

# Trustees' Report and Financial Statements 2024



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.

Front cover: WODIN, a women's digital inclusion charity in Liverpool, awarded a grant of £75,000



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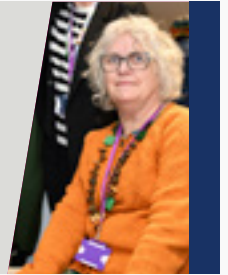
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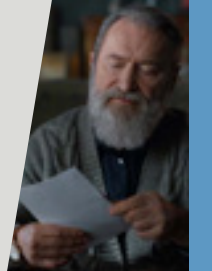
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# A note from our Chair



Throughout 2024, our charity partners spoke to us about adapting to a continually shifting environment – but one in which the fundamentals of the problems they’re tackling remained stubbornly the same. Government might have changed but many of the challenges are deep rooted.

In the following pages, we share how we have adapted as a Foundation to ensure we’re delivering what charities need. We’ve continued to strengthen the resilience of small charities through our unrestricted funding and bespoke development support. This is enabling charities to reach more people and unlock more funding and opportunities. Alongside this, we have helped build connections across the charity sector and beyond, so that local organisations can collaborate in serving people facing some of the greatest difficulties.

We were delighted to see our charity partners delivering real change as a result. Charities we support have influenced

Government to commit to a new relationship with the sector, changed policy to reduce refugee homelessness, and improved the financial circumstances of as many as 60,000 carers.

*Charities we support have changed policy to reduce refugee homelessness, and improved the financial circumstances of as many as 60,000 carers.*

Change came to the Foundation as well. We were delighted to welcome Matt Hyde OBE as our new Chief Executive. His first few months at the Foundation have been marked by engagement with the charities, people and communities we support and determined action to lift charities’ voices to the highest levels of government.

One of the greatest challenges is the deep inequality which still exists in our society. I was proud to see the Foundation’s efforts to share power recognised with the Equity, Diversity and Inclusion award at the 2024 Charity Times Awards for our work on supporting racial equity and Deaf and Disabled People’s organisations.

None of these achievements would have been possible without the passion and dedication of our staff and trustees, alongside committed volunteers from Lloyds Banking Group. Together, we can truly help Britain prosper.

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

# A note from our Chief Executive



I started my role as Chief Executive of the Foundation in 2024. It's a real privilege to be serving small and local charities, and investing in people and communities right across England and Wales. With each charity I've met, I've seen their inspiring passion and resolve to be there for people facing complex issues like homelessness, domestic abuse and addiction.

That was brought home powerfully when I spent time with Asylum Link Merseyside, whose community had felt the full impact of the summer's riots. But they also spoke of hope, the swell of neighbours who rose to defend the charity's building, and their shared determination to stand up against hate in all its forms.

That courage calls on all of us to do more. I'm proud the Foundation played its part during that time of crisis. We swiftly reached out to all our charity partners and provided financial support to equip them with the resources needed to keep people safe.

But there are structural challenges to tackle which need more funding, and more than funding, to solve. The complex issues people are experiencing require cross-sector solutions. That's why I am extremely grateful for the welcome I have received from Lloyds Banking Group colleagues at all levels, and the commitment they have made to our partnership. 2025 marks 40 years of working together, and the opportunity to explore new ways of doing so for the decades ahead.

Government is the other part of the equation. I have been raising charities' voices at the top of government, highlighting how government, the private sector and charities working together hold the key to our country's renewal.

In 2025, we set to work on an ambitious new strategy. I'm looking forward to working with the team at the Foundation, and hearing ideas from across the sector, to envision how we can have an even greater impact in the years ahead.

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**||** *There are structural challenges to tackle which need more funding, and more than funding, to solve. The complex issues people are experiencing require cross-sector solutions.*

A handwritten signature in black ink that reads "Matt".

**Matt Hyde OBE**  
Chief Executive

# 2024 impact at a glance

*Anytime I'm in trouble, anytime something is too much and I'm in tears, I know I can go to Rebuild for help which is very good. I just knock on the door and they open it, they're always checking in on me and it's lovely. If I didn't have their support, that would be really, really hard.*

Elise, supported by Rebuild East Midlands, a charity in Derby, supporting survivors of trafficking and modern slavery, awarded a grant of £75,000.

£20.3m

awarded in funding in total (£20.5m in 2023).

662

charities supported through grants programmes (706 charities in 2023).

297k

people supported by our charity partners (504k in 2023).

£1.9m

distributed through our Matched Giving scheme supporting fundraising and volunteering by Lloyds Banking Group colleagues for 1,340 charities (£1.8m for 1,325 charities in 2023).

*I claimed #MatchedGiving for Wakefield Hospice. Proud to support a local charity, every Christmas a group of us from Lloyds Banking Group volunteer at our local hospice. We help make Christmas wreaths which they then sell to the public to raise vital funds for the hospice. It is a really fun and rewarding day for us too, even more so knowing the Foundation will match fund what is raised from the wreaths. Can't wait for our next festive fun day!*

Val Vladimirova-Dawe, Customer Specialist Support (Customer Financial Assistance) at Lloyds Banking Group

# Our reach

**£0.6m**

invested in the national influencing programme (£2.8m in 2023)

**£0.5m**

invested in People and Communities and other Organisational Development (£0.3m in 2023)

**£1.9m**

Matched Giving donations (£1.8m in 2023)

LocalMotion £0.9m in 2023 only

**£2.4m**

invested in the North West (£2.7m in 2023)

**£1.2m**

invested in the North East (£0.6m in 2023)

**£1.3m**

invested in Yorkshire and the Humber (£1.4m in 2023)

**£1.4m**

invested in the East Midlands (£1.7m in 2023)

**£1.3m**

invested in the West Midlands (£1.1m in 2023)

**£1.4m**

invested in the East of England (£1.1m in 2023)

**£1.4m**

invested in Wales (£1.3m in 2023)

**£1.3m**

invested in the South West (£1.0m in 2023)

**£2.1m**

invested in the South East (£1.4m in 2023)

**£3.3m**

invested in London (£2.4m in 2023)

**||** *The funding is unrestricted, which means we can actually choose where we spend that money. It has really transformed the way we work. We are able to support people we work with to get to our meetings by paying for their transport. We are able to provide a culturally appropriate meal... Our leadership team are able to network and attend various learning opportunities, instead of perpetually looking for funding.*

Sylvia Kalungi, CEO of WODIN, a charity in Liverpool supporting migrant women, awarded a grant of £75,000



# Strengthening resilience

To ensure small charities can continue to provide vital support to people who need it most, we strengthen their resilience with flexible unrestricted funding and bespoke organisational development support, alongside advocating for better commissioning practices and better government policy.

## What we promised

**1** We'll reach people facing complex issues and barriers by **partnering with small and local charities**, enabling them to support people to break free from poverty and fulfil their potential.

**2** We'll support at least 200 small and local charities to become stronger and more resilient through **flexible unrestricted funding** and **capacity building support**.

**3** We'll work with civil society partners to improve the operating environment for small and local charities, pushing for **better commissioning practices**.

## What we did

We supported **specialist charities** helping people facing complex issues like domestic violence and homelessness. And because Deaf and Disabled people and people experiencing racial inequity are facing multiple barriers to accessing the support they need, **we invested £6.45 million** in charities and CICs led by and for these communities.

We **supported 176 small and local charities with unrestricted funding and capacity building support**, alongside building the capacity of 34 charities as part of a new organisational development support programme.

We hosted the **Welsh Small Charities Forum**, supporting around 50 small Welsh charities to **produce commissioning good practice recommendations** which were shared in a resource called **Finding the Good** at gofod3. We engaged with government officials who are leading on procurement reform and shared the recommendations for this resource to inform these reforms.



# Supporting small charities across England and Wales

## Specialist programme

For specialist charities helping people facing complex issues.

£6.75m

90 new grants



Addiction and dependency



Asylum seekers and refugees



Care leavers



Domestic abuse



Homelessness



Sexual abuse and exploitation



Trafficking and modern slavery



Offending

£3.2m

43 new grants



## Racial equity programme

For organisations working with people who have faced inequity because of their race or ethnicity.

£3.2m

43 new grants



## Deaf and Disabled people's organisations

For small and local charities which are led by and working with Deaf and Disabled people who are experiencing poverty.

*The fact that the funding is unrestricted is so important because it provides us with flexibility to allocate funds where we need them the most, but it also sends a strong message to the sector that non-profit organisations can be trusted to make decisions on what they do themselves.*

*We, as small charities, are experts in our respective fields and Lloyds Bank Foundation genuinely respects that.*

Catherine Skinner, Director of Maa Shanti, a charity in London supporting South Asian mothers affected by domestic abuse, awarded a grant of £75,000



# Supporting charities to develop

In addition to our funding, we offer all our charity partners a breadth of tailored support to help build their skills, capacity and effectiveness. We commission external consultants, match charities with Lloyds Banking Group volunteers, and connect charities to one another to network and learn.

515

charities strengthened with our organisational development support.

361

Bank colleagues shared their skills and expertise with our charity partners.

550

charity staff connected through our events and networks.

