

# Stepping Forward

**Trustees' Report and  
Financial Statements 2022**

**LLOYDS BANK  
FOUNDATION**  
England & Wales



We're an independent charitable foundation funded by Lloyds Banking Group. We work in partnership with small and local charities, people and communities, changing lives and working towards a more just and compassionate society.

The needs and aspirations of people drive our work. We strengthen the small and local charities that support them and the communities they live in, and advocate for a better future.

Through unrestricted funding, support to develop, and influencing policy and practice we help small and local charities thrive, communities grow stronger, and people overcome complex issues and barriers so they can transform their lives.

**LLOYDS BANK  
FOUNDATION**  
England & Wales



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A card about the charity Phoebe changed everything. It took me a week before I finally called them. They helped me and my daughter escape to a women's refuge and access food and food vouchers. We've made friends at the mother and baby group, I've been able to do paid training, and I love the Zumba class! I am just so grateful for everything they have done. With Phoebe, we aren't alone.

**Fatima**, who came to the UK from The Gambia on a spousal visa, was a prisoner in her own home, cut off from friends and family, without access to money, and living in constant fear of abuse.

Phoebe, Ipswich / £52,250 over two years / Domestic Abuse

The cover image shows a Zumba class in a new space which our funding helped to purchase. It can accommodate larger groups and allows the charity to deliver a range of support, wellbeing and social activities in a safe and welcoming atmosphere.

# Stepping Forward

A note from our  
Chair and CEO



As we emerged from the pandemic and people, communities, and charities grappled with the longer-term impact of lockdowns and growing pressures on public services, we had no idea how 2022 would continue to test us all. Europe's largest refugee crisis since World War II and rapidly rising living costs have left many unable to afford food or keep warm during the harsh winter, forcing them into hardship and some people into homelessness.

Once again, small and local charities stepped forward to provide a lifeline to people who had nowhere else to turn, providing warm spaces when their homes were uninhabitable, food when people couldn't afford to eat, and support in rebuilding their lives.

We have worked with charities, local authorities, funders and partners to help communities, amplifying the views of small charities with national and local government, and all rooted in the unrestricted flexible funding and building support we provide to hundreds of local charities across England and Wales.

But things are getting tougher, and much more needs to be done. The people and communities hardest hit by rising costs were largely those who already faced a range of issues and barriers, with the charities we partner seeking to support these new and existing challenges. Just as charities have stepped forward to offer greater support, we have sought to adapt our offer to help them meet these growing demands.

We continued to listen, adapt, and respond to the needs of small charities and communities, sharing what we have learned, and we have campaigned for a more just and compassionate society. Following extensive engagement, we launched our new five year strategy to



## Meet our new chair

Since joining Lloyds Bank Foundation, I've been humbled by the passion and dedication of hardworking charity staff and volunteers, doing everything within their power to help the community around them. Our new strategy is designed to ensure that over the next five years, small and local charities, working to make a real and lasting change to individuals and communities, are supported in ways that make a tangible difference and we are proud to move forward with them on that journey.

**Dame Ann Limb DBE DL, Chair of Trustees**

focus on where our help is most needed and where we can maximise the impact of our combination of funding, capacity building support and ability to influence others. We are also determined to continue to change ourselves, deepening our commitment to equity, diversity and inclusion, particularly through supporting charities led by and for Black, Asian and minority ethnic communities, and to consider how we maximise our efficiency and effectiveness and share resources, opportunity and power.

We are grateful that on top of their annual donation, Lloyds Banking Group's generosity enabled us to provide an additional unrestricted payment of £2,250 to each of our 658 charity partners in time for the winter. We were humbled and inspired by the hundreds of thank you messages telling us what charities are doing to overcome the challenges and additional costs they face.

What you will read in the pages that follow would not have been possible without the work of our staff, Board, and the many volunteers from Lloyds Banking Group. In particular, we were delighted that the CEO of Lloyds Banking Group, Charlie Nunn, and Chairman, Robin Budenberg, prioritised working with us and witnessing for themselves the fantastic work of the charities we support. The years ahead will be difficult, but by working together, we believe we can build a more just and compassionate society for all.

**Dame Ann Limb DBE DL**  
Chair of Trustees

**Paul Streets OBE**  
Chief Executive Officer

# Cost of living crisis

2022 saw inflation at its highest in 40 years, while pay fell the most it has in two decades, impacting countless people who were already at crisis point. More and more people are now turning to charities for help.



Anecdotally, people are having to choose between food and fuel, with **one participant reporting having removed plugs and taped sockets to strip electricity use to bare essentials; another reported eating food cold straight from the tin.** [...] Staple food costs have risen more than other goods, and our clientele have little capacity to adapt financially or emotionally. Talk now moves to survival and tips for staying alive: warm homes replaced with a warm room, and recognition that food provision will change as recipients are unable to heat ingredients. The despair that is being expressed causes the most concern.

**Education Futures Trust**, East Sussex / Young Parents / £52,250



This year **we have seen our fuel costs at Pembrokeshire FRAME double from £1k to £2k per month.** Funding is a main priority. It is important to focus on bringing in core funding to support increased fuel and utility costs and the increased demand that we are expecting over the next year.

**Pembrokeshire FRAME**, Wales / Learning Disability and Mental Health / £52,250

**Above, left to right:**

Gateway Into The Community, Hexham / Learning Disability / £52,250

The Harbour Project, Swindon / Asylum Seekers and Refugees / £142,797

Amazing Grace Spaces, Newport / Homelessness and Addiction / £52,250

Handcrafted Projects, Durham and Gateshead / Homelessness / £52,250



The average attendance is 75 families per week. **Clients receive one bag of food for which we charge £5. But the cost to us has gone up to £30.** Despite receiving some fantastic funding, the need for money and food donations is greater than ever. At current food prices we predict a £30,000 shortfall for food purchases going forward.

**Carriers of Hope**, West Midlands  
/ Refugees and Asylum Seekers / £52,250

**Above, left to right:**

The Harbour Project, Swindon  
/ Asylum Seekers and Refugees / £142,797

Bright Futures, South Shields  
/ Sexual Abuse and Exploitation / £106,963

African Community Centre, Swansea  
/ Asylum Seekers and Refugees / £52,250



Demand continues to increase. A lot of people are on pre-payment meters and can't afford to use gas or electricity. We're providing food six times a week. **Our shower service which used to just be for rough sleepers, has been expanded as people can't afford to heat water.** We've also seen an increase in need for homelessness prevention and tenancy maintenance support.

Volunteer recruitment has been a big challenge. We used to have 40 community groups on a rota providing food, now there's only three due to the cost of food, gas and electric, and petrol to deliver it.

We have reserves for six months, but in order to meet the need, we must increase capacity. We're looking at the potential of running at a deficit or having to make very hard decisions about which services to prioritise.

**Homelessness charity** (who asked to remain anonymous) / South East

# 2022: Our progress

Last year we continued to support small and local charities across England and Wales, helping people and communities to thrive. Some charities we funded received multiple grants.

## £19.6m

awarded in funding in total (£16.3m in 2021).

## 799

We supported 799 charities through grants programmes (899 charities in 2021).

## 7

Provided evidence to seven think tank and government consultations (7 in 2021).

## 16

We collaborated with sixteen communities to improve people's lives (16 in 2021).

## Reaching Further

2022 saw our five-year strategy, *Reaching Further*, come to an end. Since 2018 we have:

## £83.4m

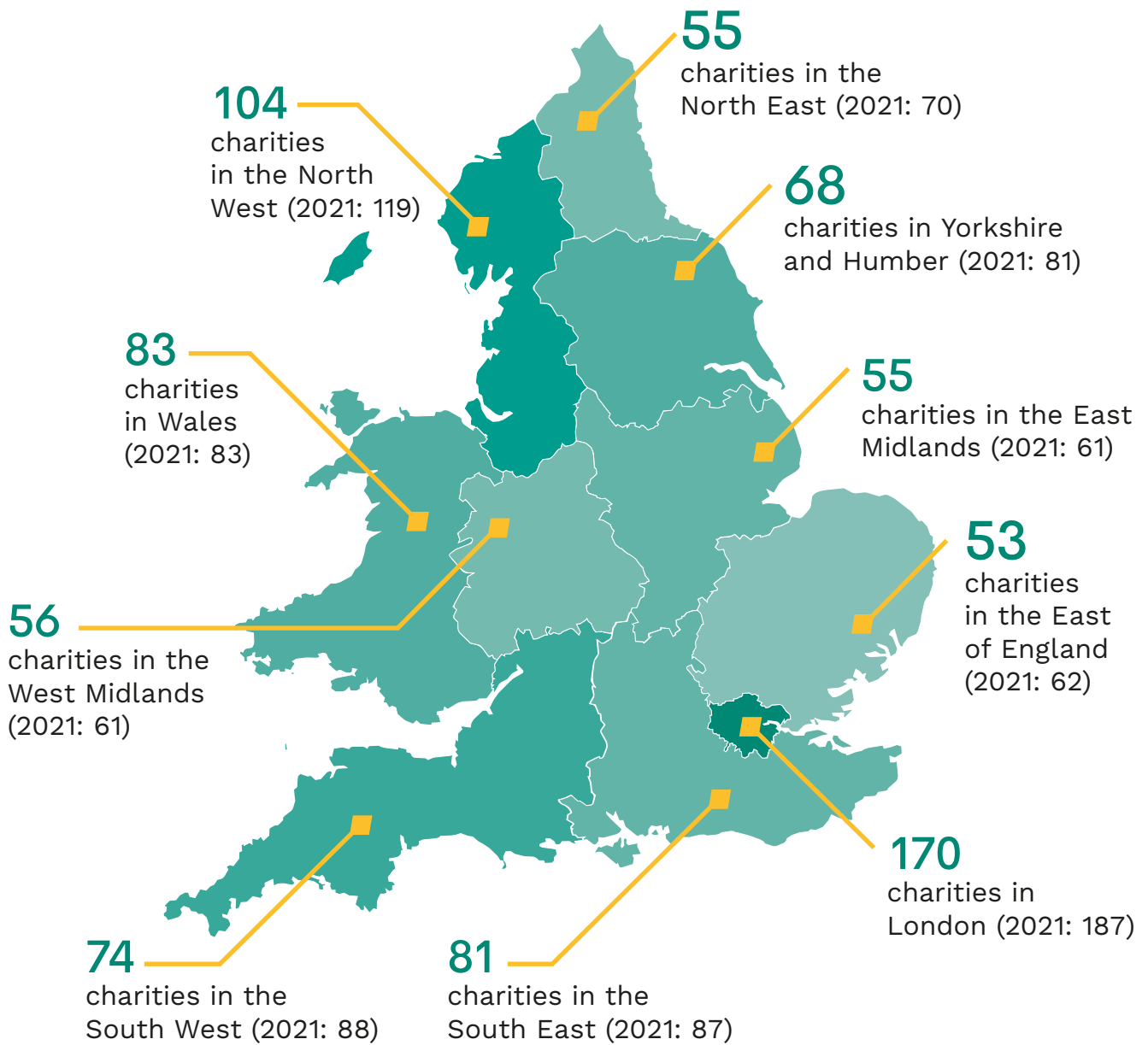
Awarded £83.4m to small and local charities across England and Wales.

## 1,566

Funded 1,566 small and local charities in England and Wales with flexible, unrestricted grants.

## 414

Distributed additional emergency funding to 414 charities to help them adapt to the Covid-19 pandemic.



**3,201**

Provided 3,201 capacity building support offers to charities, helping them to develop their sustainability and build their resilience and capabilities.

**1,466**

Enabled 1,466 support programmes to be delivered by Lloyds Banking Group colleagues who shared their skills and expertise with our charity partners.

**42**

Supported 42 charities to impact and influence government policy and practice around domestic abuse, criminal justice, and welfare.

# Small charities transform lives

2022 was an increasingly challenging year for many people. Yet the small and local charities we partner with continued to work tirelessly in their communities, helping people to overcome complex issues.

**336,663**  
people supported  
by our charity  
partners\*

\*We want to ensure our practices are flexible and trusting and make life easier for those we fund. In 2022 we streamlined our reporting, asking charities to only provide copies of the reports they create for their Boards of Trustees. That way, they can be accountable to them, not us, and we still learn about their impact. Therefore, there is no comparative figure for 2021.



Of course, we have the number of people we support, but numbers don't show the profound impact we can make, or explain why it takes time to help a young person out of danger and regain control over their lives. **We don't have session limits; we continue to work with each young person until we are confident in their safety. This often takes 3–4 years.** It can take six months to build a relationship before they can even start to open up.

**Link to Change**, Bedfordshire / Sexual Abuse and Exploitation / £52,250 grant over two years

**Right:** Charlie Nunn, CEO of Lloyds Banking Group visiting Project Colt in September, meeting volunteers, beneficiaries, Trustees and staff.

Based in West Yorkshire, Project Colt helps people living with addiction to change their lives for good.



**Right:** Handcrafted Projects, Durham and Gateshead / Homelessness / £52,250 grant over two years



Post-Covid our workload increased, and we've had to take on a third caseworker. It takes a long time for people with very complex situations to trust others and open up. **Sometimes it can take up to 12 months just to get someone sitting at a table having a conversation**, and you can't push people too quickly because it can have an adverse reaction.

**The Bridge Homelessness to Hope**, Leicestershire / £35,583 awarded as a one-year continuation



We are not a project-driven charity, which can make finding funding more difficult. We are values-driven, and it's within our ethos to be able to adapt what we do to meet the needs of those we help. **We want to provide consistent support to help people help themselves.** It's great to find a funder who understands that. There aren't many funders as flexible.

