.royal.gov.uk) and in print from the Deputy Treasurer to The Queen, Buckingham Palace, London SW1A 1AA.*