*“The guidance from the Foundation and its consultants has enabled us to transform our organisation. We now operate with greater efficiency and professionalism, making client referrals and allocations smoother and more effective than ever before. Saying thank you hardly feels sufficient to express our heartfelt gratitude.”*

Nilaari Agency, a Black-led mental health charity in Bristol, awarded a grant of £50k

## New managers' programme

Many small charities have frontline staff bringing their rich experience into management or leadership roles, but they do not always have the resources or capacity to provide dedicated support for these team members to develop. Across the sector, charities are spending 20% less time in training than in 2011. We tackle this by providing access to high-quality leadership and management training through our unique partnership with Lloyds Banking Group.

In 2024, we launched a programme of development support for new managers, which included group learning sessions, one to one coaching, and peer group sessions. Here's what participants said:

*“As a result of this course, I feel better equipped to address performance issues and give praise for good work in a way that encourages learning and growth.”*

*“[This programme] is helping me maintain good relationships within my team whilst delivering for our stakeholders.”*

[Watch the video](#) 



*This support was really crucial for my role, and for my team. I gained skills as a leader.*

Halaleh Taheri, CEO of MEWso, a charity in London supporting Middle Eastern women, awarded a grant of £75,000

*I could really see her evolve! For her to realise how empowered she was – it was really rewarding.*

Lisa Follows, Lloyds Banking Group colleague who coached Halaleh



## The win-win-win of skills based volunteering

After a decade of connecting volunteers from Lloyds Banking Group with our charity partners, we carried out research that shows three distinct wins of skills based volunteering: for charities, for volunteers and for businesses. Charities gain knowledge and confidence, volunteers gain new skills, and businesses benefit from more engaged employees.

[Read the report](#) 

*Volunteering with a charity gave me experience and exposure to new skills and to build my network. It also added value to my CV when applying for new roles. It made me appreciate that some of the skills I had which I probably took for granted were appreciated and utilised on a wider basis than in banking.*

Volunteer from Lloyds Banking Group

## Offering our award-winning development support to more charities

We often hear from charities that the development support we provide is as beneficial as the grant itself. In 2024, we launched our first programme solely focused on providing small charities with development support, to help them identify and prioritise their goals, develop and strengthen their services, and overcome challenges. We are **investing in 34 charities that support asylum seekers and refugees** through this programme.

**Case study:** Reducing the Risk is a domestic abuse charity based in Oxfordshire, awarded a grant of £75,000.

## // *We've boosted our reach and income*

Reducing the Risk has been providing domestic abuse awareness training to professionals working across many different services for 20 years.

Dawn Hodson, CEO, shares how support from the Foundation has enabled them to boost the charity's income and reach by monetising and franchising this training.

The support from the Foundation has given us the capacity to strategically look at how we can develop our network and generate income from our training. The Foundation paid for consultants who helped us identify what our unique offering is and how to position ourselves, as well as to develop our branding, training catalogue and online hub. Thanks to this, our training now generates a significant part of our income and we are less reliant on fundraising.

### **Delivering training with Impact Family Services**

The Foundation connected us with Impact Family Services, another domestic abuse charity based in South Shields, and they expressed interest in delivering our accredited training in their local area.

One of the Foundation's development partners helped us develop an authorised training provider framework with a contract, quality standards, and pricing structure. We've now agreed that Impact Family Services

will have a license to deliver our training. It's a win-win: it gets our resources and network into another region, where we would never be able to go, and it equips Impact Family Services with accredited training and a new way to generate income.



Impact family services staff at a training session with Reducing The Risk

**//** *Having this licensed training model means we can increase our reach and impact, as well as our income. We want this awareness around domestic abuse to be embedded in small charities, because they're the ones supporting people in the community.*

Dawn Hodson, CEO, Reducing the Risk, a domestic abuse charity based in Oxfordshire, awarded a grant of £75,000



## Scaling our offer

Small charities lack infrastructure and that's why the development offer from the Foundation is so great because it gives us access to experts that we could never afford to pay for. We are excited to share what we've been developing for 20 years with other small charities across the country because we know that it's an effective way to coordinate a community response to domestic abuse.

**//** *Reducing the Risk had already developed all the training and resources that we were wanting to develop, so it makes sense to deliver their tried and tested training. It will be another source of income for us and help to raise our profile in the community, and most importantly it will connect us with people who are all working towards the same goal of supporting people affected by domestic abuse. And, in turn, it helps Reducing the Risk scale and get their amazing resources out there.*

Catherine Marchant, Chief Executive, Impact Family Services



Impact family services staff at a training session with Reducing The Risk

# Building connections

We know that charities can serve their communities better when they work together. That's why we provide opportunities for small charities and other local organisations to connect, share knowledge and skills, and collaborate.

## What we promised

- 1** We'll effectively **reach people within communities** to shape **how services are designed and resourced** so they are better supported.
- 2** We'll invest in **30 local collaborations** within communities across England and Wales, supporting them to effect **changes to policy and practice**.
- 3** We'll **build a strong community of practice** among civil society organisations, supporting small and local charities and sharing our insight and knowledge.

## What we did

We brought together local organisations and groups in six communities to find new ways of **designing and resourcing services** so that people facing complex issues can get the support they need in the ways that work best for them.

We invested **£1.6 million in 16 local collaborations** led by small charities to influence local change to improve access to accommodation, support for asylum seekers and refugees, and the social security system. **More than 70 partners are engaged across the collaborations**, including charities, community organisations, universities, and local authorities.

We financially supported and contributed our insights to improve the spread of learning and evaluation across the funding sector, including **supporting the Institute for Voluntary Action Research's (IVAR) evaluation roundtable** and contributing to **IVAR's report on the impact of unrestricted funding**.



**///** *We've really benefited from working with charities we've not collaborated with before... The commitment of the Foundation to empower small charities to influence change is so refreshing and enables us to do work we otherwise wouldn't be able to.*

Deborah Knight, CEO of Quetzal, a charity supporting women affected by childhood abuse, awarded a grant of £95,900 under our local collaborations programme

## Building connections: our impact on communities

### Telford and Wrekin

We hosted several **Strengthening the Sector** events to connect local community groups and organisations and foster increased collaboration.

[Read more on page 16.](#)

### Redcar and Cleveland

We helped secure **£475,000 in funding** over three years for new **comprehensive infrastructure services** for the borough.

### Bolsover

We worked with the Bolsover Partnership – a **strategic cross sector partnership** hosted by the council – to respond to the changing context of regional devolution and public cuts on the VCSE sector.

**///** *The opportunity to meet others experiencing the roller coaster journey of running a charity is just invaluable. There were many times I was ready to throw the towel in, but support and time with my peers to share both my concerns and strategies has enabled me to overcome these obstacles and learn from them, and others' experiences. Both the charity and I are more resilient as a result and have gone from strength to strength.*

Feedback from a charity leader on our London peer support forum

**Case study:** Connecting the community sector in Telford and Wrekin.

## // Opportunities to thrive in education and employment

Ann Johnson, who is developing the work in Telford and Wrekin, shares about the successful efforts to strengthen the local community sector.

Our People and Communities work in Telford and Wrekin is focused on building people's aspirations by creating opportunities for them to thrive within education and employment. We want community organisations and local charities to be at the heart of this change and take ownership of it. However, we initially found it hard to engage with the community sector because there was a lack of infrastructure. Organisations were disconnected and lacking support.

To address this, we ran a series of events which were attended by up to 40 organisations, ranging from large charities to small faith groups. It led to a real sense of 'we're in this together', and an enthusiasm to work together for the benefit of everyone in Telford.

To meet the need for ongoing networking events, we commissioned an initiative that enables community groups to connect, understand what other organisations are doing, identify the gaps in provision and collaborate on solutions.

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// *We were providing an opportunity for people to come together to shape the future of the sector, recognising that change was needed. We started to hear what these organisations wanted and needed, and some key priorities began to emerge.*

**///** *Our work within education and employment is already benefitting as we've connected with at least 25 relevant organisations through the Strengthening the Sector events.*

We are also supporting a local group, COG, to provide ongoing infrastructure support. We commissioned a piece of research to understand the needs of the sector and make actionable recommendations which will equip COG to effectively support small and local organisations.

All of this has helped catalyse a shift within the community sector, from being in a disarray to being connected and collaborative. Our work within education and employment is already benefitting as we've connected with at least 25 relevant organisations through our events. By prioritising strengthening the community sector, alongside our work within education and employment, we're ensuring organisations are supported in the ways they need to be able to take this work forward.

**///** *I didn't feel anyone with hidden agendas on the table I was sitting on... it was very refreshing. If you can pull the sector together without a promise of funding, I think you can do great things*

Feedback on a Strengthening the Sector event from a representative of a local organisation

Ann Johnson (bottom right) with other delegates at a networking event for voluntary and community organisations in Telford and Wrekin



# Amplifying voices

Small charities and the people they support have valuable expertise and lived experience. We want them to be heard by decision makers to ensure that policies and practices are effectively meeting people’s needs. We equip small charities and the people they support to influence at a local and national level, as well as using our own platform to advocate for small charities.