**Handcrafted Projects**, Durham and Gateshead / Homelessness / £52,250 grant over two years



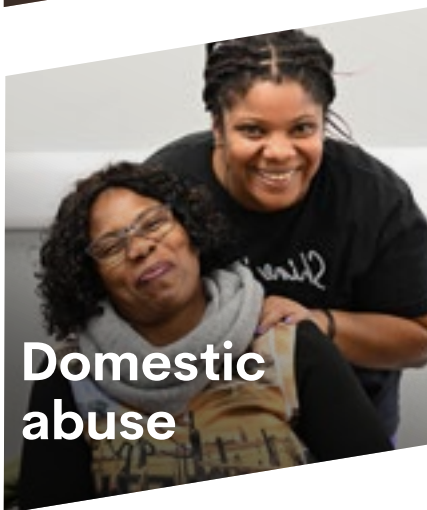
It was fantastic to have the opportunity to meet both the passionate and dedicated staff of Project Colt as well as the people they support. It was incredibly powerful to see first-hand how our charitable Foundations fund grassroots groups to really make a difference in local communities by helping those who need it most.

**Charlie Nunn**, CEO of Lloyds Banking Group

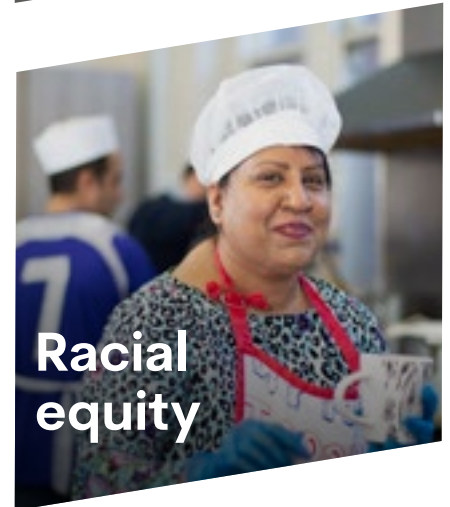


# Tackling complex issues

We partner with small and local charities and communities working with people facing complex issues and barriers. During 2022 we funded charities working in 12 key areas.



Small, locally rooted charities support people facing the greatest challenges, helping them to rebuild their lives and fulfill their potential. By providing unrestricted funding and support to develop, we work alongside those who understand the complexity of the issues people face or the barriers they experience and are best placed to make a genuine difference to people's lives.



Ben was at his lowest when he came to Handcrafted. He felt overwhelmed, and his mental health had led him to a point where he no longer wanted to live. Ben started coming to our Gateshead workshop, where he enjoyed being creative. As well as practical skills, Ben is learning how to manage his social anxiety. The Foundation grant is instrumental to this, it makes a huge difference to Ben, and all the people we work with.

**Handcrafted Projects, Durham / Homelessness / £52,250 grant over two years.**

# Funding small and local charities

Small and local charities have been stretched to their limits to meet the ever-increasing demand. Despite these challenges and funding uncertainty, charities stepped forward as a lifeline for their communities. Our offer of unrestricted funding and capacity-building support enabled small charities to adapt and evolve and continue to be a dependable resource.

## What we promised:

- ✓ 150 new grants of £50k to charities focussing on complex social issues, in addition to working with existing grant holders.
- ✓ Unrestricted funding to charities led by and providing support to Black, Asian and minority ethnic communities.
- ✓ To match the fundraising and volunteering efforts of Lloyds Banking Group staff, distributing these funds to charities across England and Wales.

## What we achieved:

- ✓ Awarded **£12.3m to small and local charities** through 265 unrestricted grants across England and Wales (281 grants awarded in 2021, £12.26m).
- ✓ 28% of funding went to charities **led by and for Black, Asian and minority ethnic communities** (23% in 2021).
- ✓ Matched the fundraising efforts of Lloyds Banking Group staff to raise **£1.5 million, helping 1,193 charities** (£1.2m in 2021).

£12.3m  
awarded  
in new grants



Latin American Women's Rights Service, London / Domestic Abuse / £52,250 and £113,605

Amazing Grace  
Spaces, Newport  
/ Homelessness  
and Addiction  
/ £52,250



## Supporting charities during the cost of living crisis

Charities have been working tirelessly to help people who have been struggling because of the cost of living crisis. Thanks to Lloyds Banking Group, in December **we were able to give an additional £2,250 to each of the 658 charities we work with.** Thank you messages from charities emphasised how welcome and timely this additional funding was and how charities will use it to provide extra support for the people they serve, as well as help them with their own rising costs and to help recruit and retain staff and volunteers.



Thank you so much for this generous grant, which is much needed to contribute towards CVS Tendring's fuel costs in particular. **Our premises are being utilised as warm spaces for our local community at what is an extremely difficult time for so many people.**

**Community Voluntary Services Tendring,** Essex  
/ £32,250 grant over two years



**Our staff as well as the people who use our service are struggling with the cost of living rises and therefore, we are supporting them with a wage increase.** Your additional grant is very much appreciated!

**Improving Lives Nottingham** / Mental Health  
/ £35,583 one year continuation grant

## Matching the commitment of Lloyds Banking Group

Our Matched Giving Scheme gives Lloyds Banking Group colleagues the opportunity to claim up to £1,000 for charities close to their hearts. And these dedicated supporters did not disappoint, finding innovative ways to fundraise and volunteer.



Knowing donations would be matched, particularly when it feels a little more stretching nowadays, meant I was still able to raise £400 for my chosen charity, every penny of which was matched by our Foundation.

**Gregg Jones,** Lloyds Banking Group, Swansea

# A safe space to belong

Domestic abuse charity Phoebe, based in Ipswich, received a £52,250 grant over two years. Director **Mollin Delve** talks about the partnership.

Phoebe supports around 350 women a year with specialist information, education, advocacy and counselling to survivors of female genital mutilation, human trafficking, and domestic violence.

As a charity supporting Black, Asian and minority ethnic women and children, those we support are more likely to suffer during an economic downturn, so we wanted to be able to provide welfare aid and hire more specialised staff to address this.

**“Our grant from Lloyds Bank Foundation was a two-way partnership.”**

Our grant from Lloyds Bank Foundation was a two-way partnership. We were the experts, and we explored and adapted to where we could make the most impact rather than having a fixed instruction on what to do. And through the various conversations with our regional grant manager and the consultants she introduced us to, we reshaped and re-evaluated how we spent the money and were encouraged to use the funds creatively.

We have received non-financial support from funders in the past, but often it felt tokenistic and didn't achieve results. The consultants we worked with, as part of Lloyds Bank Foundation's support, really listened to us. They met us where we were at that moment and took the time to get to know our organisation, supporting us through the sometimes difficult process of change and growth.

As well as addressing immediate needs such as paying for training for our domestic abuse advisors, through consultation we created a manager role to help organise and lead the team. We also employed a Monitoring, Evaluation and Grants Officer to help us map out funding opportunities and develop proposals so that we can sustain our work.

As our funding from the Foundation comes to an end, we are entering a very different and exciting time. With the purchase of our premises, we will be able to offer back-to-back activities for



**Above, left to right:**

**Mollin Delve** with Regional Manager, Frances Warwick, at the Phoebe office / A warm welcome at the new Phoebe Centre / Women gathering at the Phoebe Centre

**Below:** A Zumba session at the new space



women and children and support these families facing the cost-of-living crisis. We will have a community fridge and a food bank. We will be able to train social care workers on how they can support the women we work with to make it easier for women and children to escape abuse.

“Phoebe is now more secure as an organisation and in a strong position to support our community.”

The next few years are going to be difficult. The support we've received from the Foundation and the changes we have therefore been able to make over the last two years have meant Phoebe is now more secure as an organisation and in a strong position to support our community to work through the challenges ahead. We know we will be able to continue to support the women and children who need our help to speak up for their rights, learn to read and write, volunteer, find employment and achieve independence.



# Supporting charities to develop

Charities have stepped up to keep people safe, warm, fed, and advocate for people's rights. To ensure they can continue to support people facing complex issues, we provide a breadth of capacity building support to help charities grow stronger and more resilient.

## What we promised:

- ✓ To provide a wide range of developmental support, including training, consultancy and mentoring alongside our funding to strengthen charities.
- ✓ Develop new ways for staff at Lloyds Banking Group to volunteer their time and expertise to provide support and advice to charities.

## What we achieved:

- ✓ **1257 support projects** including training, consultancy and mentoring, were provided to charities alongside our funding.
- ✓ **225 activities**, including new bite-sized training workshops and coaching, were delivered by Lloyds Banking Group colleagues volunteering their time and expertise to support charities.

1,257  
support projects  
provided to  
charities



Over the years we have accessed so much Enhance support which has fundamentally changed our organisation in many different ways. For example, we have developed a whole new brand and business model for our non-HIV work which is proving a huge success, generating a lot of interest and helping Brigstowe to become more sustainable.

Brigstowe Project, Bristol / Refugees and Asylum Seekers / £76,146 over three years



## Number of capacity building activities and projects charities took part in

# 568

**charities helped** to build their capabilities and confidence with our non-financial support.

# 501

**Lloyds Banking Group colleagues** shared their skills and expertise with small and local charities.

# 59

charities got together through networking opportunities, such as **Peer Forums and Action Learning Sets**.

Our capacity building support helps charities to develop their skills and capabilities around **nine key areas**. Charities can take up more than one type of development offer.

- Stronger governance
- Excellent leadership
- Sustainable finance and fundraising
- Clear strategy and planning
- Effective communications and marketing
- Robust systems and processes
- Skilled staff and volunteers
- Systematic monitoring and evaluation
- Effective services

## Providers' experience should be diverse

More than a quarter of the charities we fund are led by people who have been minoritised because of their race or ethnicity. We wanted to ensure we could commission consultants with a high degree of cultural awareness and understanding of the injustice and barriers that some of the charities we fund have faced. 23% of our consultants who provide capacity building support to the charities we partner with are now from Black, Asian and minority ethnic communities.



Asylum Link  
Merseyside,  
Liverpool  
/ Asylum Seekers  
and Refugees  
/ £52,250

I always benefit from the peer forum sessions, they force you to have a valuable break to think more constructively – it's like being on a mezzanine level looking at work from a different perspective. It can be a lonely place as CEO or director, and it's been comforting to meet with others who face similar challenges and share experiences. It has increased both mine and our charity's resilience to deal with situations and ever-changing circumstances.

**Jodie Connelly**, Chief Executive, BOSP  
(Brighter Opportunities for Special People), Essex  
/ Learning Disability / £79,269

# Charity volunteering changed my future

**Rachel Holder**, Head of HR Legal at Lloyds Banking Group, shares her journey to being a Trustee of Stafford-based charity Re-Solv, which received a £52,250 grant over two years.



**Above:** Rachel Holder, Head of HR Legal at Lloyds Banking Group

I have worked for Lloyds Banking Group for 28 years. I've never worked for a charity, so it was a great opportunity to volunteer through the Foundation. I believed this opportunity would help me apply my training, skills, and experience for future charity work. I'm considering what I'll do after I retire (hopefully a few years away!) and how I can help others.

We were asked to help Re-Solv assess how to reflect its growing remit in the vocabulary on its website and materials, and whether renaming the charity would make it easier for those who need help to find them.

It was great to meet the charity and work together. A small group from Lloyds Banking Group met weekly with Stephen Ream, the charity's director, to discuss our ideas. And when Steve stated in passing that an audit showed a need to strengthen the Trustee Board's legal skills, I responded without hesitation. Being part of the charity became vital when I realised my legal experience could help with business decisions. I'd seen first-hand how important the charity was to families with nowhere else to turn, and I wanted to do more.

**“I knew then I could make an even bigger difference as a Board member.”**

I used my legal skills to help the charity examine its lease terms and discover a way forward since prices were rising and staff had started to work remotely more. In doing so, I saved the organisation money and worry. I knew then I could make an even bigger difference as a Board member so I applied to become a Trustee too.

After a conversation with the Chair of Trustees, I was in. The Board includes people who have worked in social services, the police force, and the aerosol business, as well as people who have been directly touched by the issue.



**Above:** Stephen Ream,  
Director Re-Solv



**Above:** Education  
events held by  
Re-solv in the  
community

To be effective at Re-Solv, I had to break out of the corporate legal bubble and explain legal points without assuming understanding. It's good for me, and I'm learning a lot about Re-Solv and charitable work.

When I first joined Re-Solv, I had no idea how much I would benefit personally and professionally or how compelled I would feel to do more – it hooks you in a good way. I've gained new perspectives and assumed more responsibility. I can't stress enough the value and reciprocal benefit of bringing people from diverse industries together to solve problems and make connections that help people overcome deep-rooted challenges and fulfil their potential.

**“I had no idea how much I would benefit personally and professionally.”**



We were partnered with staff from Lloyds Banking Group to help us improve our marketing and communications, and we were matched with an extremely impressive team that really engaged with the specific needs of our charity. Being able to tap into new skills like this was fantastic and resulted in the appointment of a new Trustee.

**Stephen Ream**, Director Re-Solv

# Strengthening communities

The cost of living crisis, pandemic and austerity have impacted many communities. But also evident is their strength. We are working with a number of communities across the country, helping bring people together to share and combine skills and resources to ensure that everyone, no matter who they are or what they have experienced, feels supported.

## What we promised:


- ✓ Work deeper locally with communities in England and Wales to strengthen systems and improve services for people that use them over the long term.

## What we achieved:


- ✓ We developed and deepened our **People and Communities** work in six places across England and Wales, working with partners across the voluntary and public sectors to tackle local issues.
- ✓ We continued our partnership and investment in **LocalMotion**, working alongside five other funders on six community projects to bring people, organisations and institutions together.
- ✓ We continued to support the **Coordinated Community Support** programme, focused on four areas, to improve welfare assistance.

