

# LFT CHARITABLE TRUST

## TRUSTEES' REPORT FOR THE PERIOD FROM 1<sup>ST</sup> APRIL 2022 TO 30<sup>TH</sup> SEPTEMBER 2023

The Trustees of LFT Charitable Trust are pleased to present their report and financial statements for the period from 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2023.

Trustees have prepared the financial statements in accordance with the Trust Deed, applicable Accounting Standards in the United Kingdom (FRS 102), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in October 2019, and in accordance with the Charities Act (Northern Ireland) 2008.

### Objectives and Activities

LFT Charitable Trust was established under a Trust Deed in June 2017. LFT Charitable Trust's vision is of a just world where people have equal opportunity to transform their lives, participate in their communities and build successful futures.

The Trust has wide discretionary powers to promote and support charitable purposes and objectives for public benefit including in particular:

- a) the relief of the suffering and distress of those persons who (by reason of social, financial or other circumstances) are in need;
- b) the furtherance and advancement of the education of children and adults; and
- c) the promotion of the health and wellbeing of children and adults.

LFT Charitable Trust achieves these objectives by awarding grants. The Trust is intended to be exclusively grant-making, with no fundraising or operating activities. LFT aims to fund programmes of activity delivered by partner organisations which:

- make a lasting difference to people's lives as well as alleviating the symptoms or current problems;
- are aimed at reducing isolation, inequality and stigma; and
- inspire or empower individuals to realise their potential and share in the life of the whole community.

LFT Charitable Trust is primarily a proactive funder. Knowledge is built by talking to and meeting with individuals and organisations working within priority areas. Where opportunities are identified and the prospect of a project that aligns with LFT's grant making policies, proposals are invited for funding using an official application form. All applications are then assessed against established criteria and grants awarded at the discretion of the Board of Trustees.

During the past eighteen months Trustees have explored different grantmaking strategies. Seven open calls for applications pertaining to specific areas of interest, were undertaken. *Employability not Disability* invited applications from social enterprises that provide meaningful employment opportunities for adults with learning disabilities. *Reset & Recovery* funded initiatives to support people in recovery from addiction. The *Local Environmental Action Programme* promoted programmes that build on the links between the environment and health & wellbeing. *ENGAGE* called for initiatives that promoted resilience and upskilling of volunteers working with people experiencing homelessness. The *Creative Connections* Programme funded projects to strengthen the sense of belonging and empower people living with dementia through participation in creative arts initiatives. *Mind Matters* addressed the lengthy waiting times for adults in accessing counselling services. *Accessible & Inclusive* provided small capital grants to enable charities undertake modifications to premises and ensure they were better equipped to welcome and serve the whole community.

In response to the cost-of-living crisis and specifically fuel poverty, LFT Trustees piloted an intermediary grantmaking approach funding four foodbanks operating throughout Belfast to provide their beneficiaries with grants to address the rising costs of fuel and electricity.

All of the Trust's purposes are achieved by awarding grants to individuals and organisations on the basis that funding will have a positive impact on the beneficiaries. Those that receive a grant are required to demonstrate the direct and indirect benefit their work has on people in need via regular monitoring and evaluation.

Trustees review and update grant making policy at regular intervals to ensure it is responsive and relevant to current needs. During the period Trustees have taken time to explore the merits of different facets of grantmaking such as 'relational funding', 'funding plus', 'flexible funding' and 'open and trusting grantmaking' and concluded that the LFT approach already embraces many of the features of this best practice.

# LFT CHARITABLE TRUST

## TRUSTEE REPORT *(continued)*

### **Achievements and Performance**

The Trustees confirm that they have considered the Charity Commission for NI's general guidance on public benefit when reviewing the Trust's objectives and in planning future activities and grant making throughout the period. A copy of the Commission's guidance notes on public benefit has been issued to all Trustees.

LFT Charitable Trust operates for the public benefit with the ultimate beneficiaries being the many people supported by the grant partners that LFT funds. In providing support LFT Trustees examine how grant partner organisations are governed and LFT grants are made with conditions to ensure they are spent appropriately and for the charitable purposes outlined by the applicant organisation. The benefits of all purposes are demonstrated through regular feedback and evaluation of the organisations and beneficiaries supported.