*/// We all have past experiences of being homeless so we wanted to give back to the community that has helped us. Being part of the research team has given us the chance to have our voices heard, to learn more about ourselves and to be more confident in what we can do. Our ultimate goal is to try to eradicate homelessness, but if we can make a difference to one person’s life on the way, then it will have been worth it.*

Russell, Martin, Mel, Kerry and Rachel – Great Yarmouth Homeless Alliance



Russell from the Great Yarmouth Homelessness Alliance at our People and Communities Six Places event

## What we promised

- 1 We'll support the charities we partner with to listen, involve and **make decisions alongside the people they support** through intentional and respectful lived experience work.
- 2 We'll support charities to become more active campaigners, taking advantage of an election year, to **influence decisions, policies and practices** that directly impact the people they support.
- 3 We'll **support communities to have the skills and resources to influence locally** to improve access to accommodation, the social security system and better support for refugees and asylum seekers.
- 4 We'll support charities to shape our society to the benefit of people facing complex issues and barriers by influencing changes to national policy and practice to **improve the social security system, access to accommodation, and support for refugees and asylum seekers.**

## What we did

In Great Yarmouth, we supported a piece of **research on people's experience of homelessness**, told in their own words. This is already informing the development of policies, programmes and initiatives aimed at preventing homelessness and supporting people experiencing homelessness.



Partnerships led by small charities in both our **national influencing and local collaborations programmes** have been **influencing local and national policy** and practice to improve the social security system, access to accommodation and support for refugees and asylum seekers. [See more on page 20.](#)

In early 2024, we helped Pro Bono Economics bring together 150 charity leaders and shadow ministers at a **Civil Society Summit** where Keir Starmer set out how he felt civil society could engage in Labour's five 'missions' if elected. Our charity partners that attended had a chance to establish or reinforce relationships with Government ministers..



[Watch the video](#)



## Key influencing wins

- ✓ Campaigning activity by our charity partner Refugee Council helped **persuade the Government to extend the ‘move on’ period** for people granted refugee status, during which they need to find their own accommodation, from 28 days to 56 days on a trial basis, reducing refugee homelessness.
- ✓ Our charity partner Carers UK published a research report illustrating how carers are impacted by the earnings limit for Carers Allowance and often end up having to repay thousands of pounds. Within weeks, this research had helped **persuade ministers to raise the earnings limit by £45 a week**, which means there is less risk of them accidentally earning too much and being disqualified. [Read more on p22.](#)
- ✓ Our funding has helped City of Sanctuary influence local authorities across England to **fund additional activity to support asylum seekers and refugees, totalling £4 million.**
- ✓ We have been campaigning on the issue of deductions from Universal Credit for years, arguing that deductions are leaving people without enough money to live on. In the 2024 autumn budget, the **Government announced that deductions will generally be a maximum of 15%, reduced from 25%**, meaning that the 7.5 million people receiving Universal Credit will be less likely to face deductions that push them deeper into poverty and debt.
- ✓ We joined with the Nationwide Foundation to support the **Renters Reform Coalition** of tenants’ groups, advice agencies and homelessness charities who are leading the campaign to end section 21 ‘no fault’ evictions. The coalition has helped **secure a commitment from the new Government to outlaw this practice** providing stability and protection to more than 9.3 million households in England and Wales that live in rented accommodation.

Carers UK and carers affected by Carer’s Allowance overpayments speak with Sir Stephen Timms MP and Andrew Western MP

Image courtesy Carers UK



## Civil Society Covenant

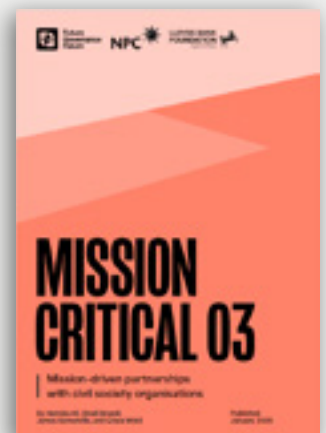
Off the back of the Civil Society Summit we supported, the newly elected Government made a commitment to renew and reset relationships with civil society and announced its intention to have a ‘Civil Society Covenant’ underpinning the relationship between government and the sector. We have provided guidance on this and contributed to the Government’s emerging civil society strategy. Alongside our partners, we’ll continue influencing this at the highest levels to ensure it delivers real change.



CARE, a homelessness charity in Grimsby, awarded a grant of £75, 000

*/// The new government has clearly indicated that it wants to build partnerships in the service of mission delivery and a decade of national renewal. To do so, it needs to work in deeper partnership with civil society, requiring cultural and operational changes for all involved.*

Excerpt from the **Mission Critical report** we funded, which outlines practical steps government can take to embed civil society’s insight and expertise at every stage of policy design and delivery



**Case study:** Carers UK was awarded a grant of £150,000 under our national influencing programme.

## // Steps towards justice for carers

Emily Holzhausen, Director of Policy and Public Affairs at Carers UK, shares how the Foundation's support has enabled the charity to campaign on the issue of overpayments of Carer's Allowance that has pushed thousands of carers into debt.

Carer's Allowance is a benefit paid to carers who are unable to work full time because of their caring responsibilities. However, if carers go even a few pence over the earnings limit, they lose 100% of this benefit, worth £81.90 per week – a harsh penalty. While the onus is on the carer to notify the Department for Work and Pensions of any changes in circumstances, many were not aware they had gone over the limit, leaving hundreds of thousands of carers to unwittingly clock up overpayments.

### **Sharing carers' stories**

We asked carers to share their experiences with overpayments and this formed the basis of a key report that we presented to the Government. News of overpayments often came as a shock to carers, caused them financial difficulties and had a negative impact on their mental health. Some had left employment due to the anxiety of having another overpayment only to be living on a reduced income as well as having to pay off the overpayment debt.

We secured significant media coverage raise awareness of the issue of Carer's Allowance overpayments with the story being featured on several national TV programmes, as well as local radio stations and news outlets.

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// *Lloyds Bank Foundation had the incredible foresight to fund this work, recognising the huge injustice in the system which means that 143,922 unpaid carers now have an outstanding Carer's Allowance overpayment debt. The funding from the Foundation has given us the capacity to increase our work on this issue which has gathered pace extremely quickly.*

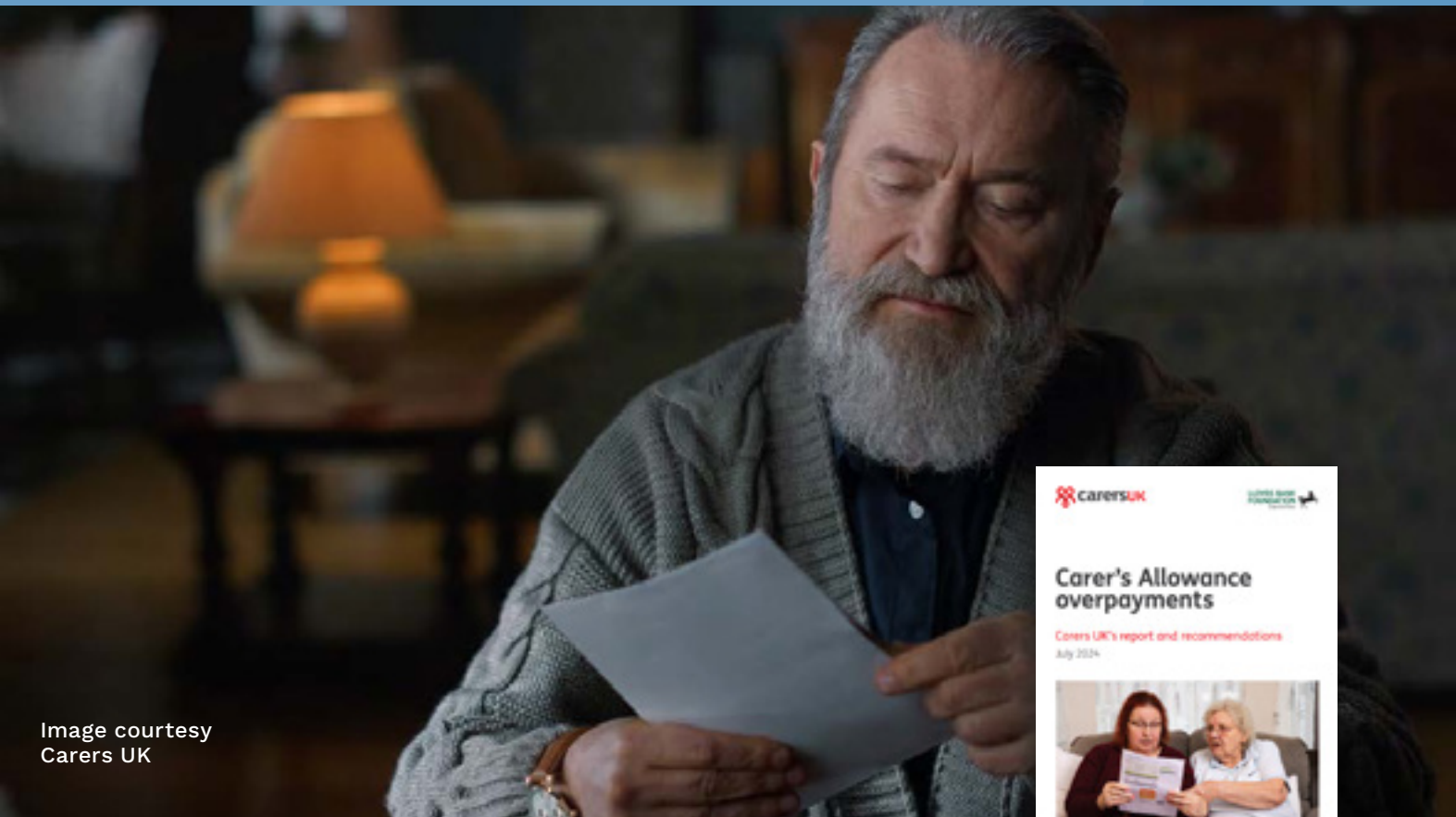
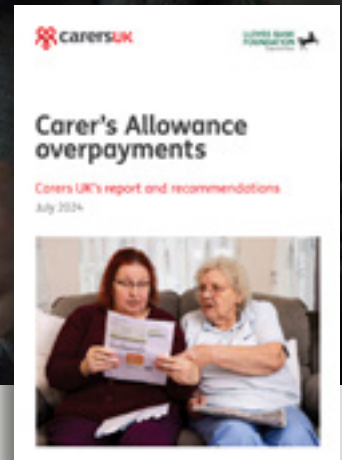


Image courtesy Carers UK



## Recommendations for change

In July 2024, we published our **Carer's Allowance overpayment report** and presented this to the Government with our recommendations for change. We also met with Stephen Timms, Minister for Social Security and Disability and Andrew Western, Minister for Transformation at the Department for Work and Pensions, so they could hear first-hand from four unpaid carers who shared the impact that overpayments have had on them.