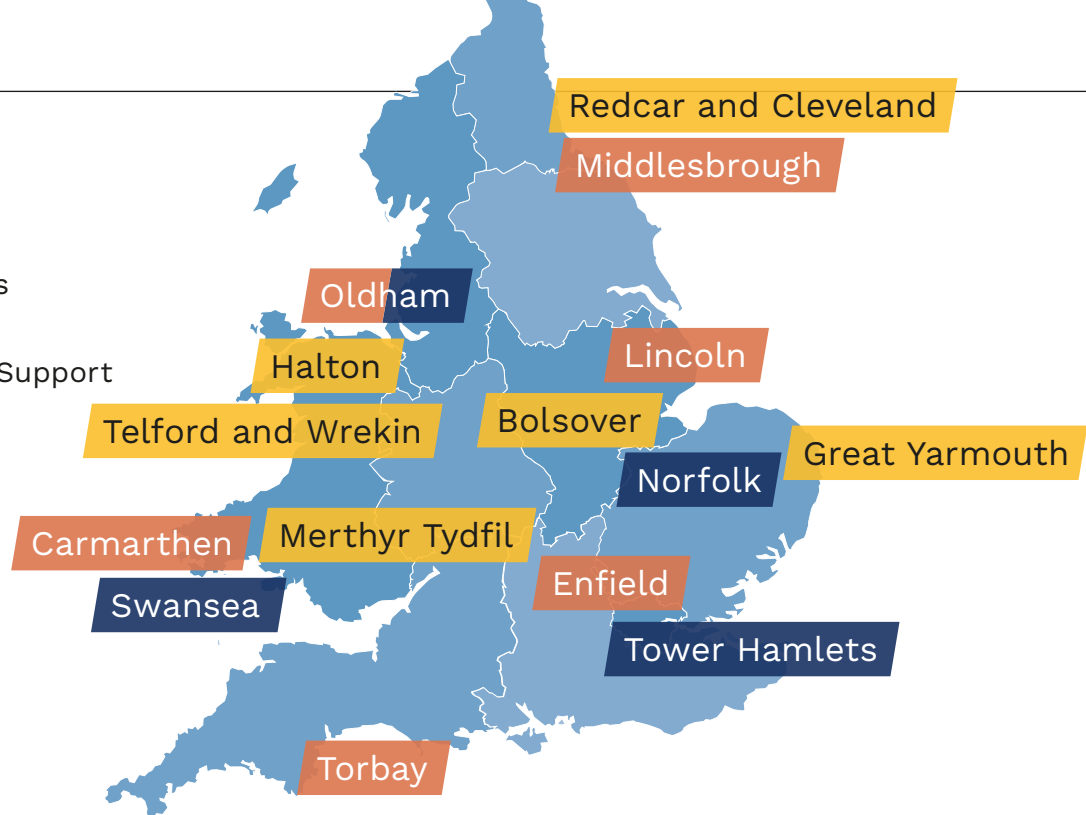
## LocalMotion

LocalMotion has now completed a two-year development phase, allowing places to build longer-term plans. As LocalMotion moves towards the decision point for 2024-2031 delivery, it's committed to increasing the diversity of voices shaping the project and distributing power as a movement by communities, for communities, helping them to flourish.

 LocalMotion

 People & Communities

 Coordinated Community Support



## People and communities working together

In 2022, we continued to partner with six communities, bringing people together to tackle local issues, establishing ways to work together, building relationships through face-to-face engagement, and community members taking ownership of this work. People formalised ways of coming together and agreed on structures for working as a group.

Importantly, we don't define what 'impact' looks like for the communities. They are doing that themselves, enabling people to make the changes they need rather than being led by external funding priorities.

## Coordinated Community Support

We supported the Coordinated Community Support (CCS) programme with a grant of £600k between 2020–2022 to improve welfare assistance provided by local authorities by forming partnerships with the voluntary sector. This work focused on four pilot areas and demonstrated that better coordination and referral systems amongst partners improves access to support for those in emergency financial need. This has created more referrals between the voluntary and community sector (VCS) and statutory organisations; agencies are working closer together and it has improved outcomes for people who use services, and the lessons have been shared with local and national policymakers.

“There are many who would say this is pointless, [we] need proper funding; not make do and mend. This Programme shows that it's not 'either or' but 'yes and...' – that you need both more funding and more joined up support at a local level.”

Board member, final evaluation report for the CCS programme by Cloud Chamber, September 2022

# Unlocking potential in Telford and Wrekin

**Ann Johnson**, Local Implementation Lead, People & Communities, Telford and Wrekin, talks about how the work has developed locally.

In Telford, we brought together the charity sector, public sector, businesses, community groups, and residents to form an alliance with a shared vision of unlocking potential – not just employment opportunity, but how potential can bring purpose, balance and meaning to individuals, communities and the borough itself.

2022 provided the space for the alliance to work together to assess borough activity and determine what to do next, encouraging cross-sector thinking and visioning by prioritising resident engagement and collaboration. Coming together is not always easy, as often we need to give something of ourselves to the discussions. Moving from the transactional thinking that our current ways of working often encourage; to thinking ‘what if’, and seeing what’s possible can be difficult when people are under significant pressure in their day-to-day roles.

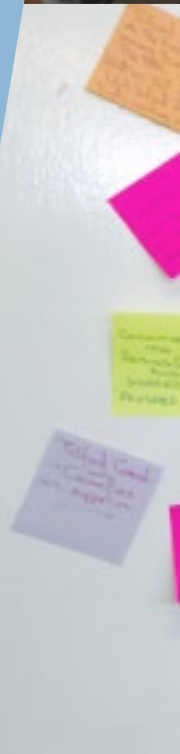
“Coming together is not always easy.”

As we close the year, we are focussing on specific pieces of work: research into the fluctuations in education attainment and how recruitment might be re-imagined to fill the ever-growing job vacancies in the borough. Both of which have the principles of working together in order to create meaning for all involved.

“We brought together the charity sector, public sector commissioners, businesses, community groups, and residents”.

When you can only devote 10% of your time to change, 90% of your time will be spent dealing with the consequences of not changing.

**Commissioner**





**This page:**  
Telford at its Best community workshop. Foundation staff and Trustees meeting with partners involved in the Alliance in Telford and Wrekin.



# Influencing policy and practice

Through funding, partnerships and our own influencing, we work with charities to speak up – to ensure policymakers hear their voices, concerns and solutions to address the challenges charities and the people they support face.

## What we promised:

- ✓ Champion the role, value and needs of small and local charities with national and local government and commissioners.
- ✓ Help charities to influence change so that people affected by the cost-of-living crisis can access the welfare support they need.
- ✓ Support charities to shape a more effective criminal justice system.

## What we achieved:

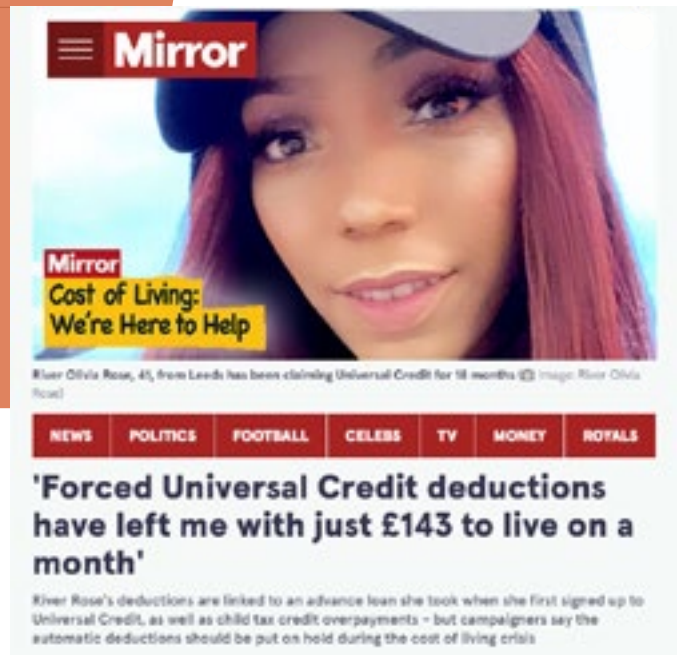
- ✓ Worked with National Council for Voluntary Organisations (NCVO) and other charity partners to **influence the Procurement Bill, meeting with ministers, civil servants and parliamentarians** to secure changes so that it better supports charities to engage in public service delivery.
- ✓ Pushed for change on issues impacting people facing complex issues, **drawing attention to the problems of deductions from Universal Credit** and calling for reform.
- ✓ Continued to **support 16 charities influencing policy and practice** in the criminal justice system and provided additional funding to nine charities to increase their impact.

As a result of access to banking training, I knew what I was doing when I advised a family seeking asylum on getting a bank account. Their teenage son had joined the local college and they wanted to give him a bursary, but he needed a bank account. They'd been trying for months and we got him one!

**Jenny Watts, Garas, Gloucestershire, helping asylum seekers and refugees**

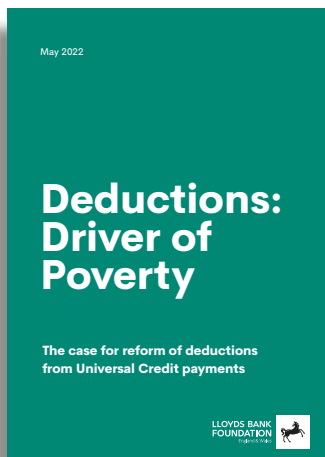
Almost half (44%) of those receiving universal credit have money automatically deducted, with an average of £78 a month withheld from their payments. For a single person aged over 25 that represents a fifth of their entitlement.

Deductions Report



## Spotlight on welfare

In May, we launched our report *Deductions – Driver of Poverty*, highlighting the concerns raised by our charity partners that too many people were facing sudden, confusing, unmanageable and unfair deductions from benefits, often through no fault of their own, leaving them struggling to make ends meet. The report captured the attention of national media, featuring in The Guardian, Daily Mirror, I, Express, ITV, the Independent, 50+ regional outlets and 450 radio programmes. The issue was brought to life through River's story who was helped by one of our charity partners. We presented the report to MPs and met with the Prime Minister's advisers. It helped push deductions from Universal Credit up the agenda, working with and alongside other charity partners to keep advocating for action on deductions.



## Addressing issues charities care about

In 2022, we raised issues and concerns about energy costs for charities, sharing case studies and helping influence the Government's energy price guarantee. We've worked with charity partners to influence the Procurement Bill which will determine how contracting authorities decide who will receive statutory funding to deliver public services. It's vital the Bill addresses the challenges small and local charities face, being squeezed out of commissioning processes.

## Access to banking

If you are homeless or escaping domestic abuse it can be difficult to have the right documents to open or manage a bank account. With our colleagues in Lloyds Banking Group we hosted training for up to 220 charity professionals to help explain how the Bank can help – enabling even more people to access vital banking services.

# Steps toward policy change

Latin American Women's Rights Service (LAWRS) based in London received a £52,250 unrestricted grant, and a £113,605 three-year grant to influence national policy. **Gisela Valle**, Director, explains their achievements.

Thanks to support and funding from the Foundation, we hired our first policy role in 2017. We were able to collect evidence that two thirds of abuse survivors with insecure immigration status felt the police wouldn't believe them because of their legal status, and more than half were threatened with deportation by their attackers if they went to the police.

With the additional grant and our campaigning, evidence and persistence, we improved migrant women's protections – by raising awareness and securing cross party support for amendments to the Domestic Abuse Bill, resulting in two compromise amendments by the government. In 2022, the Justice Committee called for a firewall between reporting abuse and immigration control in the Victims' Bill, and the London Mayor's Violence Against Women and Girls Strategy 2022–25 commits to lobbying for this firewall.

“We need to make sure support services are separate from immigration control.”

**Below:** Latin American Women's Rights Service (LAWRS), London / Domestic Abuse / £52,250 unrestricted grant, and a £113,605 three-year grant to influence national policy



# Preventing homelessness

The Bevan Foundation, a welfare charity based in Wales was awarded three grants, totalling £79,603 over three years. **Dr Steffan Evans**, Head of Policy (Poverty), explains the difference this support has made to their work.

One of the largest costs faced by any household is the cost of keeping a roof over their head. In recent months, more and more households have been struggling to meet these costs, with Local Housing Allowance (LHA) frozen and failing to match rents. Some of the biggest rent gaps are in Wales.

Our work has put the challenges faced by low-income renters front and centre of housing policy discussions in Wales and is starting to shape local authority practice. Local authorities are using our data to inform their housing and homelessness strategic plans and exploring how they might be able to operate differently, drawing on the examples of best practice identified through our work. We've brought local authorities and landlords together to explore how they can collaborate to provide affordable homes for people leaving homelessness – having a direct and immediate benefit on people's lives.

Our aspiration was to work effectively with partners and ensure that Welsh voices are not overlooked in UK discussions. Momentum for the need to look at LHA levels is building. We now have links and are actively engaged in ways we thought not possible.

“Some of the biggest rent gaps are in Wales.”

“We've brought local authorities and landlords together”.

**Below and right:** Bevan Foundation, Wales / Welfare / three grants awarded totalling £79,603 over three years. Photos courtesy The Bevan Foundation.



# Challenging ourselves to deliver better

As we evolve, we work to continuously improve what we do, which means reflecting and making changes internally as well as externally.

We know that as a charitable foundation we also hold power and privilege. We are working to improve our own diversity, equity and inclusion in our make up as an organisation, our approach and the work that we do and use our power and voice to be a real ally. To enhance staff and Trustee diversity, we're a Living Wage employer and funder, monitor gender and ethnicity pay data, have signed up to the Show the Salary pledge, changed how we recruit and have Disability Confident Employer committed status. In an effort to be more sustainable, long term investments are held in a Climate Active Investment Fund, and in January 2022 we downsized our headquarters in London, helping to reduce our carbon footprint.

## Strength in diversity

We have expanded our list of partner consultants and welcomed new members to our Board of Trustees; community activist Bushra Ahmed, Cherrie Bija, CEO of a small charity we fund in Wales, entrepreneur Claud Williams, and our new Chair Dame Ann Limb DBE DL. Through our ongoing efforts to improve, the Foundation is continuing to work with people with a broader range of skills, experience, and backgrounds to guide our operations.

Last year marked the third year the Foundation has been involved in the 2027 Programme – a 12 month placement offering people who self-identify as working class and working in the community an opportunity to gain experience in the grant-giving sector, giving the Foundation an opportunity to diversify its workforce. We're delighted that two associates have stayed on as full-time employees after their placement ended.