Trustees have continued to develop enduring relationships with a number of existing grant partners with visits to meet community leaders and beneficiaries taking place. In developing close relations with grant partners LFT is able to learn and better understand the environment in which we operate and ultimately make better informed grantmaking decisions. LFT grant partners consistently report that they have a 'strong, positive relationship with LFT' with 90% indicating they feel 'extremely valued' by LFT.

Sixty-nine partner organisations were supported during the period, including forty-five new grant partners, many of whom came to our attention during the process of an open call. In total 78 distinct grants and one-off donations were disbursed supporting capital, project and core costs.

Grant partners are typically small (49% have an annual income less than £250,000 and 61% have less than 10 employees), well-connected, responsive and agile grassroots organisations as illustrated by the diversity of activities delivered and highlighted on the LFT website.

### The Relief of Suffering & Distress

During the period LFT engaged with a number of grass roots organisations to alleviate the suffering and distress of people in need. As in previous years, the reasons why individuals find themselves in need varies greatly as does the means in which they can be supported.

In 2022-23, as the cost of living rose for households across Northern Ireland, growing energy prices disproportionately impacted those on lower incomes and resulted in a significant increase in the number of households experiencing fuel poverty. LFT Trustees committed funds for the creation of a fuel bank administered by local food banks in Belfast.

Significant increases in people experiencing homelessness and in housing stress were also reported during this period as was the struggle of many frontline charities, relying on volunteers, to deal with unprecedented levels of suffering and tragedy on the streets. The ENGAGE grantmaking programme sought to fund initiatives to support and develop committed, compassionate and capable volunteers.

### The Promotion of Health & Wellbeing

Beneficiaries of all ages and stages of life were supported in a range of health & wellbeing initiatives delivered by grant partners. A cohort of new grant partners are engaged in supporting and sustaining recovery from addiction. Another group are enabling people living with dementia through participation in collective art and photography projects, music therapy, reminiscence, bibliotherapy and circus skills. The focus isn't always on the individual, families and carers of those with health conditions are also supported by our grant partners with respite, advocacy and wellbeing services.

Interventions promoting belonging, self-worth, resilience and wellbeing have been especially prominent this period in the aftermath of the pandemic with target beneficiaries including adults and children with learning disabilities. The mental health crisis generated huge demand for community based mental health providers offering counselling to young and vulnerable people and those suffering loss or bereavement. Support to people at end of life and their families was also offered by LFT grant partners.

Further away, in Malawi and Madagascar, the prevention of cholera outbreaks remain foremost when considering the health & wellbeing of beneficiaries and LFT grant partners are providing access to water and essential sanitation facilities.

# LFT CHARITABLE TRUST

## TRUSTEE REPORT *(continued)*

### Achievements and Performance *(continued)*

#### The Advancement of Education

This period LFT grant partners delivered initiatives that addressed barriers to learning which ranged from economic background to special education provision. Many grant partners focussed on reducing the gap between ability and educational attainment and promoting positive learning environments that enable each child to reach their full potential.

#### **Financial Review**

The Trust is funded in its entirety from charitable donations from Alterity Investments Ltd which has pledged up to 50% of the surplus income generated by Alterity's investment business to LFT Charitable Trust.

During the period LFT Charitable Trust provided funding to its grant partners in excess of £1.2 million which brings the total sum disbursed since the establishment of the Trust to over £3.2 million. Forward commitments of an additional £366,000 are recognised as at the balance sheet date and, along with conditional offers, bring the total funding pledged since the inception of the Trust to over £3.6 million.

Trustees do not consider a Reserves Policy is necessary given the current financial arrangements in place with Alterity Investments. Alterity itself continues to maintain a strong financial position with a diverse range of income streams.

LFT Charitable Trust does not hold any funds on behalf of others.

The auditors, Stevenson and Wilson, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Board of Trustees Meeting on 9<sup>th</sup> April 2024.

#### **Plans for future periods**

Trustees will continue to award grants which progress the LFT vision of a just world where people have equal opportunity to transform their lives, participate in their communities and build successful futures.

Following a facilitated review of grantmaking practice and the time and cost implications of a relational approach to charitable giving, Trustees have developed a number of clear targets for the distribution of funds over the next three years.

Trustees also reviewed the capacity and depth of experience within the Trustee Board and determined that it could be significantly enhanced by the appointment of additional, non-family trustees with expertise and lived experience of the NI community and voluntary sector. Engage Executive Recruitment were appointed to undertake this task and marketing the role began in July 2023 with a view to appointments being made by Spring 2024.