## Campaign wins

Our work has taken a significant step forward with the announcement in the Autumn Budget that the **earnings limit on Carer's Allowance will increase to the equivalent of 16 hours at National Living Wage**. This is one of the biggest increases in the earnings limit since the benefit was created in 1976. As a result, 60,000 more carers will be able to access Carer's Allowance and those already receiving it will be able to start work or work more hours. For the first time in decades, the earnings threshold will also be pegged to National Living Wage increases – in line with our recommendation. Government also said they would examine a taper on the earnings threshold.

The Government has launched an independent review into the Carer's Allowance overpayments scandal, investigating why overpayments occurred and how to minimise risk in the future. We have been actively feeding into this review with our evidence, supporting smaller charities to contribute, and ensuring that the review lead, Liz Sayce OBE, heard directly from carers affected.

**60,000 more carers will be able to access Carer's Allowance**

# Championing equity

We live in a society where not everyone has access to the same opportunities to thrive because of who they are or where they're from. We're committed to challenging these structural barriers in society, reducing inequity between groups, and ensuring that our work – internally and externally – is truly inclusive.



Foundation team receiving the Charity Times Award

## Charity Times Award for Equity, Diversity and Inclusion

We won the Equity, Diversity and Inclusion Award at the 2024 Charity Times Awards for our work on Racial Equity and Deaf and Disabled people's organisations (DDPO) programmes. Our application shared how we've learned, tested and adapted our approach since 2019 by assessing our grants portfolio, ringfencing existing grants for by and for charities in 2020 and then developing our Racial Equity and DDPO programmes, committing 50% of our unrestricted funding budget to these programmes from 2022–26, **totalling £23 million of investment.**

We have involved people with lived experience at every stage – from designing the programmes to the funding decisions. Feedback from charities has been positive, according to our 2023 grantee and applicant survey.

### 2023 grantee and applicant survey

**We have a positive impact on their organisation**

95%

50% Benchmark

**We understand them better than other grantmakers**

82%

61% Benchmark

## What we promised

- 1** We'll support charities **led by and for Deaf and Disabled communities and racially minoritised communities** and include individuals from user led charities to make decisions on our funding.
- 2** We'll invest in exploring **equitable and inclusive decision-making practices** within communities.
- 3** Through research, we'll explore **the distinctiveness of small voluntary sector organisations** run by and for those they serve and capture their impact on society.
- 4** We'll work on improving ourselves and our support for the people that work with us by completing the **Level 2 assessment of the Disability Confident scheme**.

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## What we did

We continued to dedicate **50% of our unrestricted funding to support charities led by and for Deaf and Disabled people and those facing racial inequity** and included people with lived experience in our funding processes and decision-making.



We examined how decision-making processes in our **place-based work could include more diverse perspectives and lived experiences**.

We are developing local plans for how to upskill local partners in inclusive decision-making processes that take into consideration the unique context of each place.

We **commissioned New Economics Foundation to explore the distinctiveness of small organisations** that are run by-and-for the people they serve. The research is showing that these organisations are deeply connected to their communities and quickly adapt to their needs, making them uniquely placed to support some of society's most marginalised groups. We expect recommendations to be made for how funders, policymakers and infrastructure organisations can better support these organisations.

We successfully **achieved Level 2 Disability Confident Employer status**. The changes we made include making our recruitment and selection processes more accessible and inclusive, raising awareness of the Government's Access to Work scheme, and introducing employee passports which provide opportunities for more open conversations around workplace adjustments.

## Learning from Deaf and Disabled people

- ✓ We opened up the programme to **Community Interest Companies (CICs)** as well as charities, recognising that CICs play a significant role in the sector too.
- ✓ We **amended our eligibility criterion around being ‘led by and for’** from 75% of the Board and 50% of the staff team identifying as Deaf or Disabled, to 51% of the Board and 50% of the staff. We want to support organisations that have the people they serve at the heart of what they do, but we also want to support organisations on this journey.
- ✓ As many DDPOs have their origins in social justice campaigning and advocacy, working to a social and rights-based model is central to what they do. We’re now asking applicants to talk about **how their work supports Deaf and Disabled people to have more choice and control over their lives** and better access to rights and opportunities.



Daisy Inclusive, a peer-led charity supporting disabled people in Liverpool, awarded a grant of £75,000



The Phoenix Way, a racial equity infrastructure organisation received a £400,000 grant and development support

Image courtesy The Phoenix Way

## Investing in infrastructure

Between 2022–2024, we supported **The Phoenix Way** which focused on developing regional infrastructure for organisations led by and for Black and Racially Minoritised Communities. Our grant of £400,000 alongside development support helped the work to get off the ground – and other funders have now invested in taking this project forward. This complements our unrestricted funding through our racial equity programme.

## Benefits of being led by and for

**//** *Being supported by someone who has ‘been there’, gives a different level of expertise and helps build trust. Someone helping you who is ‘doing good’ can sometimes make you feel less capable. It’s a much more empowering message to be helped by people who have been through what you are going through.*

Eleanor Yates, Development and Fundraising Manager at Hear Us, shared the importance of charities being led by and for the communities they serve

# Solidarity with our partners: Responding to the riots

We made  
a payment of  
**£2,500**  
to **162**  
charities

In the summer of 2024, far-right anti-immigration riots took place across England, fuelled by racist, Islamophobic and anti-migrant rhetoric. We were quick to contact our charity partners who work with asylum seekers and refugees and/or racially minoritised communities to let them know we were standing in solidarity with them.

Charities shared how many of the people they support were distressed by the violence, and some were afraid to go outside. **Some of our charity partners were directly targeted by far-right groups, putting their staff, volunteers and the people they support at risk.** These are charities who are already under pressure, under funded, and under resourced. But in the midst of crisis, these charities stepped up to provide extra support to their communities, showing their strength and solidarity.

In the days following the riots, we looked at how we could best support our charity partners. We decided to make **an unrestricted payment of £2,500 to each of the 162 charities** we currently support that are working with asylum seekers and refugees or racially minoritised communities, to contribute to their unforeseen costs.



Mojatu Foundation, a charity in Nottingham supporting people facing inequity due to their race or ethnicity

*The uplift following the unrest in Southport was a tremendous relief. It is rare for us to receive funds without a direct request, and this support has been exceptionally appreciated.*

*We would like to thank the organisation for supporting us through the riots and protests against migrants, which was a lifeline in being able to have more volunteer engagement.*

*/// This is wonderful news, thank you so much for your continued support both financially and emotionally just knowing you are there is extremely important for our charity and our community. The last few weeks have been very frightening for our women and families we support.*



Maa Shanti, a charity in London supporting women facing inequity due to their race or ethnicity

*/// It enabled us and the women and families to feel less alone. It can sometimes feel like that when working at the grass roots, so thank you so much Lloyds Bank Foundation. You are wonderful and we could not do what we do without you.*

# Financial review

In this section, our Trustees outline our principal funding source in the year ended 31 December 2024 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 44 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 2024 we received £25.4m from Lloyds Banking Group under the Covenant and an additional £450,000 to help charities respond to the autumn riots (2023: £17.8m) under the Covenant.

## How we spend our money

Everything we spend aligns with our mission: to partner with small<sup>1</sup> and local charities helping people overcome complex social issues<sup>2</sup> and rebuild their lives. We aim to make grant funding unrestricted wherever possible.

The principal support to charities was provided through the five grant programmes:

- **Specialist programme** – 90 grants totalling £6.75m to fund support to charities helping people facing complex social issues (2023: £6.2m of grants to 82 charities).
- **Racial equity programme** – 42 grants totalling £3.2m to fund for organisations working with people who have faced inequity because of their race or ethnicity. (2023: £3.3m of grants to 44 charities).
- **Deaf and Disabled People's organisations programme** – 42 grants totalling £3.2m to fund for organisations led by and working for D/deaf and disabled people (2023: £3.2m of grants to 42 charities).
- **Local collaboration programme** – first programme awarded £1.6m to 16 charities collaborating together in the areas of Homelessness, Asylum Seekers and Refugees and Social Security.
- **National influencing programme** – 17 grants totalling £0.6m to fund organisations working nationally to influence policy and promote small charities (2023: £2.4m of grants to 18 charities).