**Left to right:**  
Amazing Grace Spaces, Newport / Homelessness and Addiction / £52,250



## Our learnings

Over the past five years, funders and frontline charities have witnessed extraordinary social, health and economic challenges. At the end of our Reaching Further strategy we reflected on what we learned, what worked well and the mistakes we made. We shared these eight lessons at an event in October attended by 282 sector colleagues who support charities, including those from trusts and foundations.

1

**Listen actively**

2

**Fund flexibly**

3

**Lighter touch doesn't mean less robust**

4

**Equity requires action**

5

**You can't do it alone**

6

**Relationships unlock progress**

7

**Acknowledge your trade-offs**

8

**Make use of your assets**



**Above:** Our Lessons For Funder Practice event, London 2022

See the full learnings report here

# Building a Better Future

Too many people experience injustice and inequality in our society and face barriers because of their gender, ethnicity, nationality or disability. Through our new five-year strategy, *Building a Better Future*, we aim to:



## 1 Support small and local charities making a life-changing difference.

Focusing on charities with an income of £25,000–£500,000 and those who understand the complexity of the challenges people face, particularly due to ethnicity or disability, who are best placed to make a difference to people's lives.

## 2 Help charities and their partners strengthen communities, policies, and society.

By engaging with councils, public bodies, and other local organisations to influence systems, structures, and policies, we can improve people's lives.

## 3 Influence practice and policy to address causes and consequences of complex issues.

Using our insights and research to help identify the root causes of disadvantage. We'll advocate improved ways of working, particularly on housing, welfare, and refugees.

## 4 Work effectively to maximise our impact.

Sharing resources, opportunity and power, we'll put diversity, equity, and inclusion at the centre of who we are, what we do and how we do it.

**Below:** Gateway Into The Community, Hexham / Learning Disability / £52,250



Having £50,000 over two years has been amazing, but the support that goes around the grant is of equal value. Our regional grant manager's support has been incredible – connecting us, helping us build our expertise and grow and develop the business. We now have a business plan and have gathered the written evidence to help secure further funding.

**The Purfleet Trust, Norfolk, / Homelessness**  
/ £52,250 grant over two years



# Our promise for 2023

In this first year of our new strategy we have set ourselves some ambitious goals to use our skills and resources where they are needed most and can make the most impact.

## For people

- Make the social security system work better for those facing the greatest challenges.
- Make sure those facing complex issues have access to suitable accommodation.
- Ensure those facing crisis / destitution have access to support.

## For charities

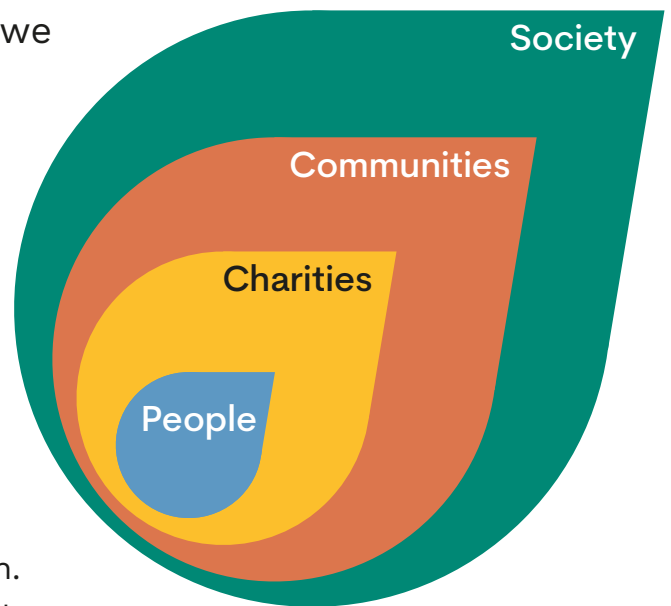
- Award 145 new grants of £75,000 over three years to small and local charities.
- Allocate 25% of funding to charities led by and for Black, Asian and minority ethnic communities and 25% to charities led by and for D/deaf and disabled people.
- Provide capacity building support that leverages the skills of Lloyds Banking Group volunteers and works best for the charities we partner with.

## For communities

- Continue to support and partner with communities to improve and strengthen systems and support for the people who use them.
- Support local charities to form and deepen collaborations through a dedicated grants programme.
- Continue to work with other funders and communities as a member of LocalMotion.

## For society

- Listen to and amplify the voices of people with lived experience to influence change.
- Work with organisations to influence policy and practice on improving the availability of accommodation; the operation of the welfare system; and support for refugees and asylum seekers.
- Share our research, evaluation and learnings.



# Financial review

In this section, our Trustees outline our principal funding source in the year ended 31 December 2022 and how we used these resources to support our key objectives. Full details can be found in the financial statements that follow this Trustees' Report (page 48 onwards).

## Where our money comes from

The Foundation is an independent charity principally funded by Lloyds Banking Group, receiving a share of the Group's profit under a Deed of Covenant (see note 16b for further details of our connection with this party).

The Foundation does not raise funds from the public nor enter into other fundraising activities.

In 2022 we received £16.2m (2021: £18.4m) from Lloyds Banking Group – £14.7m under the Covenant and an additional £1.4m to provide additional funding to charities facing cost of living pressures.

## How we spend our money

Everything we spend aligns with our mission: to partner with small and local charities helping people overcome complex social issues<sup>1</sup> and rebuild their lives. We aim to make grant funding unrestricted wherever possible.

The principal support to charities was provided through the Renew grant programme – a programme to help charities rebuild their activities from the effects of the pandemic. Under this programme 212 two-year grants of £50,000 were made – at a cost of £10.6m (2021: 207 grants, £10.4m).

Other key funding included;

- Funding of £1.5m to 658 charities to help with the impact of high inflation (2021: £nil)
- grant extensions to 53 charities totalling £1.7m (2021: 74 charities costing £1.9m)
- £2.3m of organisational development support for charities (2021: £1.9m)
- a total of £1.6m (2021: £650k) of strategic grants to support charities engaged in work in seeking to change society in key areas such as Criminal Justice, Welfare and supporting the work of small charities
- Grants and other expenditure totalling £902k (2021: £949k) to support development in communities that other services fail to reach.

A total of £1.5m (2021: £1.2m) was paid to charities across the country under the Matched Giving scheme, where the Foundation matches the fundraising efforts of colleagues at Lloyds Banking Group.<sup>2</sup> Expenditure increased as many fundraising and volunteering events which Lloyds colleagues support restarted in 2022 but the level of giving in this area remains below that of 2019.

Total grant expenditure was £15.6m (2021: £15.9m). The amount of funding was lower in 2022 reflecting the lower income from LBG. Total charitable expenditure was £22.9m (2021 £19.8m) as the Foundation used reserves to maintain levels of funding to charities.

<sup>1</sup> Full details of the complex social issues funded are shown on the Foundation website.

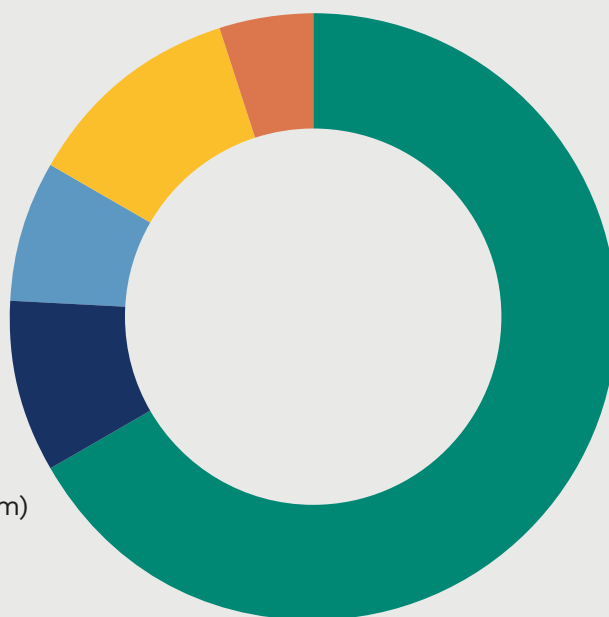
<sup>2</sup> Eligible charities were those with a turnover between £25,000 and £1 million that did not have more than 12 months operating expenditure in reserves.

The overall result for the year was a deficit on unrestricted funds of £6.2m (2021: £0.2m) before investment losses of £2.1m (2021: investment gain of £1.3m).

The Foundation is currently able to spend more than the annual income from Lloyds Banking Group as in 2017 it received a significant gift of shares which were sold realising £38.6 million. The Foundation will continue to incur a deficit in 2023 and beyond but will align its spending with annual income once the additional funding from the share proceeds has been utilised which it expects to be in 2026.

## Expenditure 2022

- Long-term funding: **£15.3m** (2021: £13.4m)
- Development: **£2.1m** (2021: £1.8m)
- Influencing, Policy and Practice: **£1.7m** (2021: £0.6m)
- Direct costs of charitable activity: **£2.7m** (2021: £2.6m)
- Central support costs: **£1.1m** (2021: £1.2m)



## Investments

The overarching investment objective is to maintain sufficient liquidity of funds and their overall value in order to finance the planned deficits arising from the excess of expenditure over income which is expected in the short term under the current strategy. This objective has been met by applying three levels of investment strategy;

- bank deposits and short-term funds for funds required within three years
- medium-term funds with a time horizon from three to five years.
- long-term funds with a time horizon beyond five years.

The Foundation aims to hold a minimum of £5m of immediately accessible cash to meet grant payments and operating costs. As at 31 December 2022, the Foundation had cash in hand of £9.4m (2021: £5.6m).

Financial investments of the Foundation to the value of £13.5m (2021: £33.1m) are managed by Sarasin & Partners LLP within agreed parameters. The investment funds are divided into medium and long-term portfolios. The short term portfolio was realised during the year and is now held in cash.

	2022	2022	2021	2021
	Asset value	Return	Asset value	Return
	£'m	%	£'m	%
Long-term portfolio	11.5	(10.6)	13.4	10.9
Medium-term portfolio	2.0	(15.6)	4.2	2.3
Short-term portfolio	-	-	15.5	-
<b>Total</b>	<b>13.5</b>		<b>33.1</b>	

The **Long-Term portfolio** is invested in the Sarasin Climate Active Endowment Fund and has a long term (5+ years) horizon with the aim of providing a good flow of income and protection. This pooled managed fund seeks a combined income and capital return over the long term of 4.5% above inflation. The fund is predominantly invested in listed assets and the valuation is provided by the fund manager based on the fair value of each asset.

The Trustees policy is to avoid investment in companies which are materially engaged in certain sectors including tobacco, alcohol, gambling and adult entertainment. This fund is a global multi-asset portfolio with an integrated socially responsible investment policy and makes investment decisions consistent with the aims of the Paris Accord on climate change.

The Long-Term portfolio is recognised at its market value of £11.5m (2021: £13.4m). After three years of growth the fund fell in value as equity and bond markets both declined in value. The fund manager's performance has fallen below the benchmark and is being actively reviewed by the Trustees.

A total of £0.5m was transferred from the Long-term to Medium-term fund. Since 31 December the fund has recovered some of its value.

Investment by asset class at 31 December	2022	2021
<b>Long-term portfolio</b>	<b>£'m</b>	<b>£'m</b>
Equities	7.6	9.8
Bonds	1.4	1.1
Property	0.5	0.5
Alternative investments	1.5	1.4
Cash	0.5	0.6
<b>Total</b>	<b>11.5</b>	<b>13.4</b>

The Medium-term portfolio, which was established in August 2020, is recognised at its market value of £2.0m (2021: £4.2m). It is invested in the Sarasin Income and Reserve Fund. The falls in bond markets meant that the fund fell significantly in value, a fall of 15.6% (2021: gain 2.3%) and was 0.9% worse than the benchmark of (14.7)% (2021: 2.2%).

Investment by asset class at 31 December	2022	2021
<b>Medium-term portfolio</b>	<b>£'m</b>	<b>£'m</b>
Equities	0.4	1.0
Bonds	1.1	2.5
Alternative investments	0.3	0.5
Liquid assets	0.2	0.2
<b>Total</b>	<b>2.0</b>	<b>4.2</b>

At the start of the year the Foundation held £15.5m in a Short-term portfolio managed by Sarasin and Partners LLP, invested in a diversified range of short-dated government and corporate bonds and cash deposits to gain a return in the short term prior to utilisation in the Foundation's activities. The Foundation redeemed the majority of the fund in early February 2022 to provide cash for grants. This timing avoided falls in bond markets that took place later in the year.

Pan Intercultural Arts,  
 London / Trafficking and  
 Modern Slavery / £52,250



## Financial risk management

The risks associated with the Foundation's investments are monitored by its Audit, Investment & Risk Committee and managed on a day-to-day basis by its investment managers, Sarasin and Partners LLP. The key risks which the Trustees believe are relevant to the Foundation's investments are:

### Market risk

#### Exposure

The portfolio is well diversified with holdings in a wide range of asset classes. The Long-Term portfolio is invested in the Sarasin Climate Active Endowment Fund in which the largest holding of any share is 2.4% of the fund.

The Foundation derives the majority of its income from the covenanted payment from Lloyds Banking Group and is able to take a long-term view of its investments.

#### Sensitivity

The largest market risk is a fall in the value of equity markets. Based on the position at 31 December 2022, in the event that there was a general 10% fall in equity markets there would be a reduction in net income of £763k (2021: £1.1m).

#### Currency

The Long-Term portfolio is denominated in GBP. The currency exposure of the fund at 31 December 2022 was as follows;

	2022			2021		
	Currency exposure	Hedging	Net exposure	Currency exposure	Hedging	Net exposure
	%	%	%	%	%	%
Sterling	49.6	13.2	62.8	41.6	18.4	59.9
US Dollar	34.3	(8.1)	26.2	41.7	(14.0)	27.7
Euro	8.3	(5.2)	3.2	9.5	(4.3)	5.2
Japanese Yen	1.3	-	1.3	1.8	-	1.8
Swiss Franc	1.0	-	1.0	-	-	-
Other	5.5	-	5.5	5.4	-	5.4
<b>Total</b>	<b>100.0</b>	<b>-</b>	<b>100.0</b>	<b>100.0</b>	<b>-</b>	<b>100.0</b>

The investments of the Short-term portfolio were all in GBP denominated assets.