# LFT CHARITABLE TRUST

## TRUSTEE REPORT *(continued)*

### Structure, Governance and Management

LFT Charitable Trust is governed by its Trust Deed created on 29<sup>th</sup> June 2017. Registration with the Charity Commission for Northern Ireland was completed on 31<sup>st</sup> July 2019 (NIC 107373).

The power of appointing new Trustees is vested in the Settlor of the Trust and must be done by virtue of a deed. New Trustees are invited on the basis of their proven ability, relevant experience, and personal interest in the work of the Charitable Trust.

First generation Trustees continue to lead on the programme to develop Next Generation Trustees which includes developing and expanding their knowledge of issues facing local communities in NI, researching prospective grant partners, grantmaking and educational visits to community partners.

The Trust has an induction programme for new Trustees who are advised of their legal obligations as Trustees, briefed on the governance and structure of the Trust and provided with an overview of the Trust's performance in meeting its charitable purposes.

All Trustees commit to a Code of Conduct and are required to disclose all relevant interests, register them with the General Manager and in accordance with the Trust's policy withdraw from discussion / decisions where a perceived or actual conflict of interest arises.

All Trustees give of their time freely and no Trustee remuneration was paid during the reporting period. There are currently five Trustees who have overall responsibility for the Trust. During the period under consideration, sixteen Trustee meetings were held.

The Trustees are responsible for the overall governance of the Trust and oversee all grant making.

The Trust's General Manager, Aisling Johnston, is responsible for implementing the LFT Charitable Trust strategy and for the management of the day-to-day operations of the Trust and its activities. The Trustees review the level of remuneration paid to key management personnel to ensure it is at a level consistent with the role and responsibility of the position and consistent with that of similar entities.

Risks are considered on an annual basis by Trustees. This involves identifying the types of risk, in particular those related to the operations and finances of the Trust, prioritising them in terms of impact and likelihood of occurrence and identifying means of mitigating risks. Reliance on a single source of income continues to pose the greatest threat, however, Trustees are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trust is a member of Philanthropy Ireland and the Funders Forum NI. The Trust is also a member of the Association of Charitable Foundations (ACF). In 2023, the LFT General Manager collaborated with others to establish the first UK Family Foundations Network and has been appointed as convenor for this new forum of over 40 independent family foundations to share and learn best practice.

LFT has deployed the ACF Pillars of Stronger Foundations as a benchmark standard by which to evaluate organisational performance and the Chair and General Manager assess and establish yearly objectives and targets.

LFT Trustees continue to promote philanthropy by sharing their personal experiences with other families who are exploring or developing the concept of charitable giving as a family.

# LFT CHARITABLE TRUST

## TRUSTEE REPORT *(continued)*

### Reference and administrative details

Registered charity name:	LFT Charitable Trust
Trustees who held office during the eighteen months, and in the period since 30th September 2023 to the date these accounts were approved, were as follows:	Mr. Edward Aidan Lonergan Mrs. Anne Lonergan Mr. Gavin Lonergan Mr. Darren Lonergan Mrs. Ciara Lewis Ms. Jill Downing (deed of appointment dated 09/04/24) Mr. Joe McVey (deed of appointment dated 09/04/24)
Chairman:	Mr. Gavin Lonergan
Charity Commission registration number:	NIC107373
Registered office / Principal Office:	4 Annadale Avenue Belfast BT7 3JH
Solicitor:	Carson McDowell LLP Murray House Murray Street Belfast BT1 6DN
Auditor:	Peter Stevenson Stevenson and Wilson 22-30 Broadway Avenue Ballymena BT43 7AA
Bankers:	Danske Bank Donegall Square West Belfast BT1 6JS

### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial period. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable it to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008. It is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## LFT CHARITABLE TRUST

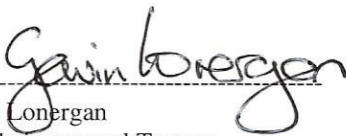
### TRUSTEE REPORT *(continued)*

#### Statement of Trustees' responsibilities *(continued)*

In the case of each Trustee, at the date the Trustees' Report is approved:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Board on 9<sup>th</sup> April 2024 and signed on its behalf by:

  
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G Lonergan  
Chairman and Trustee