Other key funding included:

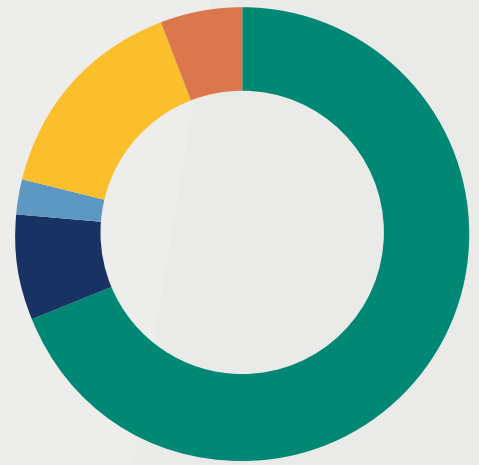
- £1.8m of organisational development support for charities (2023: £2.0m).
- £1.9m (2023: £1.8m) was paid to charities across the country under the Matched Giving scheme, where the Foundation matches the fundraising efforts of colleagues at Lloyds Banking Group. 2024 was the first full year of LBG's partnership with Crisis with income of £373k paid under the scheme compared to £214k in 2023.

1 Eligible charities were those with a turnover between £25,000 and £500,000.

2 Full details of the complex social issues funded are shown on the Foundation website.

## Expenditure 2024

- Long-term funding: **£17.1m** (2023: £14.3m)
- Development: **£1.9m** (2023: £2.8m)
- Influencing, Policy and Practice: **£0.6m** (2023: £2.6m)
- Direct costs of charitable activity: **£3.8m** (2023: £3.2m)
- Central support costs: **£1.4m** (2023: £1.2m)



Total charitable expenditure was £24.7m (2023: £24.1m) – the increase was enabled by the higher level of funding from LBG.

The overall result for the year was a surplus on unrestricted funds of £3.0m (2023: deficit £5.0m) before investment gains of £1.2m (2023: £1.3m). The surplus arises as grant expenditure of £1.7m planned to be spent in 2024 has been carried forward to 2025, in part to co-ordinate with partners and a higher level of interest income which will be received and spent in 2025.

The Foundation is planning to spend more than it receives by £3m in both 2025 and 2026 to meet expected needs of charities working in the key areas of focus.

## 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 two levels of investment strategy;

- bank deposits and short-term funds for funds required within five years,
- long-term funds with a time horizon beyond five years.

Financial investments of the Foundation were valued at £16.0m at 31 December 2024 (2023: £14.7m) with the majority invested in the Cazenove Sustainable Multi-Asset Fund.

The disposition of funds at 31 December was as follows;

	2024	2023
	Asset value	Asset value
	£'m	£'m
HSBC Institutional Liquidity Fund	1.6	-
Cazenove Sustainable Multi-Asset Fund	14.4	14.7
<b>Total</b>	<b>16.0</b>	<b>14.7</b>

The Foundation's investment in the Multi-Asset Fund fell with an increase in market value of £1.2m, a rise of 8.5%, offset by a £1.5m transfer to the Liquidity Fund to meet the cash requirements of the additional expenditure in 2024.

The Cazenove Sustainable Multi-Asset Fund 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.

These investments are regarded as Level 2 investments in accordance with Section 34 of FRS 102 except for the cash which is Level 1. The investments are valued at fair value at the valuations are provided by the investment manager.

<b>Asset allocation of the Multi-Asset Fund at 31 December</b>	<b>2024</b>	<b>2023</b>
<b>Long-term portfolio</b>	<b>£'m</b>	<b>£'m</b>
Equities	10.7	10.2
Bonds	1.5	1.7
Property	0.6	0.7
Alternative investments	1.2	1.4
Cash	2.0	0.7
<b>Total</b>	<b>16.0</b>	<b>14.7</b>

After performing strongly in 2023 the investments generated further positive returns in 2024. The performance in the year was as follows;

	<b>Return 2024</b>	<b>Benchmark 2024</b>	<b>Return 2023</b>	<b>Benchmark 2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Sarasin Medium Term Fund	-	-	0.8%*	7.0%
Sarasin Long Term Fund	-	-	2.0%*	11.7%
Cazenove Multi Asset Fund <sup>+</sup>	8.5%	6.6%	7.4%+	1.2%



Sir Robin Budenberg, Mark Barnett and Dame Ann Limb visiting Doorway, a homelessness charity in Wiltshire awarded a grant of £75,000

\* From 1 January to October 2023. + From October 2023 to 31 December 2023

## Financial risk management

The risks associated with the Foundation's investments are monitored by its Audit, Investment and Risk Committee and managed on a day-to-day basis by its investment managers. 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 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 2024, in the event that there was a general 10% fall in equity markets there would be a reduction in net income of £1.1m (2023: £1m).

### Currency

The Cazenove Multi-Asset fund is denominated in GBP. The currency exposure of the Cazenove Multi-Asset Fund at 31 December was as follows;

	2024	2023
	Currency exposure	Currency exposure
	%	%
Sterling	27.8	32.3
US Dollar	23.5	9.3
Euro	5.0	2.8
Japanese Yen	-	0.2
Other	43.7	55.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

### Credit risk

The Foundation's invests into the Pooled Investment vehicles. There is a direct exposure to credit risk in relation to the Pooled Investment vehicles and indirect risk in relation to the underlying investments held within the Pooled Investment vehicles.

Term deposits of £19.5 million at 31 December 2024 (2023: £17.6m) were invested with Lloyds Banking Group and one other bank; the Foundation policy is that there is a limit of £5 million for deposits with any bank other than Lloyds Banking Group.

### Liquidity risk

The Foundation's long-term investments are invested in the Cazenove Sustainable Multi-Asset Fund which has weekly dealing which would allow the Foundation to realise cash if this were required.

### Reserves

Currently the balance of total reserves held by the Foundation stands at £25.4m (2023: £21.2m) of which the free reserves are £23.7m (2023: £20.8m). 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 2024 this represented a level of £10.2m (2023: £12.6m). At £23.7m at 31 December 2024 (2023: £20.8m), 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 next two years such that the target and actual reserves will be aligned towards the end of 2026.

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 2024 from 2023 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.



Hope and Vision, a charity supporting people recovering from addiction in Reading, awarded a grant of £75,000

# 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.

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

## Principal risk around a single source of income

The Trustees recognise that there is a significant risk associated with the Foundation being principally funded from one source, namely Lloyds Banking Group. The current economic uncertainty may impact on the profitability of the Group. The Trustees are satisfied that this risk is suitably mitigated as follows:

- 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 Lloyds Banking 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
<b>1 Impact</b> – is the Foundation making the desired impact, and can it be evidenced?	<ul style="list-style-type: none"> <li>• Regular feedback from grantees</li> <li>• Monitoring of Key Performance Indicators</li> <li>• Monitoring by Regional Managers</li> </ul>
<b>2 Financial sustainability</b> – 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>
<b>3 Compliance</b> – 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 and Safety</li> <li>• Regular reporting to Trustees</li> </ul>
<b>4 Reputation</b> – 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>
<b>5 Other</b> – 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 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 and 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 report 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.

## Business continuity

The Foundation has been able to effectively respond to the shocks that have occurred in recent years. The profits of Lloyds Banking Group have been extremely strong in recent years. The agreement provides for a minimum of £14.4m regardless of the actual profits of LBG.

## Going concern

As stated above we are able to take a long-term view of our investments and the covenant with the Lloyds Banking Group provides a significant degree of protection. The funding for 2025 has been received in full and for future years the agreement, which requires nine years notice to be given, provides for a minimum payment of £14.4m to be paid each year and that the actual sum paid is based on the profits of the three prior years. The Trustees are therefore confident that they are able to fully fund their operating costs, meet all existing grant commitments and continue grant funding activities for at least until May 2026.

## Future activities

The Foundation will continue to provide grant funding, developmental support and seek to influence policy and practice to help small and local charities thrive in their local communities.

The Foundation's reserves could be affected by a fall in the value of its investments. The Foundation practice is to keep a buffer between the amount the reserves over the minimum level so that a fall of 10% in the value of the investments would have not impact on grant making in the next five years.

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.

The Trustees are confident that they are able to continue their operations and grant funding activities as planned for the remainder of the year, throughout 2025 and beyond.

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.



Delegates from our event for charities involved in our local collaborations programme

# Governance

## Constitution

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, under Section 17 of the Charities Act 2011, 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 8–29.

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

## Organisational structure



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 leads 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 64. The Board is responsible for the strategic direction of the Foundation and normally 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 and we also appoint independent members where appropriate.

### Audit, Investment and 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 and Risk Committee are to provide assurance 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 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 oversee the remuneration policies for the Foundation, with particular focus on the remuneration of the Senior Leadership Team.

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.

Matt Hyde OBE was appointed Chief Executive during the year following the retirement of Paul Streets CBE, taking up the post on 15 September 2024. The trustees were assisted in the search for a Chief Executive by Saxton Bamphylde, a leading executive search consultancy. The requirements were widely circulated to potential candidates and there were advertisements in the national media. The process was managed by a sub-committee of trustees and staff. There was a three-stage interview process involving panels of charity partners as well as trustees and staff.



Lloyds Bank Foundation staff at an all staff event

# 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 our 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. All of our Trustees have recently completed bespoke safeguarding training.

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 64.