### Credit risk

The credit risk of the Foundation's investment at 31 December 2022 was as follows:

	Long-term portfolio	Medium-term portfolio
Value of bond investments	£1.4m	£1.1m
Value of non-government bonds	£0.8m	£0.7m
Credit rating of BBB+ or better	76.8%	80.9%
Average duration of non-government bonds	7.3 years	13.3 years

Term deposits of £14 million at 31 December 2022 (2021: £10m) were invested in Lloyds and two other banks; the Foundation policy is that there is a limit of £5 million for deposits with any bank other than Lloyds.

## Liquidity risk

The Long-Term portfolio is invested in the Sarasin Climate Active Endowment Fund and the Medium-Term portfolio is invested in the Sarasin Income & Reserves Fund both of which have daily dealing which would allow the Foundation to realise cash if this were required.

Further details of the Foundation's investments are included at note 9.

## Reserves

Currently the balance of total reserves held by the Foundation stands at £24.9m (2021: £33.5m) of which the free reserves are £24.6m (2021: £32.4m). Reserves were enhanced by £38.6m in 2017 with the proceeds from the disposal of a gift of Ordinary Shares in Lloyds Banking Group from Lloyds Banking Group.

The Foundation holds reserves for both operational and strategic purposes considering the main risks to the organisation.

The Trustees recognise that there is a significant risk around the Foundation having one primary income source, being Lloyds Banking Group. As such the reserves policy requires 12 months total expenditure less the minimum payment under the Lloyds Banking Group covenant with a tolerance level of 5% below the target before action is required. At 31 December 2022 this represented a level of £9.1m (2021: £9.4m). At £24.6m at 31 December 2022 (2021: £32.3m), the level of reserves stands well in excess of this requirement. The higher level of reserves will enable the Foundation to make a higher level of grant awards in future years than would be possible from its annual income from Lloyds Banking Group. The Foundation plans to utilise the reserves over the five years to the end of 2026 when the target and actual reserves will be aligned.

Grants, (including multi-year grants) are recognised in the financial statements as liabilities when they are approved. As a result, the balance sheet includes creditors and provisions for future years commitments (see note 1 for the full grant accounting policy).

The Foundation also has designated and restricted funds. There are designated funds to provide for awards expected to be made in 2023 from 2022 programmes and in respect of funds invested in Fixed Assets.

Restricted Funds represented funds received from partners for a joint project.

Full details of Designated and Restricted Funds are shown in note 14.

Gateway Into The Community,  
 Hexham / Learning Disability  
 / £52,250



# Risk

## How we manage risk

Trustees are tasked with ensuring that the framework of governance, risk management and control supports the appropriate management of risk. Within this framework, the Board judge whether its agenda is focussing assurance on the issues that are the most significant in relation to achieving the Foundation's objectives and whether best use is being made of resources, targeting those areas of greatest risk.

## Principal risk around a single source of income

The Audit, Investment & Risk Committee plays a crucial role in supporting the Board of Trustees to meet these assurance obligations.

- The covenant with Lloyds Banking Group (see note 16b for further details) addresses short term risk through the inclusion of a minimum level of income for the Foundation. Exposure to a one-off drop in profitability of the Group is limited by the averaging of profits over three years.
- The medium and long-term risk to the Foundation's strategy is addressed by the reserves policy.

## An appropriate and proportionate Risk Assurance Framework

Under the Foundation's Risk Assurance Framework, the Trustees have defined five headline strategic risks.

Risk	How we manage it
Impact – is the Foundation making the desired impact, and can it be evidenced?	<ul style="list-style-type: none"><li>• Regular feedback from charity partners</li><li>• Monitoring of Key Performance Indicators</li><li>• Monitoring by Regional Managers</li></ul>
Financial sustainability – is the Foundation managing finances to ensure it can continue to make an impact in the medium to long term?	<ul style="list-style-type: none"><li>• Regular monitoring of financial performance</li><li>• Detailed forecasting</li><li>• Reserves strategy</li></ul>
Compliance – is the Foundation meeting regulatory, accounting and legal compliance requirements?	<ul style="list-style-type: none"><li>• Robust internal controls</li><li>• Specialist advisors for legal requirements, IT and Health &amp; Safety</li><li>• Regular reporting to Trustees</li></ul>
Reputation – is the Foundation able to respond effectively to any incident that could affect its reputation?	<ul style="list-style-type: none"><li>• Fraud response plan</li><li>• Monitoring of grantee activities</li><li>• Communications plan</li></ul>
Other – are partnerships with Lloyds Banking Group and others having the desired impact?	<ul style="list-style-type: none"><li>• Nine-year covenant with Lloyds Banking Group</li><li>• Four Lloyds Banking Group Trustees</li><li>• Regular meetings with Lloyds Banking Group</li><li>• Monitoring by Senior Leadership Team and Trustees of partnership and volunteering initiatives</li></ul>

The key strategic risks together with the current controls and methods of management and actions to improve management or mitigate risks are documented in a strategic risk summary. In order to actively manage strategic risk, the summary is used as a tool by the Senior Leadership Team and at each of the quarterly Audit, Investment & Risk Committee meetings to

- frame conversation around strategic risk
- facilitate active management of that risk against an assumed risk appetite
- inform decisions on future activity

The Committee consider one or two areas in detail at each meeting and reports back to the Board of Trustees.

## Fundraising activities

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes. In relation to this statement, the Foundation does not undertake widespread fundraising from the general public and does not employ professional fundraisers. The charity is therefore not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice. The Foundation does not have policies in relation to fundraising activities nor do we consider it necessary to design specific policies and procedures to monitor activities.

## Covid 19, war in Ukraine, and the cost of living crisis

- The Trustees have considered the impact of the latest developments surrounding Covid 19 on the Foundation, including its staff, grantees and investments. The Trustees note that;
- The Foundation's staff have been able to work effectively throughout the pandemic.
- Although Lloyds Banking Group profits were affected by the pandemic LBG profits have recovered strongly in 2021 and 2022.
- LBG has also raised the minimum level paid under the covenant arrangement from £10.8m to £14.4m.

## In terms of support for charities

- The Foundation made every effort to make earlier payments and relaxed conditions of the funding with most funding now unrestricted.
- Enhance support has been tailored to respond to the crisis by providing virtual consultancy and IT equipment and training for remote working.
- The Foundation has provided additional cost of living grants to charities.
- The Foundation has signed up to the London Funders statement of support to the charity sector.
- The Foundation's support costs represent just 4.7% of total expenditure (2021: 6.4%) and staff costs 12.2% (2021; 13.3%).

In 2022 the Long-term fund investments have fallen (10.6%) and the Medium-term (15.6%). This follows three years of strong growth with the Long-term fund increasing by 10.9% in 2021, 10.6% in 2020 and 19.9% in 2019 and reserves remain robust.

Although there are currently no restrictions on redemptions from any of the funds in which the Foundation is invested the fall in value may affect any decision to draw on investment funds to enhance our grant giving capability.

## Going concern

The covenant with Lloyds Banking Group provides a significant degree of protection. The funding for 2023 has been received in full and for future years the agreement, which requires nine years notice to be given, provides for minimum of £14.4m. The Trustees are therefore confident that they are able to continue as a going concern until 2026.



Phoebe, Ipswich  
/ Domestic Abuse  
/ £52,250 over  
two years

# Governance

## Constitution

The Lloyds Bank Foundation for England & Wales is incorporated as a company limited by guarantee. It is regulated by its Memorandum and Articles of Association dated 13 December 1985.

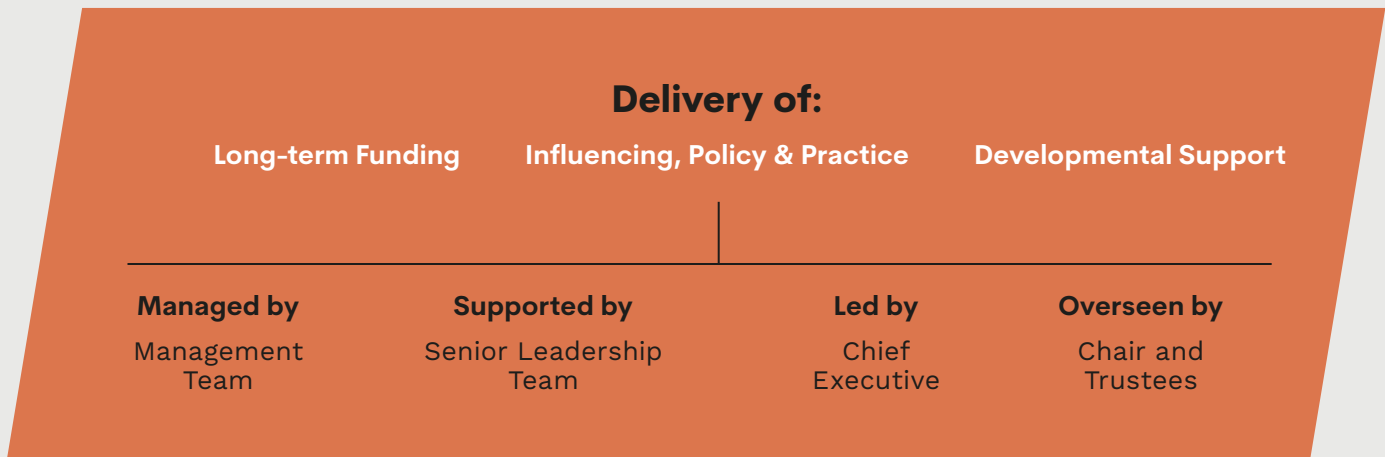
The Articles set out that the Foundation was established with widely drawn objects to do anything which is a charitable purpose. The Foundation has prioritised its objects further as it has evolved, choosing to focus strategically on partnering with small and local charities helping people overcome complex social issues and rebuild their lives.

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission's public benefit guidance when reviewing the Foundation's aims and objectives and in planning and setting the strategy. Further details on our strategy for the future can be found on page 33.

The Foundation applies and follows the Charity Governance Code (for large charities).

## Organisational structure

The Foundation is organised and governed under an agreed strategic framework as summarised below. The Board of Trustees has collective responsibility for everything that the Foundation does – including the legal responsibility to ensure that the Foundation is controlled and properly managed.



The Board delegates responsibility for operational management to the Chief Executive, who leads the Senior Leadership Team which in turn support the Management Team. Together these teams develop the organisation's plans, policies and processes, following the Board's advice and approval.

The principal governing body of the Foundation is the Board of Trustees, whose names are listed on page 68. The Board is responsible for the strategic direction of the Foundation and meets quarterly together with the Executive to review progress and to ensure that the Foundation is on track to meet its objectives.

## Board of Trustees

The Board has delegated specific decisions to four permanent Committees. The members of the Committees are drawn from the Board of Trustees.

### Audit, Investment & Risk Committee

**Monitors the Foundation's integrity in financial reporting and reviews the effectiveness of the risk management framework**

The main responsibilities of the Audit, Investment & Risk Committee are to provide assurance and recommendation to the Foundation on the effectiveness of its governance, internal control, risk management framework and investment and reserves strategies.

In addition, the Committee reviews the annual report and financial statements and approves the accounting policies followed to satisfy themselves that the financial statements give a true and fair

view of the Foundation's affairs.

The Committee meets quarterly.

## Nomination Committee

**Ensures that the Board and committee composition has the optimum balance of skills knowledge and experience**

The purpose of the Nominations Committee is to support the recruitment and appointment of Trustees, giving due consideration to the balance of skills, interests and experience on the Board of Trustees.

The Committee makes recommendations to Lloyds Banking Group, who formally make the appointments at their own Nominations & Governance Committee (as required under the governing document of the Foundation – its Articles of Association).

The Committee meets as required.

## Remuneration Committee

**Monitors remuneration and benefits for Foundation staff**

The role of the Remuneration Committee is to maintain, record and oversee the Foundation's reward strategy and pay policy; and the scope of pension arrangements and be fully informed on their implications for the future running of the organisation.

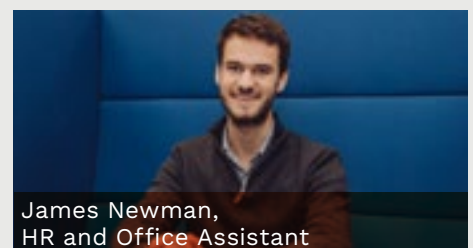
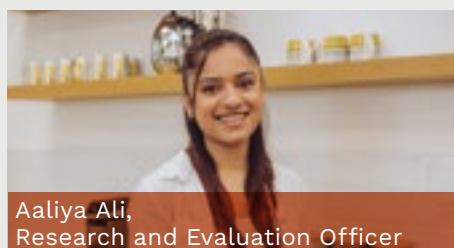
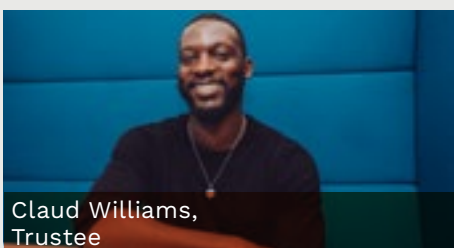
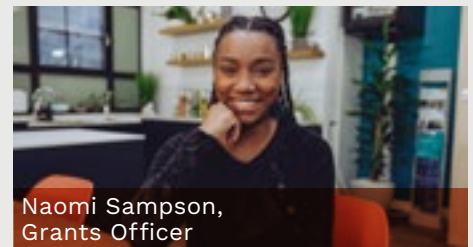
The Committee meets bi-annually.

## Grants Panel

**Approves grant applications for the grant making programme in line with Foundation strategy**

The main responsibility of Grant Panels is to review and approve grant applications against the relevant programme's aims and objectives. The panels consider recommendations taking into account factors including outcomes, risk factors, geographical spread and budgetary considerations.

The various panels meet regularly throughout the year as necessary.



# Our people

## Our staff

Our passionate and dedicated Foundation staff make it possible to have life-changing effects on the lives of people facing complex social issues, through small and local charities. To ensure that we employ and develop talented staff and keep them accountable in their work, all staff take part in performance feedback and appraisal throughout the year.

Proposed pay increases for all staff including the Senior Leadership Team are presented to the Remuneration Committee for approval. Proposals take into consideration the market as assessed by Croner, an external salary benchmark provider specialising in the charity sector.

The Foundation does not offer performance related bonuses.

## Our Trustees

The Foundation is passionate about recruiting a diverse Board of Trustees with a wide range of skills and interests. When recruiting new Trustees the Nomination Committee helps identify areas that could be better represented, and we recruit publicly, usually through national adverts, to strengthen the Board's skillset.

Newly appointed Trustees follow an induction programme including:

- an induction pack which includes the main governing documents, operational framework, financial position and future plans and objectives, signposts to various Charity Commission guidance
- a series of short training sessions with the Senior Leadership Team to familiarise themselves with the Foundation
- mentoring by existing Trustees.

In addition, a formal training session on the legal duties and responsibilities of Trustees is held biennially as a refresher for all Trustees.

Trustees typically serve a three-year term, although this may be extended for a maximum of a further three years. Trustees are fully engaged with the work of the Foundation and get to know our grantees as well as strategic priorities through regularly visiting our charities and learning about the organisation from the Chair and Senior Leadership Team.

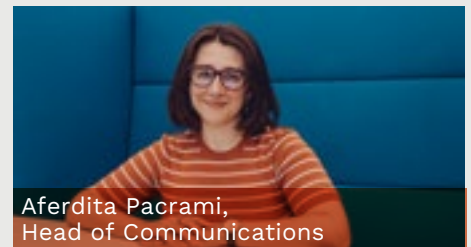
More details about our Trustees can be found on page 68.



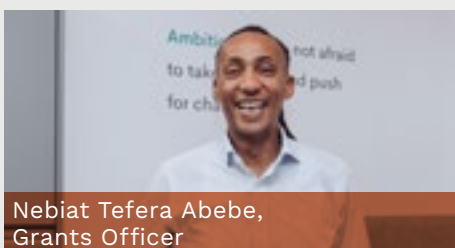
Horacio Herrera-Richmond,  
Brand and Content Officer



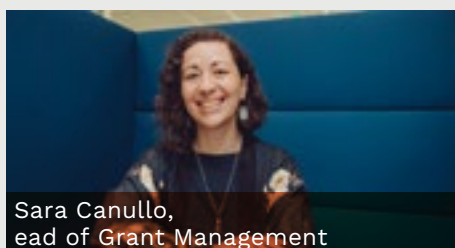
Maria Kontoeidi,  
Grants Associate



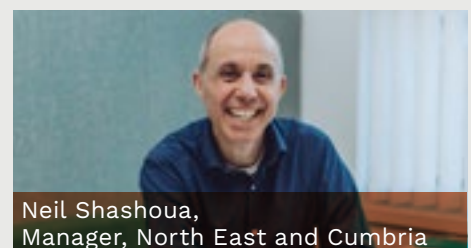
Aferdita Pacrami,  
Head of Communications



Nebiat Tefera Abebe,  
Grants Officer



Sara Canullo,  
Head of Grant Management



Neil Shashoua,  
Manager, North East and Cumbria

# Statement of Trustees' Responsibilities

The Trustees (who are also directors of Lloyds Bank Foundation for England & Wales for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The company law applicable to charities 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 including the income and expenditure. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the Trustees are aware:

- a) there is no relevant audit information of which the auditors are unaware; and
- b) the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Independent auditors



A resolution to re-appoint Deloitte LLP as auditors to the Foundation will be proposed at the annual general meeting.

The Trustees' Report, including the Strategic Report was approved by the Board of Trustees on 24 May 2023 and signed on their behalf by **Dame Ann Limb DBE DL, Chair of Trustees**.

signature

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

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# Independent Auditor's report to the members of Lloyds Bank Foundation for England & Wales

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of Lloyds Bank Foundation for England & Wales (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- the statement of financial activities
- the balance sheet
- the statement of cash flows; and
- the related notes 1 to 18.

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).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 charitable company'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 contained within the annual report. 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.

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and Trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the charitable company's business sector.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- did not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following area, and our specific procedures performed to address it are described below:

- We identified a risk with regard to the correct recognition of liabilities in respect of grant expenditure. We have addressed this risk by selecting a sample of grants recognised in the year and reviewing the grant agreements, Board minutes, cash payments and related information to understand the conditions present and ascertain the correct level of expenditure and related liability to recognise.

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In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing any correspondence with the Charity Commission.

## Report on other legal and regulatory requirements

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Strategic Report and the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic and Directors' Report included within the Trustees' report.

### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

### Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

signature

**Craig Wisdom**, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP, Statutory Auditor, St Albans    Date:

# Financial statements

## Statement of financial activities

(incorporating an Income and Expenditure account)

Year ended 31 December 2022

	Note	Unrestricted	Restricted	Total Funds 2022	Unrestricted	Restricted	Total Funds 2021
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>							
Donations and legacies	2	16,198	94	16,292	18,526	451	18,977
Investment income	9	155	-	155	371	-	371
Other income	3	11	-	11	9	-	9
<b>Total income</b>		<b>16,364</b>	<b>94</b>	<b>16,458</b>	<b>18,906</b>	<b>451</b>	<b>19,357</b>

<b>Expenditure on:</b>							
Charitable activities	4a	(22,602)	(340)	(22,942)	(19,055)	(705)	(19,760)
Investment fees		(92)	-	(92)	(100)	-	(100)
<b>Total expenditure</b>		<b>(22,694)</b>	<b>(340)</b>	<b>(23,034)</b>	<b>(19,155)</b>	<b>(705)</b>	<b>(19,860)</b>

<b>Net (expenditure) before (loss)/gain on investments</b>		<b>(6,330)</b>	<b>(246)</b>	<b>(6,576)</b>	<b>(249)</b>	<b>(254)</b>	<b>(503)</b>
Net (loss)/gain on investments	9	(2,022)	-	(2,022)	1,291	-	1,291
<b>Net (expenditure)/income</b>		<b>(8,352)</b>	<b>(246)</b>	<b>(8,598)</b>	<b>1,042</b>	<b>(254)</b>	<b>788</b>
Transfers between funds		-	-	-	(100)	100	-
<b>Net movement in funds</b>		<b>(8,352)</b>	<b>(246)</b>	<b>(8,598)</b>	<b>942</b>	<b>(154)</b>	<b>788</b>

<b>Reconciliation of funds:</b>							
Total funds brought forward		33,237	246	33,483	32,295	400	32,695
<b>Total funds carried forward</b>	<b>14</b>	<b>24,885</b>	<b>-</b>	<b>24,885</b>	<b>33,237</b>	<b>246</b>	<b>33,483</b>

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived from the continuing activities of the Foundation.

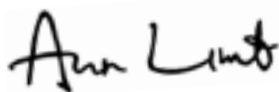
The Notes on pages 51 to 67 form part of these financial statements.

# Balance sheet

As at 31 December 2022	Note	2022	2021
<b>Fixed assets:</b>		<b>£'000</b>	<b>£'000</b>
Tangible assets	8	112	83
Investments	9	13,522	33,130
<b>Total fixed assets</b>		<b>13,634</b>	<b>33,213</b>
<b>Current assets:</b>			
Debtors	10	82	80
Investments	9	14,000	10,000
Cash at bank and in hand		9,360	5,612
<b>Total current assets</b>		<b>23,442</b>	<b>15,692</b>
<b>Creditors: Amounts falling due within one year</b>	11	(9,463)	(13,293)
<b>Net current assets</b>		<b>13,979</b>	<b>2,399</b>
<b>Total assets less current liabilities</b>		<b>27,613</b>	<b>35,612</b>
Creditors: Amounts falling due after more than one year	12	(1,223)	(598)
Provision for liabilities and charges	13	(1,505)	(1,531)
<b>Total net assets</b>		<b>24,885</b>	<b>33,483</b>
<b>The funds of the charity</b>			
<b>Unrestricted funds:</b>	14		
General fund		24,586	32,353
Designated funds		299	884
<b>Total unrestricted funds</b>		<b>24,885</b>	<b>33,237</b>
Restricted funds	14	-	246
<b>Total charity funds</b>		<b>24,885</b>	<b>33,483</b>

The financial statements of Lloyds Bank Foundation for England & Wales registered number 1971242 including the notes on pages 51 to 67 were approved and authorised for issue by the Trustees on 24 May 2023 and signed on their behalf by **Dame Ann Limb DBE DL, Chair of Trustees.**

signature



## Statement of cash flows

Year ended 31 December 2022	Note	2022	2021
Cash flows from operating activities		£'000	£'000
<b>Net cash used in operating activities</b>	(A)	(9,837)	(7,338)
Cash flows from investing activities:			
Dividends and interest from investments		137	42
Purchase of investments		(4,000)	-
Purchase of tangible assets		(64)	
Proceeds from sale of investments		17,512	6,000
<b>Net cash provided by investing activities</b>		<b>13,585</b>	<b>6,042</b>
Change in cash and cash equivalents in the reporting year		3,748	(1,296)
<b>Cash and cash equivalents at the beginning of the reporting year</b>		<b>5,612</b>	<b>6,908</b>
<b>Cash and cash equivalents at the end of the reporting year</b>	(B)	<b>9,360</b>	<b>5,612</b>

### (A) Reconciliation of net expenditure to net cash flows from operating activities

	2022	2021
	£'000	£'000
<b>Net (expenditure)/income for the reporting year</b>	<b>(8,598)</b>	<b>788</b>
<b>Adjustments for:</b>		
Depreciation charges	35	46
Income from investments	(155)	(371)
(Increase)/decrease in debtors	(2)	3,354
(Decrease) in creditors	(3,205)	(10,013)
(Decrease)/increase in provisions	(26)	49
Loss/(gain) on investments	2,022	(1,291)
Investment management fees	92	100
<b>Net cash used in operating activities</b>	<b>(9,837)</b>	<b>(7,338)</b>

### (B) Analysis of cash and cash equivalents

	2022	2021
	£'000	£'000
Cash in hand	9,360	5,612
<b>Total cash and cash equivalents</b>	<b>9,360</b>	<b>5,612</b>

The Notes on pages 51 to 68 form part of these financial statements.

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# Notes to the Financial Statements

## 1. Accounting policies

### Basis of preparation

The Foundation is incorporated in England & Wales as a company limited by guarantee, not having share capital. The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by a revaluation of investments, and in accordance with applicable Accounting Standards in the United Kingdom, including the Charities SORP FRS 102 (second edition – October 2019) and in accordance with the Companies Act 2006 and Charities Act 2011, using consistently applied accounting policies.

Lloyds Bank Foundation for England & Wales meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value with investments at fair market value unless otherwise stated in the relevant accounting policy notes.

### Fund accounting

Restricted and designated funds are separately disclosed as set out in note 15. The different funds held are defined below:

#### Unrestricted funds

The Foundation's unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

#### Designated funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

#### Restricted funds

These funds are subject to specific restrictions imposed by the donor.

#### Investments

Listed investments are included in the Balance Sheet at fair value which is their closing market bid price on the current or previous trading day.

Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the Balance Sheet date are included in the Statement of Financial Activities for the relevant underlying fund. All investment income is treated as unrestricted.

Current asset investments have a maturity date or expected disposal date of less than one year and are not held for long term investment purposes.

#### Income

Income is recognised in the Statement of Financial Activities when the Foundation is entitled to the income, performance conditions attached to the income have been met, receipt is probable, and the amount can be measured reliably.

Interest income is recognised on a receivable basis which reflects the effective interest method.

#### Going concern

The Trustees have adopted the going concern basis of accounting in preparing the financial statements having assessed the principal risks relating to the Foundation's income. The Foundation receives virtually all its income under a covenant with Lloyds Banking Group Plc which requires nine years notice to be given which contains provision for a minimum £14.4m. The covenant income for the full year is received early in the financial year prior to the signing of the financial statements. The Foundation holds a level of reserves to enable its activities to continue for more than one year from the balance sheet date in the event that no further funding was received. Accordingly, the Foundation expects to continue to have access to sufficient liquid resources to continue as a going concern for a period of at least 12 months after the approval of these financial statements, namely the period to May 2024.

## Financial instruments other than investments

The Charity has financial assets and financial liabilities of a kind that qualify as basic. Basic financial instruments are measured at their settlement value in the case of current assets.

Covenanted income is recognised in the year to which the Foundation is entitled to the income.

Dividend income represents the Foundation's share of dividends received from investments in common investment funds. The income recognised represents the amount credited to the common investment fund.

Donated services and facilities are valued and included as income and expenditure at the price the Foundation estimates it would pay in the open market for an equivalent service or facility.

### Expenditure

All expenditure is included on an accruals basis in the period in which it is incurred.

### Grant cost

Grant expenditure is recognised where there is a legal or constructive obligation to pay. All grants, both single and multi-year, are recognised in the financial statements as liabilities after they have been approved, the recipients have been notified and there are no further terms and conditions to be fulfilled which are within the control of the Foundation. In these circumstances there is a valid expectation by the recipients that they will receive the grant.

### Provisions

Provisions are recognised when there is a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

### Enhance provisions

The Foundation's Enhance programme provides the recipient charity with access to specialist support, the cost of which is met by the Foundation directly. The estimated costs of the specialist are recognised as a provision on approval as the Foundation has a constructive obligation to pay but the amount and timing is subject to uncertainty. The grantee is informed of the approved intervention but not the value.

### Releases of grant commitments

There are occasions when it becomes necessary to withdraw a grant which has been approved in a prior year. Where this happens, the funds revert to the original unrestricted or restricted reserve.