# Statement of Trustees' Responsibilities

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

Company law 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 charitable company and of the incoming resources and application of resources of the charitable company for that period. 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 corporate and financial information included in 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 auditor is 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 auditor is 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 6 May 2025 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".

# 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 2024 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'
- 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 17.

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 procedures performed to address it are described below:

- we identified a fraud risk related to the application of grant expenditure in line with charitable objectives, and 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 purpose of the grant, any conditions present and ascertain the correct level of expenditure and related liability to recognise.

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 to 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 and legal counsel 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 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 Directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements

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 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; or

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 our report, or for the opinions we have formed.

signature  


**Helen Perkins**, CA (Senior statutory auditor)

For and on behalf of Deloitte LLP, Statutory Auditor, Reading, UK.

6 May 2025

# Financial statements

## Statement of financial activities

(incorporating an Income and Expenditure account)

Year ended 31 December 2024

	Note	Unrestricted	Restricted	Total Funds 2024	Unrestricted	Restricted	Total Funds 2023
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>							
Donations and legacies	2	25,938	-	25,938	17,872	-	17,872
Investment income	9	1,702	-	1,702	1,239	-	1,239
Other income	3	14	102	116	12	96	108
<b>Total income</b>		<b>27,654</b>	<b>102</b>	<b>27,756</b>	<b>19,123</b>	<b>96</b>	<b>19,219</b>

<b>Expenditure on:</b>							
Charitable activities	4a	(24,642)	(103)	(24,745)	(24,053)	(97)	(24,150)
Investment fees		(18)	-	(18)	(70)	-	(70)
<b>Total expenditure</b>		<b>(24,660)</b>	<b>(103)</b>	<b>(24,763)</b>	<b>(24,123)</b>	<b>(97)</b>	<b>(24,220)</b>

<b>Net income/(expenditure) before gain on investments</b>		2,994	(1)	2,993	(5,000)	(1)	(5,001)
Net gain on investments	9	1,212	-	1,212	1,263	-	1,263
<b>Net income/(expenditure)</b>		<b>4,206</b>	<b>(1)</b>	<b>4,205</b>	<b>(3,737)</b>	<b>(1)</b>	<b>(3,738)</b>
Transfers between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>4,206</b>	<b>(1)</b>	<b>4,205</b>	<b>(3,737)</b>	<b>(1)</b>	<b>(3,738)</b>

<b>Reconciliation of funds:</b>							
Total funds brought forward		21,148	(1)	21,147	24,885	-	24,885
<b>Total funds carried forward</b>	<b>14</b>	<b>25,354</b>	<b>(2)</b>	<b>25,352</b>	<b>21,148</b>	<b>(1)</b>	<b>21,147</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.

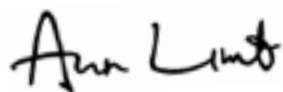
The Notes on pages 47 to 63 form part of these financial statements

# Balance sheet

As at 31 December 2024	Note	2024	2023
<b>Fixed assets:</b>		<b>£'000</b>	<b>£'000</b>
Tangible assets	8	62	89
Investments	9	15,965	14,731
<b>Total fixed assets</b>		<b>16,027</b>	<b>14,820</b>
<b>Current assets:</b>			
Debtors	10	921	352
Investments	9	24,953	17,600
Cash at bank and in hand		1,625	4,651
<b>Total current assets</b>		<b>27,499</b>	<b>22,603</b>
<b>Creditors: Amounts falling due within one year</b>	11	(11,567)	(9,588)
<b>Net current assets</b>		<b>15,932</b>	<b>13,015</b>
<b>Total assets less current liabilities</b>		<b>31,959</b>	<b>27,835</b>
Creditors: Amounts falling due after more than one year	12	(5,452)	(5,445)
Provision for liabilities and charges	13	(1,155)	(1,243)
<b>Total net assets</b>		<b>25,352</b>	<b>21,147</b>
<b>The funds of the charity</b>			
<b>Unrestricted funds:</b>	14		
General fund		23,705	20,753
Designated funds		1,649	395
<b>Total unrestricted funds</b>		<b>25,354</b>	<b>21,148</b>
Restricted funds	14	(2)	(1)
<b>Total charity funds</b>		<b>25,352</b>	<b>21,147</b>

The financial statements of Lloyds Bank Foundation for England & Wales, registered number 1971242 including the notes on pages 47–63 were approved and authorised for issue by the Trustees on 6 May 2025 and signed on their behalf by **Dame Ann Limb DBE DL, Chair of Trustees.**

Signature



## Statement of cash flows

Year ended 31 December 2024	Note	2024	2023
Cash flows from operating activities		£'000	£'000
<b>Net cash generated/(used) in operating activities</b>	<b>(A)</b>	<b>2,666</b>	<b>(2,327)</b>
Cash flows from investing activities:			
Dividends and interest from investments		1,703	1,239
Purchase of investments		(1,500)	(13,762)
Purchase of tangible assets		(2)	(5)
Proceeds from sale of investments		1,500	13,762
Movements in invested cash		(40)	(16)
Movements in term deposits		(7,353)	(3,600)
<b>Net cash from investing activities</b>		<b>(5,692)</b>	<b>(2,382)</b>
Change in cash and cash equivalents in the reporting year		(3,026)	(4,709)
<b>Cash and cash equivalents at the beginning of the reporting year</b>		<b>4,651</b>	<b>9,360</b>
<b>Cash and cash equivalents at the end of the reporting year</b>	<b>(B)</b>	<b>1,625</b>	<b>4,651</b>

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

	2024	2023
	£'000	£'000
<b>Net income/(expenditure) for the reporting year</b>	<b>4,205</b>	<b>(3,738)</b>
<b>Adjustments for:</b>		
Depreciation charges	29	28
Income from investments	(1,703)	(1,239)
(Increase) in debtors	(569)	(270)
Increase in creditors	1,987	4,347
(Decrease) in provisions	(89)	(262)
Gain on investments	(1,212)	(1,263)
Investment management fees	18	70
<b>Net cash generated by/(used in)</b>	<b>2,666</b>	<b>(2,327)</b>

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

	2024	2023
	£'000	£'000
Cash in hand	1,625	4,651
<b>Total cash and cash equivalents</b>	<b>1,625</b>	<b>4,651</b>

The Notes on pages 47–63 form part of these financial statements.

# Notes to the Financial Statements

## 1. Accounting policies

### Basis of preparation

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 Charities 'Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with FRS 102 ('the SORP') and in accordance with the Companies Act 2006 and Charities Act 2011, using consistently applied accounting policies and is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 10 trustees who are also members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 64.

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.

#### Cash and cash equivalents

Cash and cash equivalents include cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

#### 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.

## 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.

### Debtors

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

### Creditors

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

### Cash and cash equivalents

Cash and cash equivalents include cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### Organisational Development provisions

The Foundation's organisational development 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.

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 Group'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.

## **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 prior to termination and which contains provision for a minimum annual payment of £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 meet its obligations for a period of at least 12 months after the approval of these financial statements, namely the period to May 2026.

## 2. Donations and Legacies

	Unrestricted	Restricted	Total 2024	Unrestricted	Restricted	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Donations from Lloyds Banking Group</b>						
Covenant income	25,421	-	25,421	17,808	-	17,808
Riot response	450	-	450	-	-	-
External audit services	39	-	39	38	-	38
<b>Other donations</b>						
The Legal Foundation	10	-	10	-	-	-
Donated services	18	-	18	26	-	26
<b>Total</b>	<b>25,938</b>	<b>-</b>	<b>25,938</b>	<b>17,872</b>	<b>-</b>	<b>17,872</b>

Covenant income is the sum that the Foundation receives from Lloyds Banking Group.

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.

## 3. Other income

	Unrestricted	Restricted	2024	Unrestricted	Restricted	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Administration support to Lloyds Bank Foundation for the Channel Islands	14	-	14	9	-	9
Other income	-	102	102	3	96	99
<b>Total</b>	<b>14</b>	<b>102</b>	<b>116</b>	<b>12</b>	<b>96</b>	<b>108</b>

*Hope and Vision has given me a home and a family. I'd lost pretty much everything, and this has given me the time to rebuild my life. Being part of the work programme has helped me grow my confidence and self esteem as well.*

Tom, supported by Hope & Vision Communities, a charity supporting people recovering from addiction in Reading, awarded a grant of £75,000

## 4. Analysis of Grant Expenditure

### 4a. Charitable activities

Year ended 31 December 2024

	Grant Awards	Direct staff Costs	Other direct Costs	Support Costs	Total
	£'000	£'000	£'000	£'000	£'000
Long term funding	17,114	1,466	262	1,109	19,951
Developmental support	1,870	423	611	171	3,075
Influencing policy and practice	615	697	311	96	1,719
<b>Total</b>	<b>19,599</b>	<b>2,586</b>	<b>1,184</b>	<b>1,376</b>	<b>24,745</b>

Year ended 31 December 2023

	Grant Awards	Direct staff Costs	Other direct Costs	Support Costs	Total
	£'000	£'000	£'000	£'000	£'000
Long term funding	14,356	1,217	167	835	16,575
Developmental support	2,829	499	406	198	3,932
Influencing policy and practice	2,563	699	198	184	3,644
<b>Total</b>	<b>19,748</b>	<b>2,415</b>	<b>771</b>	<b>1,217</b>	<b>24,151</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.