### Allocation of expenditure

Support costs are allocated where possible to the particular activity to which the costs relates.

Where expenditure contributes to more than one area of activity, the costs are allocated on the basis of the activity's grant expenditure.

Governance costs are the costs associated with the constitutional and statutory requirements and the strategic management of the Foundation's activities.

### Tangible assets

Tangible assets are included at historic cost less accumulated depreciation.

### Capitalisation and Depreciation

The minimum value for the capitalisation of tangible fixed assets is £1,000.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful lives of the assets concerned. The principal rates used, which are consistent with last year, are:

Computer equipment	33% per annum
Furniture and other office equipment	10% per annum

### Pension costs

The Foundation participated in two separate independently managed, defined benefit, occupational pension schemes: the Lloyds Bank Group Pension Schemes No.1 and No.2. There are no longer any active members in either scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of these schemes and hence contributions to the schemes are accounted for as if they were defined contribution schemes; the cost recognised within the Statement of Financial Activities for the year being equal to the contributions payable to the schemes for the year.

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The Foundation also participates in defined contribution schemes. Contributions in respect of the year are charged to the Statement of Financial Activities in the year to which they relate.

### Redundancy payments

Redundancy payments may occur where the Foundation has agreed to terminate the employment of an employee. The amounts are included in the financial statements when the payment has been formally agreed.

### Operating leases

Costs in respect of operating leases are charged to the Statement of Financial Activities on a straight-line basis.

### Irrecoverable VAT

Any irrecoverable VAT is charged to the Statement of Financial Activities or capitalised as part of the cost of the related asset, where appropriate.

### Tax

The Foundation is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments, surpluses on any trading activities carried on in furtherance of the Foundation's primary purpose, to the extent these profits and surpluses are applied for charitable purposes.

## Accounting estimates and judgements

In the application of the Foundation's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.



The Harbour  
Project / Asylum  
Seekers and  
Refugees  
/ £142,797

## 2. Donations and Legacies

	Unrestricted	Restricted	Total 2022	Unrestricted	Restricted	Total 2021
Donations from Lloyds Banking Group	£'000	£'000	£'000	£'000	£'000	£'000
Covenant income	14,722	-	14,722	18,427	-	18,427
Cost of living award	1,442	-	1,442	-	-	-
External audit services	34	-	34	34	-	34
<b>Other donations</b>						
Department of Culture Media & Sport	-	-	-	-	426	426
The Holman Foundation	2	-	2	-	-	-
Sport England	-	-	-	-	15	15
Power to Change Trust	-	-	-	-	10	10
LocalMotion	-	94	94	-	-	-
Donated services	8	-	8	50	-	50
<b>Legacies</b>	(10)	-	(10)	15	-	15
<b>Total</b>	<b>16,198</b>	<b>94</b>	<b>16,292</b>	<b>18,526</b>	<b>451</b>	<b>18,977</b>

Covenant income is the sum that the Foundation receives from Lloyds Banking Group. The cost of living award was an additional sum from Lloyds Banking Group to enable the Foundation to make additional grants to charities to help with cost of living pressures.

In 2021, the Department for Culture Media and Sport (DCMS) gave £426k for the Foundation's Recovery grant programmes.

The Foundation's auditors were remunerated with an allocation from the Lloyds Banking Group audit fee. As a result, the external audit fee has been recognised as donated services from the Lloyds Banking Group. The amount recognised is the fair value that the Foundation believes they would pay for external audit services if the Lloyds Banking Group did not pay on their behalf.

LocalMotion is a joint project with other charity partners and represents a contribution towards shared costs

## 3. Other income

	2022	2021
	£'000	£'000
Administration support to Lloyds Bank Foundation for the Channel Islands	9	9
Other income	2	-
<b>Total</b>	<b>11</b>	<b>9</b>

## 4. Analysis of Grant Expenditure

### 4a. Charitable activities

Year ended 31 December 2022

	Grant Awards	Direct staff Costs	Other direct Costs	Support Costs	Total
	£'000	£'000	£'000	£'000	£'000
Long term funding	15,259	1,169	170	834	17,432
Developmental support	2,179	376	232	140	2,927
Influencing Policy and Practice	1,709	565	185	124	2,583
<b>Total</b>	<b>19,147</b>	<b>2,110</b>	<b>587</b>	<b>1,098</b>	<b>22,942</b>

Year ended 31 December 2021

	Grant Awards	Direct staff Costs	Other direct Costs	Support Costs	Total
	£'000	£'000	£'000	£'000	£'000
Long term funding	13,440	1,121	99	979	15,639
Developmental support	1,799	420	283	167	2,669
Influencing Policy and Practice	641	521	199	91	1,452
<b>Total</b>	<b>15,880</b>	<b>2,062</b>	<b>581</b>	<b>1,237</b>	<b>19,760</b>

Support costs have been allocated using the value of each programme's grant and direct expenditure. See note 4d for further information about support costs.

Lessons for Funder Practice event, October 2022



## 4b. Grant awards

	2022		2021	
	No.	£'000	No.	£'000
<b>Long-term funding</b>				
Core grant programme	265	12,287	281	12,261
Cost of living grants		1,481		–
Matched Giving		1,491		1,229
<b>Total</b>	<b>265</b>	<b>15,259</b>	<b>281</b>	<b>13,490</b>
<b>Developmental support</b>				
Enhance and Development Partner Support		2,340		1,902
Development funding	5	388	17	247
	<b>5</b>	<b>2,728</b>	<b>17</b>	<b>2,149</b>
<b>Influencing Policy and Practice</b>				
National grant programme	32	1,709	15	641
<b>Total grants awarded in the year</b>	<b>302</b>	<b>19,580</b>	<b>313</b>	<b>16,280</b>
<b>Less grants cancelled in the year</b>		<b>(549)</b>		<b>(400)</b>
<b>Grants payable (note 4c)</b>		<b>19,147</b>		<b>15,880</b>

A full list of the grants approved in 2021 can be found on our website [lloydsbankfoundation.org.uk/our-impact/who-we-support](https://lloydsbankfoundation.org.uk/our-impact/who-we-support)

The cost of living grants included £65,250 to charities supported under the National Programme and £2,250 for charities supported by Development activities.

Basis, Yorkshire  
/ Sexual Abuse  
and Exploitation  
/ £52,250



## 4c. Grants payable

The table below shows the reconciliation between amounts approved during the year and amounts paid during the year.

	2022	2021
	£'000	£'000
<b>Reconciliation of grants payable</b>		
Amount outstanding at 1 January	15,046	24,684
<b>Grants approved/cancelled in year</b>		
Grants approved	19,696	16,280
Grants cancelled or recovered	(549)	(400)
<b>Grants payable for the year</b>	<b>19,147</b>	<b>15,880</b>
<b>Grants paid during the year</b>	<b>(22,285)</b>	<b>(25,519)</b>
<b>Amounts outstanding at 31 December</b>	<b>11,908</b>	<b>15,045</b>

### Amounts outstanding at 31 December split between:

Due within one year (Note 12)	9,180	12,916
Due after more than one year (Note 13)	1,223	598
Provision for liabilities and charges (Note 14)	1,505	1,531
<b>Amounts outstanding at 31 December</b>	<b>11,908</b>	<b>15,045</b>

## 4d. Support costs

	2022	2021
	£'000	£'000
Finance	245	276
Human Resources	174	170
Facilities	275	410
IT	133	112
Executive	240	252
Trustees	29	17
<b>Total</b>	<b>1,098</b>	<b>1,237</b>

## 5. Governance costs

	2022	2021
	£'000	£'000
Legal fees	-	55
Auditor's remuneration	34	34
Trustee recruitment	20	16
Other costs	5	6
<b>Total</b>	<b>59</b>	<b>111</b>

Governance costs are included within relevant headings under Support costs (note 4d).

The external auditors are remunerated by Lloyds Banking Group and the value is included in Incoming Resources as a donated service and included in Governance costs.

The Trustees, who are also the Directors of the Foundation, received no remuneration during the year (2021: nil).

Expenses were paid directly or by reimbursement for nine Trustees principally relating to travel and subsistence totalling £4k (2021: £1k, two Trustees).

## 6. Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	2,139	2,146
Social security costs	254	232
Pension costs	269	226
Other staff costs	30	29
Agency staff costs	117	17
<b>Total</b>	<b>2,809</b>	<b>2,650</b>

The average number of persons employed by the Foundation was 48 (2021: 48) of which full-time employees is 44 (2021: 45) and part time is 3 (2021: 3).

The number of employees receiving emoluments (salary, allowances and benefits in kind, excluding pension contribution) greater than £60,000 are as follows:

	2022	2021
	No.	No.
£60,001–£70,000	-	-
£70,001–£80,000	1	1
£80,001–£90,000	3	3
£130,001–£140,000	1*	-
£140,001–£150,000	-	1*
<b>Total</b>	<b>5</b>	<b>5</b>

Total remuneration received by key management personnel being the Senior Leadership Team was £532k (2021: £510k). The reduction in remuneration for the highest paid employee reflects a reduction in working hours.

\*Excludes an amount of 13% of salary paid in lieu of pension for one employee.

## Pension costs

	2022	2021
	£'000	£'000
Defined contribution scheme	268	226
<b>Total</b>	<b>268</b>	<b>226</b>

### Lloyds Banking Group defined benefit schemes

The schemes that the Foundation contributed to, No. 1 (final contributions made in 2019) and No. 2 Scheme (final contribution made in 2018), are administered by Lloyds Banking Group. The Foundation is not responsible for any additional contributions agreed under the deficit recovery plan which are met on the Foundation's behalf by Lloyds Bank. More information on the funding of the Group's pensions schemes can be found in the latest Report and Financial Statements of Lloyds Banking Group.

### Lloyds Banking Group defined Contribution schemes

Since 1 April 2019, the Foundation's defined contribution pension scheme arrangements are provided under a Group Personal Pension arrangement with Scottish Widows. The contributions made to the scheme were £269k (2021: £226k).

## 7. Other (net income/expenditure)

	2022	2021
	£'000	£'000
Net income/(expenditure) is stated after charging		
Depreciation	35	46
Operating lease costs	78	218
Auditor's remuneration (Statutory audit)	34	34



Bright Futures,  
South Shields  
/ Sexual Abuse  
and Exploitation  
/ £106,963

## 8. Tangible assets

	Furniture and office equipment	Computer equipment <sup>3</sup>	2022	2021 total
Cost	£'000	£'000	Total	2021 Total
At beginning of the year	102	252	354	354
Additions	60	4	64	-
Disposals	(61)	-	(61)	-
<b>At end of the year</b>	<b>101</b>	<b>256</b>	<b>357</b>	<b>354</b>

### Accumulated Depreciation

At beginning of the year	76	195	271	226
Charge for the year	16	19	35	46
Disposals	(61)	-	(61)	
<b>At end of the year</b>	<b>31</b>	<b>214</b>	<b>245</b>	<b>271</b>

Net book value at beginning of the year	26	57	83	128
<b>Net book value at end of the year</b>	<b>70</b>	<b>42</b>	<b>112</b>	<b>83</b>

<sup>3</sup>Includes the value of computer software

Amazing Grace  
 Spaces, Newport  
 / Homelessness  
 and Addiction  
 / £52,250



## 9. Investments

	2022	2021
	£'000	£'000
Fixed and current asset investments		
Fixed asset investments	13,522	33,130
Current asset investments	14,000	10,000
<b>Total</b>	<b>27,522</b>	<b>43,130</b>

### Movement in a year

As at 1 January 2022	43,130	47,610
Dividend income reinvested	18	329
Disposal of fixed asset investments	(17,512)	(6,000)
Net (loss)/gain on investments	(2,022)	1,291
Management fees less rebates	(92)	(100)
Movement on deposits	4,000	-
<b>As at 31 December 2022</b>	<b>27,522</b>	<b>43,130</b>

Breakdown of Sarasin investments (excluding short-term deposits)	2022		2021	
	£'000	% of portfolio	£'000	% of portfolio
<b>Cash and other liquid assets</b>				
Cash	-	-	2,995	9
Corporate bonds	-	-	1,114	3
Institutional Liquidity Funds	-	-	11,409	35
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>15,518</b>	<b>47</b>
Multi asset fund	13,522	100	17,612	53
<b>Total</b>	<b>13,522</b>	<b>100</b>	<b>33,130</b>	<b>100</b>

Details of the nature of the investment assets, valuation methods and risk management are included in the Trustees report.

	2022	2021
	£'000	£'000
<b>Investment income</b>		
Dividend income	143	329
Bank interest	137	42
<b>Total</b>	<b>280</b>	<b>371</b>

## 10. Debtors

	2022	2021
	£'000	£'000
Other debtors	30	17
Prepayments and accrued income	52	63
<b>Total</b>	<b>82</b>	<b>80</b>

## 11. Creditors: Amounts falling due within one year

	2022	2021
	£'000	£'000
Grants payable (Note 4c)	9,180	12,916
Trade creditors	149	67
Other creditors	75	61
Accruals and deferred income	63	249
<b>Total</b>	<b>9,463</b>	<b>13,293</b>

## 12. Creditors: Amounts falling due after more than one year

	2022	2021
	£'000	£'000
Grants payable (Note 4c)	1,223	598
<b>Total</b>	<b>1,223</b>	<b>598</b>

## 13. Provision for liabilities and charges

	2022	2021
	£'000	£'000
Balance brought forward	1,531	1,482
Additions	2,165	1,717
Cancellations in the year	(539)	(345)
Utilised during the year	(1,652)	(1,323)
<b>Balance carried forward</b>	<b>1,505</b>	<b>1,531</b>

The provision relates to the Foundation's Enhance and Development Partner programmes which provides charities with access to specialist support, the cost of which is met by the Foundation. It is expected to be utilised within the next 12 months.

## 14. Movement in funds

	Balance at 1 Jan 2022	Total incoming resources	Total resources expended	Change in market in value of investments	Transfers	Balance at 31 Dec 2022
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General fund	32,353	16,364	(22,694)	(2,022)	585	24,586
<b>Designated funds</b>						
Fixed asset funds	83	-	-	-	29	112
Development funding	91	-	-	-	(91)	-
IT systems	10	-	-	-	(10)	-
Grant funds carried forward	700	-	-	-	(513)	187
<b>Total designated</b>	<b>884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(585)</b>	<b>299</b>
<b>Total unrestricted</b>	<b>33,237</b>	<b>16,364</b>	<b>(22,694)</b>	<b>(2,022)</b>	<b>-</b>	<b>24,885</b>
<b>Restricted funds</b>						
LocalMotion	246	94	(340)	-	-	-
<b>Total restricted</b>	<b>246</b>	<b>94</b>	<b>(340)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>33,483</b>	<b>16,458</b>	<b>(23,034)</b>	<b>(2,022)</b>	<b>-</b>	<b>24,885</b>



Gateway Into The  
Community, Hexham  
/ Learning Disability  
/ £52,250

**Movement in funds continued:**

	Balance at 1 Jan 2022	Total income	Total expenditure	Change in market value of investments	Transfers	Balance at 31 Dec 2022
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>	31,924	18,906	(19,155)	1,291	(613)	32,353
<b>Designated funds</b>						
Fixed asset funds	129	-	-	-	(46)	83
Development funding	108	-	-	-	(17)	91
Enhance projects	11	-	-	-	(11)	-
IT systems	-	-	-	-	10	10
Grants carried forward	123	-	-	-	577	700
	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>513</b>	<b>884</b>
<b>Restricted funds:</b>						
DCMS	-	426	426	-	-	-
Big Lottery Fund -Diagnostics Project	1	-	(1)	-	-	-
Sport England	-	15	(15)	-	-	-
Power to Change	-	10	(10)	-	-	-
LocalMotion	399	-	(253)	-	100	246
<b>Total restricted</b>	<b>400</b>	<b>451</b>	<b>(705)</b>	<b>-</b>	<b>100</b>	<b>246</b>
<b>Total funds</b>	<b>32,695</b>	<b>19,357</b>	<b>(19,860)</b>	<b>1,291</b>	<b>-</b>	<b>33,483</b>

## Designated Funds

### Fixed asset Funds

The fixed asset fund represents the value invested in operating fixed assets.

### Development funding

Comprises funds set aside from development grant programmes.

### Enhance projects

Comprises funds to support core grant holders through training and guidance materials.

### Grant funds carried forward

Comprises funds set aside for grant extensions expected to be awarded in 2022 which charities have requested be awarded in 2023. In 2022 this related to funding from influencing programmes.

## Restricted Funds

### LocalMotion

The fund was established in 2018 by the Foundation with five partner organisations Esmée Fairbairn, Paul Hamlyn, City Bridge Trust, Tudor Trust and Lankelly Chase Foundation with the aim of developing strategies for regeneration in deprived areas. Each Foundation contributed towards the project which is administered by the Lloyds Bank Foundation who have employed a Project Director. The Lloyds Bank Foundation contributed a further £100,000 in 2021. The financial administration of LocalMotion was transferred to Esmée Fairbairn from January 2022 and the balance on restricted funds was transferred at that time.

	General fund	Designated funds	Restricted funds	Total
Net assets as at 31 December 2022	£'000	£'000	£'000	£'000
Tangible fixed assets	-	112	-	112
Investments	13,522	-	-	13,522
Net current assets	13,792	187	-	13,979
Creditors due after more than one year	(1,223)	-	-	(1,223)
Provisions	(1,505)	-	-	(1,505)
<b>Total</b>	<b>24,586</b>	<b>299</b>	<b>-</b>	<b>24,885</b>

Net assets as at 31 December 2021	£'000	£'000	£'000	£'000
Tangible fixed assets	83	83	-	83
Investments	33,130	-	-	33,130
Net current assets	1,269	884	246	2,399
Creditors due after more than one year	(598)	-	-	(598)
Provisions	(1,531)	-	-	(1,531)
<b>Total</b>	<b>33,353</b>	<b>884</b>	<b>246</b>	<b>33,483</b>

## 15. Guarantee Company

The Foundation is a company limited by guarantee not having share capital. The liability of the members is limited by the Memorandum of Association to £1 each. The number of Trustees (including the Chair) who are also members at 31 December 2022 was 12 (2021: 11).

## 16. Related party transactions

### 16a Connected Foundations

The following Foundations are connected, having common and related objects:

#### Halifax Foundation for Northern Ireland

Clifton House Heritage Centre  
2 North Queen Street  
Belfast BT15 1ES

There were no transactions with Halifax Foundation for Northern Ireland in 2022 or 2021.

#### Bank of Scotland Foundation

The Mound  
Edinburgh EH1 1YZ

There were no transactions with the Bank of Scotland Foundation in 2022 or 2021.

#### Lloyds Bank Foundation for the Channel Islands

Society Building  
8 All Saints Street  
London N1 9RL

The Foundation received £8,782 (2021: £8,526) from the Lloyds Bank Foundation for the Channel Islands in respect of time spent by the Chief Executive and his staff on Lloyds Bank Foundation for the Channel Islands business.

## 16b Connected company

The Foundation derives its revenue primarily from Lloyds Banking Group. In December 2013 the Foundation entered into an agreement with Lloyds Banking Group whereby the Foundation is to receive 0.3606% of the Lloyds Banking Group's adjusted pre-tax profits, averaged over three years, subject to a minimum amount of £14.4m and a maximum amount of £36m which increases by RPI each year.

The following transactions took place with Lloyds Banking Group during the year, and with which there were the following balances at the year end:

The Foundation received income of £16.2m (2021: £18.4m) as income, and £74k (2021: £8k) bank interest was received from Lloyds Banking Group plc.

At 31 December 2022 a balance of £18.3m is in two accounts with Lloyds Banking Group plc (2021: £5.5m).

## 16c Transactions

During the year a number of grants and payments were made where a Trustee or senior member of staff of the Foundation is affiliated to a connected organisation.

**Trustee Joanna Harris** is employed by Lloyds Banking Group, and has supported **Women Acting in Today's Society (WAITS)** as a mentor to the Chief Executive. In 2022 the Foundation awarded grants of £52,250 to WAITS over two years, of which £2,250 was paid in the year. The outstanding amount at 31 December 2022 was £50,000. In 2021 Enhance support worth £3,680 was provided to the charity. There was no Enhance support provided in 2022.

**Trustee Kamran Mallick** was Chair of **Wheels for Wellbeing**. During the year ended 31 December 2021 the Foundation made a donation in relation to the Matched Giving Scheme of £701. There were no Matched Giving donations in 2022.

**Trustee Bushra Ahmed** is a Trustee of **Shelia McKechnie Foundation** and **Home-Start UK**. The Foundation sponsored an award run by the Shelia McKechnie Foundation at a cost of £7,500 in 2022 (2021: £10,000). In 2022 the Foundation gave a donation of £500 to a local Home-Start group (2021: £451).

**Former Chair Irene Fritchie DBE** is a Patron of **Winston's Wish**. During the year ended 31 December 2022 the Foundation made a donation in relation to the Matched Giving Scheme of £283 (2021: £500).

**Director of Policy, Communications and Research, Duncan Shrubsole** is Chair of **The Switchback Initiative**. In 2021 Enhance support worth £760 was provided to the charity. There was no Enhance support provided in 2022.

**Director of Communities, Jill Baker**, is Non-Executive Director of **Newcastle upon Tyne Hospitals NHS Foundation Trust** and chairs the **Newcastle upon Tyne Hospitals NHS Charity**. During the year ended 31 December 2021 the Foundation made a donation to Newcastle upon Tyne Hospitals NHS Charity in relation to the Matched Giving Scheme of £2,100. There were no Matched Giving donations made in 2022.

**Chief Operating Officer, Liz Winder**, is a Trustee of **Settle Support**. In accordance with normal practice a three year grant of £100,000 awarded in 2019 was extended for a further year with the award of a further £33,333 grant. A total of £33,333 was paid in 2022 in final payment of the grant (2021: £20,000 paid). A cost of living crisis grant of £2,250 was awarded and paid in 2022.

**Head of Communications, Aferdita Pacrami**, is a Trustee of **Lewisham Refugee and Migrant Network**. In 2020 the Foundation awarded a grant of £72,500 of which £25,000 was paid in 2022. The outstanding balance at 31 December was £Nil (2021: £25,000). In 2022, a cost of living crisis grant of £2,250 was awarded and paid. Additionally, in 2022 Enhance support worth £13,406 was provided to the charity (2021: £3,360).

**Head of Finance, Andrew Whitehead**, is a volunteer at Enfield Churches Debt Centre. In the year ending December 2022, the Foundation made a donation to the charity in relation to the Matched Giving Scheme of £980 (2021: £0).

**Manager for North East, Neil Shashoua** was a Trustee of **North East law Centre (NELC)**. In the year ended 31 December 2019 a grant of £100,000 was awarded to NELC. In accordance with normal practice of the Invest Programme the three year grant was extended for a further year with the award of an additional £33,333. A total of £33,333 was paid in 2022 in final payment of the grant. In 2021 a total of £33,334 was paid in final payment of the investment grant. A cost of living crisis grant of £2,250 was awarded and paid in 2022. Neil's spouse works for Newcastle Carers. In 2021 Enhance support worth £2,100 was provided to the charity. There was no enhance support provided in 2022.

**Manager for West Midlands, Peter Cunnison**, is a Committee Member (non-paid) of **BBC Children in Need**. During the year ended 31 December 2021 the Foundation made a donation in relation to the Matched

Giving Scheme of £208. There was no Matched Giving donation made in 2022.

**Manager for Wales, Rachel Marshall**, is a Trustee of **St Andrews Major CIW Primary School PTA**. During the year ended 31 December 2022 the Foundation made a donation in relation to the Matched Giving Scheme of £500 (2021: £500).

**Lili Lance, Accountant**, is a spouse to an Interim Chief Operating Officer of the **Mental Health Foundation**, which in the year ending 31 December 2022, received a donation through the Matched Giving Scheme of £780 (2021: £180).

**Rachel Cain, Public Affairs and Programme Officer**, is sister to a Trustee of **Zacchaeus 2000 Trust (Z2K)**. In 2020, the foundation awarded a two year grant of £49,834 which was paid in full in 2021. In 2022, this grant was extended for a further year and awarded and paid an additional £25,000. In the year ending 31 December 2022, the foundation supported the charity with a cost of living crisis grant of £2,250 which was awarded and paid in the year.

## 17. Lease commitments

The Foundation had a total commitment under non-cancellable operating leases at 31 December 2022:

	Buildings		Other	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Within one year	94	17	7	7
Within two to five years	283	-	4	11
<b>Total</b>	<b>377</b>	<b>17</b>	<b>11</b>	<b>18</b>

On 4 January 2022 the Foundation signed a new lease for office accommodation for office space within the NCVO Society Building in London. The annual lease commitment is £94,435 per annum under a five-year lease.

## 18. Capital Commitments

The Foundation had the following capital commitment at 31 December:

	2022	2021
	£'000	£'000
Contracted	-	50
<b>Total</b>	<b>-</b>	<b>50</b>

The Capital Commitments at 31 December 2021 represent the amounts contracted for the fitting out of the new office within the NCVO Society Building in London.



Handcrafted  
Projects, Durham  
and Gateshead  
/ Homelessness  
/ £52,250 grant  
over two years

## Reference and administrative details

Registered charity number: 327114  
Company Limited by Guarantee Registered Number: 1971242  
Country of registration: England & Wales  
Country of incorporation: United Kingdom

**Solicitors**  
Stone King LLP  
Boundary House  
91 Charterhouse Street  
London EC1M 6HR

### Registered office and operational address

Society Building  
8 All Saints Street  
London N1 9RL

### Independent Auditors

Deloitte LLP  
3 Victoria Square  
Victoria Street  
St Albans AL1 3TF

### Bankers

Lloyds Bank plc  
25 Gresham Street  
London EC2V 7AE

### Investment Managers

Sarasin & Partners LLP  
100 St. Paul's Churchyard  
London EC4M 8BU

## Trustees and Senior Management

### Trustees

**Chair:** Dame Ann Limb DBE DL, and Chair, Nominations Committee (both from 1 July 2022)

Baroness Irene Fritchie DBE, and Chair, Nominations Committee (both until 30 June 2022)

**Vice Chair:** Dame Gillian Morgan DBE (until 31 December 2022), and Chair, Audit, Investment & Risk Committee (until 30 September 2022)

Ruth Sutherland CBE and Vice Chair from 2 January 2023

Bushra Ahmed (from 1 July 2022)

Cherrie Bija (from 2 January 2023)

Catharine Cheetham

Joanna Harris

Darren Knight

Sarah Legg, and from 5 October 2022, Chair, Audit Investment & Risk Committee

Kamran Mallick

Gareth Oakley, and from 2 January 2023, Chair of Remuneration Committee

Rebecca Shaw

Claud Williams (from 2 January 2023)

Dr Neil Wooding CBE, and Chair, Remuneration Committee (both until 31 December 2022)

### Senior Leadership Team

**Chief Executive:** Paul Streets OBE

**Chief Operating Officer:** Elizabeth Winder

**Director of Grants:** Harriet Stranks (until 20 January 2023)

**Director of Policy, Communications and Research:** Duncan Shrubsole

**Director of Communities:** Jill Baker

Phoebe, Ipswich  
/ Domestic Abuse  
/ £52,250 over  
two years



Lloyds Bank Foundation is a fantastic network where you can meet and learn from other organisations. The funding allowed us to quickly adapt and respond when we received a huge number of referrals to our services and it also allows us to meet our objectives and keep working towards our vision, rather than bend and have to shape ourselves to the funder.

Handcrafted Projects, Durham and Gateshead  
/ Homelessness / £52,250 grant over two years



[lloydsbankfoundation.org.uk](https://lloydsbankfoundation.org.uk)  
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