CARE, a homelessness charity in Grimsby, awarded a grant of £75,000

## 4b. Grant awards

	2024		2023	
	No.	£'000	No.	£'000
<b>Long-term funding</b>				
Core grant programme	192	14,794	169	12,633
Riot response funding		505		-
Matched Giving		1,865		1,824
<b>Total</b>		<b>17,164</b>		<b>14,457</b>

<b>Developmental support</b>				
Organisational development		2,019		2,217
Development funding	7	341	7	1,192
	<b>199</b>	<b>2,360</b>	<b>176</b>	<b>3,409</b>

<b>Influencing Policy and Practice</b>				
National grant programmes	18	618	24	2,597
<b>Total grants awarded in the year</b>	<b>217</b>	<b>20,142</b>	<b>200</b>	<b>20,463</b>

<b>Less grants cancelled in the year</b>		<b>(543)</b>		<b>(715)</b>
<b>Grants payable (Note 4a)</b>		<b>19,599</b>		<b>19,748</b>

A full list of the grants approved in 2024 can be found on our website [lloydsbankfoundation.org.uk/our-impact/who-we-support](https://lloydsbankfoundation.org.uk/our-impact/who-we-support)



Maa Shanti, a charity in London supporting South Asian mothers who have experienced domestic abuse, awarded a grant of £75,000

## 4c. Grants payable

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

Reconciliation of grants payable	2024	2023
	£'000	£'000
Amount outstanding at 1 January	16,045	11,908
<b>Grants approved/cancelled in year</b>		
Grants approved	20,142	20,463
Grants cancelled or recovered	(543)	(715)
<b>Grants payable for the year</b>	<b>19,599</b>	<b>19,748</b>
<b>Grants paid during the year</b>	<b>(17,706)</b>	<b>(15,611)</b>
<b>Amounts outstanding at 31 December</b>	<b>17,938</b>	<b>16,045</b>

### Amounts outstanding at 31 December split between:

Due within one year (Note 11)	11,332	9,357
Due after more than one year (Note 12)	5,452	5,445
Provision for liabilities and charges (Note 13)	1,155	1,243
<b>Amounts outstanding at 31 December</b>	<b>17,938</b>	<b>16,045</b>

## 4d. Support costs

	2024	2023
	£'000	£'000
Finance	363	307
Human Resources	298	224
Facilities	246	241
IT	190	144
Executive	272	294
Trustees	7	7
<b>Total</b>	<b>1,374</b>	<b>1,217</b>

## 5. Governance costs

	2024	2023
	£'000	£'000
Legal fees	18	29
Auditor's remuneration	39	38
Trustee expenses	5	3
Other costs	2	-
<b>Total</b>	<b>64</b>	<b>73</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 (2023: nil).

Expenses were paid directly or by reimbursement for seven Trustees principally relating to travel and subsistence totalling £5k (2023: £3k, seven Trustees).

## 6. Staff costs

	2024	2023
	£'000	£'000
Wages and salaries	2,527	2,357
Social security costs	286	263
Pension costs	469	383
Other staff costs	54	41
Agency staff costs	65	146
<b>Total</b>	<b>3,401</b>	<b>3,190</b>

The average number of persons employed by the Foundation was 53 (2023: 50) of which full-time employees is 46 (2023: 46) and part time is 4 (2023: 4). This included two staff seconded from Lloyds Banking Group.

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

	2024	2023
	No.	No.
£60,001–£70,000	1	2
£70,001–£80,000	2	-
£90,001–£100,000	2	2
£150,001–£160,000	-	1
<b>Total</b>	<b>5</b>	<b>5</b>

Total remuneration received by key management personnel being the Senior Leadership Team was £561k (2023: £534k).

## Pension costs

	2024	2023
	£'000	£'000
Defined contribution scheme	469	383
<b>Total</b>	<b>469</b>	<b>383</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 £469k (2023: £383k). Since September 2022 the pension scheme has operated under a salary sacrifice basis.

## 7. Other expenditure

	2024	2023
	£'000	£'000
Net (expenditure) is stated after charging		
Depreciation	29	28
Operating lease costs	79	78
Auditor's remuneration (Statutory audit)	39	38



WODIN, a charity in Liverpool supporting migrant women, awarded a grant of £75,000

## 8. Tangible assets

	Furniture and office equipment	Computer equipment <sup>3</sup>	2024 total	2023 total
Cost	£'000	£'000	£'000	£'000
At beginning of the year	91	106	197	357
Additions	-	2	2	5
Disposals	-	-	-	(165)
<b>At end of the year</b>	<b>91</b>	<b>108</b>	<b>199</b>	<b>197</b>

### Accumulated Depreciation

At beginning of the year	27	81	108	245
Charge for the year	9	20	29	28
Disposals	-	-	-	(165)
<b>At end of the year</b>	<b>36</b>	<b>101</b>	<b>137</b>	<b>108</b>

Net book value at beginning of the year	64	25	89	112
<b>Net book value at end of the year</b>	<b>55</b>	<b>7</b>	<b>62</b>	<b>89</b>

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

Delegates at our event celebrating 10 years of skills based volunteering



## 9. Investments

	2024	2023
	£'000	£'000
Fixed and current asset investments		
Fixed asset investments	15,965	14,731
Current asset investments	24,953	17,600
<b>Total</b>	<b>40,918</b>	<b>32,331</b>

### Movement in a year

As at 1 January	32,331	27,522
Investment income reinvested	40	15
Disposal of fixed asset investments	(1,500)	(13,763)
Additions	1,500	13,763
Net gain/(loss) on investments	1,212	1,263
Management fees	(18)	(69)
Movement on deposits	7,353	3,600
<b>As at 31 December</b>	<b>40,918</b>	<b>32,331</b>

### Breakdown of investments (excluding short-term deposits)

2024		2023	
£'000	% of portfolio	£'000	% of portfolio

### Cash and other liquid assets

Cash	18	0.1%	-	-
Institutional Liquidity Funds	1,538	9.7%	-	0.0%
<b>Sub-total</b>	<b>1,556</b>	<b>90.0%</b>	-	-
Multi asset fund	14,409	90.3%	14,699	100%
<b>Total</b>	<b>15,965</b>	<b>100.0%</b>	<b>14,731</b>	<b>100%</b>

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

	2024	2023
	£'000	£'000
<b>Investment income</b>		
Dividend income	39	15
Bank interest	1,663	1,224
<b>Total</b>	<b>1,702</b>	<b>1,239</b>

## 10. Debtors

	2024	2023
	£'000	£'000
Other debtors	47	44
Prepayments and accrued income	874	308
<b>Total</b>	<b>921</b>	<b>352</b>

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

	2024	2023
	£'000	£'000
Grants payable (Note 4c)	11,332	9,357
Trade creditors	82	58
Other creditors	89	84
Accruals and deferred income	64	89
<b>Total</b>	<b>11,567</b>	<b>9,588</b>

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

	2024	2023
	£'000	£'000
Grants payable (Note 4c)	5,452	5,445
<b>Total</b>	<b>5,452</b>	<b>5,445</b>

## 13. Provision for liabilities and charges

	2024	2023
	£'000	£'000
Balance brought forward	1,243	1,505
Additions	1,841	1,982
Cancellations in the year	(317)	(579)
Utilised during the year	(1,612)	(1,665)
<b>Balance carried forward</b>	<b>1,155</b>	<b>1,243</b>

The provision relates to the Foundation's Organisational Development programmes which provide 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 2024	Total incoming resources	Total resources expended	Change in market value of investments	Transfers	Balance at 31 Dec 2024
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General fund	20,753	27,654	(24,660)	1,212	(1,254)	23,705
<b>Designated funds</b>						
Fixed asset funds	89	-	-	-	(27)	62
Research funding	190	-	-	-	(46)	144
Organisational development projects and support	3	-	-	-	87	90
Communities funding	113	-	-	-	(20)	93
Grant funds carried forward	-	-	-	-	1,260	1,260
<b>Total designated</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,254</b>	<b>1,649</b>
<b>Total unrestricted</b>	<b>21,148</b>	<b>27,654</b>	<b>(24,660)</b>	<b>1,212</b>	<b>-</b>	<b>25,354</b>
<b>Restricted funds</b>						
LocalMotion	(1)	102	(103)	-	-	(2)
<b>Total restricted</b>	<b>(1)</b>	<b>102</b>	<b>(103)</b>	<b>-</b>	<b>-</b>	<b>(2)</b>
<b>Total funds</b>	<b>21,147</b>	<b>27,756</b>	<b>(24,763)</b>	<b>1,212</b>	<b>-</b>	<b>25,352</b>



Harrow Association of Disabled People, a disability charity in London, awarded a grant of £75,000

<b>Movement in funds continued</b>	<b>Balance at 1 Jan 2023</b>	<b>Total income</b>	<b>Total expenditure</b>	<b>Change in market value of investments</b>	<b>Transfers</b>	<b>Balance at 31 Dec 2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Unrestricted funds</b>						
<b>General fund</b>	24,586	19,123	(24,123)	1,263	(96)	20,753
<b>Designated funds</b>						
Fixed asset funds	112	-	-	-	(23)	89
Research funding	-	-	-	-	190	190
Organisational development projects and support	-	-	-	-	3	3
Grant funds carried forward	187	-	-	-	(187)	-
<b>Total designated</b>	<b>299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>395</b>
<b>Total unrestricted</b>	<b>24,885</b>	<b>19,123</b>	<b>(24,123)</b>	<b>1,263</b>	<b>-</b>	<b>21,148</b>
<b>Restricted funds</b>						
LocalMotion	-	96	(97)	-	-	(1)
<b>Total restricted</b>	<b>-</b>	<b>96</b>	<b>(97)</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
<b>Total funds</b>	<b>24,885</b>	<b>19,219</b>	<b>(24,220)</b>	<b>1,263</b>	<b>-</b>	<b>21,147</b>

## Designated Funds

### Fixed asset funds

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

### Research funding

Comprises funds to assess the impact of the Foundation's charitable activities.

### Communities funding

Comprises funds to enable the Foundation's work to support local communities to design, resource and deliver new services.

### Organisational development projects and support

Comprises funds to support core grant holders through consultancy and training.

### Grant funds carried forward

Comprises funds set aside for grant extensions expected to be awarded in 2024 which charities have requested be awarded in 2025. In 2023 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 developing strategies for regeneration in deprived areas. The financial administration of LocalMotion was transferred to Esmée Fairbairn from January 2022 and the balance on restricted funds was transferred at that time. The Foundation continues to meet the salary cost of the LocalMotion Director and recharges the cost to Esmée Fairbairn.

	<b>General fund</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
<b>Net assets as at 31 December 2024</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Tangible fixed assets	-	62	-	62
Investments	15,965	-	-	15,965
Current assets	27,264	237	(2)	27,499
Creditors due within one year	(11,567)	-	-	(11,567)
Creditors due after more than one year	(5,452)	-	-	(5,452)
Provisions	(1,155)	-	-	(1,155)
<b>Total</b>	<b>25,055</b>	<b>299</b>	<b>(2)</b>	<b>20,352</b>

<b>Net assets as at 31 December 2023</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Tangible fixed assets	-	89	-	89
Investments	14,731	-	-	14,731
Current assets	22,297	306	-	22,603
Creditors due within one year	(9,587)	-	(1)	(9,588)
Creditors due after more than one year	(5,444)	-	-	(5,445)
Provisions	(1,243)	-	-	(1,243)
<b>Total</b>	<b>20,753</b>	<b>395</b>	<b>(1)</b>	<b>21,147</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 2024 was 10 (2023: 12).

## 16. Related party transactions

### 16a Connected Foundations

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

#### **Halifax Foundation for Northern Ireland (HFNI)**

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

The Foundation is working jointly with HFNI and LBFCI on new software to administer the Lloyds Banking Group Matched Giving Scheme. As part of this development the Foundation invoiced HFNI £472 in respect of its share of work completed. There were no transactions with HFNI in 2023.

#### **Lloyds Bank Foundation for the Channel Islands (LBFCI)**

Society Building, 8 All Saints Street, London N1 9RL.

The Foundation received £9,590 (2023: £9,221) from the Lloyds Bank Foundation for the Channel Islands (LBFCI) in respect of time spent by the Chief Executive and his staff on Lloyds Bank Foundation for the Channel Islands business.

To provide the grant administration and financial services the LBFCI and the Foundation agreed to adopt common financial system and grants database. LBFCI implemented the Salesforce grants database in 2023 following LBFEW's earlier adoption. LBFEW co-ordinated the implementation for the Foundation and provided funding to LBFCI to meet the implementation costs which totalled £22,883. LBFCI are repaying this funding over three years.

No interest is payable on this arrangement. Based on LBG overnight deposit rates this represents interest foregone of around £210 (2023: £60).

At 31 December 2024 there was £9,191 due from LBFCI to the Foundation under this arrangement (2023: £15,319).

The Foundation is working jointly with HFNI and LBFCI on new software to administer the Lloyds Banking Group Matched Giving Scheme. As part of this development the Foundation invoiced LBFCI £915 in respect of their share of work completed.

#### **Bank of Scotland Foundation**

The Mound, Edinburgh EH1 1YZ.

There were no transactions with the Bank of Scotland Foundation in 2024 or 2023.

### **16b Connected company**

The Foundation derives its revenue primarily from Lloyds Banking Group plc. In December 2013 the Foundation entered into an agreement with Lloyds Banking Group plc 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 approximately £50.3m which increases by RPI each year.

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

The Foundation received income of £25.4m (2023: £17.8m) as income, and £1.2m (2023: £1.2k) bank interest was received from Lloyds Banking Group plc.

At 31 December 2024 a balance of £136k is in a current account with Lloyds Banking Group plc (2023: £4.7m), £1.5m in an Instant Access account, £452k in a 32 day notice account and held Treasury deposits of £19.5m (2023: £17.6m).

### **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 Bushra Ahmed** is a Trustee of **Shelia McKechnie Foundation** and Home-Start UK. There were no payments in 2023 or 2024.

**Chief Executive Matt Hyde** is a trustee of **Comic Relief**, chair of the **Big Help Out Steering Group**. His wife is the Chief Executive of **Resolve**. There were no donations in 2024 or 2023.

**Director of Charity Development Andre Clarke** is a trustee of **IVAR**. The Foundation awarded a grant of £15,000 (2023: Nil) in 2024 to IVAR in support of their Open and Trusting initiative. The Foundation also provided funding of £5,000 (2023: £2,500) towards the cost of the **UK Roundtable**.

**Head of Finance, Andrew Whitehead**, is the Chair of the **Pension Trustees** of a pension scheme sponsored by Shaftesbury. In 2024 the Foundation made a donation of £500 to Shaftesbury – there were no donations in 2023.

**Manager for London, Sara Cooney**, is a trustee of **London Funders**. The Foundation is provided a grant of £20,000 for Trust for London in 2024 (2023: £Nil) and is a member paying the annual fee of £1,400 (2023: £1,315).

**Manager for Wales, Rachel Marshall**, is a Trustee of **St Andrews Major CIW Primary School PTA**. During the year ended 31 December 2023 the Foundation made a donation in relation to the Matched Giving Scheme of £1,000 – there were no payments in 2024.

## 17. Lease commitments

The Foundation had a total commitment under non-cancellable operating leases at 31 December 2024:

	Buildings		Other	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Within one year	94	94	3	4
Within two to five years	95	189	16	-
<b>Total</b>	<b>189</b>	<b>283</b>	<b>19</b>	<b>4</b>

The Foundation leases office accommodation within the NCVO Society Building in London. The annual lease commitment is £94,435 per annum under a five-year lease which expires in January 2027.



Rebuild East Midlands, a charity in Derby supporting survivors of modern day slavery and human trafficking, awarded a grant of 75,000

## Reference and administrative details

Registered charity number: 327114

Company Limited by Guarantee  
Registered Number: 1971242

Country of registration: England and Wales

Country of incorporation: United Kingdom

### Registered office and operational address

Society Building  
8 All Saints Street  
London N1 9RL

### Bankers

Lloyds Bank plc  
10 Gresham Street  
London EC2V 7AE

### Solicitors

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

### Independent Auditors

Deloitte LLP  
Abbots House  
Abbey Street  
Reading RG1 3BD

### Investment Managers

Cazenove  
1 London Wall Place  
London EC2Y 5AU

## Trustees and Senior Management

### Trustees

**Chair:** Dame Ann Limb DBE DL (and Chair, Nominations Committee)

**Vice Chair:** Ruth Sutherland CBE

**Chair of Audit Committee:** Sarah Legg

### Other Trustees:

Bushra Ahmed

Cherrie Bija

Ajneet Jassey (from 1 January 2024)

Darren Knight

Kamran Mallick

Laura Needham (from 1 January 2024)

Jayne Opperman (from 1 January 2024 until 30 June 2024)

Rebecca Shaw (until 30 November 2024)

Claud Williams

### Senior Leadership Team

**Chief Executive:** Paul Streets CBE (until 25 July 2024), Matt Hyde OBE (from 16 September 2024)

**Chief Operating Officer:**  
James Phillips

**Director of Charity Development:**  
André Clarke

**Director of Policy, Communications and Research:** Duncan Shrubsole (until 27 May 2024), Nicole Sykes (from 2 January 2025)

**Director of Communities:** Jill Baker

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**///** *We've had unrestricted funding from Lloyds Bank Foundation which just been brilliant because so often, funding comes with criteria to start something new and innovative, rather than just to be able to continue to provide the crucial and life-saving advice and support that people need.*

Alison Kelly, Head of Services at Voices in Exile, a charity supporting refugees and asylum seekers, awarded a grant of £75,000



Voices in Exile, a charity in Brighton supporting refugees and asylum seekers, awarded a grant of £75,000

**//** *We've seen greatly increased needs and the Foundation's unrestricted funding means we've been able to provide support where it's needed. I can't thank you enough, because it's taken so much weight from us.*

Daisy Inclusive, a charity supporting Disabled people in Liverpool, awarded a grant of £75,000



Daisy Inclusive, a charity supporting Disabled people in Liverpool, awarded a grant of £75,000



**[lloydsbankfoundation.org.uk](https://lloydsbankfoundation.org.uk)**  
[enquiries@lloydsbankfoundation.org.uk](mailto:enquiries@lloydsbankfoundation.org.uk)

Society Building  
8 All Saints Street  
London N1 9RL

Registered Charity  
No. 327114

Company Limited by Guarantee Registered in  
England and Wales Company No. 1971242



**LLOYDS BANK  
FOUNDATION**  
ENGLAND & WALES