

Bridging the gap

Trustees' Report and
Financial Statements 2023



LLOYDS BANK
FOUNDATION
England & Wales



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

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

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

Front cover: Ripon Community
Link, a learning disability charity in
Yorkshire, awarded a grant of £50k

**LLOYDS BANK
FOUNDATION**
England & Wales



What's inside

Trustees' Report and Financial Statements

4 Bridging the gap: a note from our Chair and Chief Executive	6 At a glance	8 Delivering on our promises
12 Our impact: Strengthening resilience	16 Case study: Ella's	20 Our impact: Building connections
22 Case study: Redcar and Cleveland	28 Our impact: Amplifying voices	30 Case study: Justlife
36 Our impact: Championing equity	38 Case study: Mojatu Foundation	46 Our objectives for 2024
48 A farewell to our Chief Executive	Financial Statements	64
Financial review 50	Statement of financial activities	64
	Balance sheet	65
	Statement of cash flows	66
	Notes to the financial statements	67
		84 Reference and admin details

The Trustees' and Strategic Report from page 4 to 49 includes the Directors' Report

Bridging the gap


A note from our Chair and Chief Executive*

We started 2023 amid a cost of living crisis, and the challenges for people, communities and charities continued to escalate – with people already facing complex issues and barriers suffering the most. However, small and local charities continued to bridge the gap in under-resourced and over-stretched public services – providing a warm and safe space to those forced into homelessness, food for those who couldn't afford to feed their families and supporting people who had nowhere else to turn.

This ever-increasing demand, along with rising operational costs, has put immense pressure on small charities. As they adapted to new demands, we sought to strengthen the resilience of hundreds of charities across England and Wales with flexible unrestricted funding and tailored support aimed at helping them overcome challenges and develop their capacity and services.

Recognising the importance of peer support and a connected sector, we also helped charities build connections with other local charities, organisations and groups. This networking and partnership working has often been neglected during decades of austerity but is key to developing services that truly benefit people – something we have been encouraged to see first-hand in our work with people and communities across England and Wales.

Policy and practice reforms are urgently needed as more people are being pushed into hardship and the increasing pressure on charities to meet the growing need in their communities is unsustainable. We continued to champion the expertise and experience of small charities and amplify the voices of people facing complex issues, advocating for them to get the support they need.

 *Small and local charities continued to bridge the gap in under-resourced and over-stretched public services*



To ensure that we can truly serve diverse communities in ways that work for them, we continued to challenge ourselves to make our work and processes more accessible and inclusive. We made space for people with lived experience to influence our funding processes and decisions, and – since we know these groups face disproportionate barriers to accessing support – we dedicated more than half of our funding to organisations led by and for d/Deaf and Disabled People and people facing racial inequity.

In the first full year of implementing our strategy, *Building a Better Future*, we have sought to support Lloyds Banking Group’s strategy, *Helping Britain Prosper*, and focused all our work with people, charities and communities around achieving impact in four areas: strengthening resilience, building connections, amplifying voices and championing equity. You can read about our progress in each of these areas in dedicated sections of this report.

/// We're achieving impact in four areas: strengthening resilience, building connections, amplifying voices and championing equity.

None of the impact you read about would have been possible without our charity partners and the dedication of our staff, trustees, and volunteers from Lloyds Banking Group. Despite ongoing challenges, the inspiring passion and strength of the people, communities and organisations we work with encourages us that we can collectively create a more just and compassionate society.

And lastly, we are looking forward to welcoming Matt Hyde OBE as our new Chief Executive who will take over from Paul as he steps down this year.

A handwritten signature in black ink that reads 'Ann'.

Dame Ann Limb DBE DL
Chair of Trustees

A handwritten signature in black ink that reads 'Paul'.

Paul Streets OBE
Chief Executive

*Our CE, Paul Streets will be retiring in June 2024

2023: at a glance

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

After small charities let us know that longer term grants would give them more stability, we responded and are now supporting them for longer. Our new grants are for three years, rather than two, so the number of charities we support has slightly decreased from 2022.

£20.5m

awarded in funding in total (£19.6m in 2022).

504k

people supported by our charity partners* (336,663 in 2022).

11

responses submitted to government consultations and parliamentary inquiries in England and Wales (7 in 2022).

706

charities supported through grants programmes (799 charities in 2022).

420

charities accessed development support in 2023 (568 in 2022).

12

communities strengthened through collaborative working and projects (16 in 2022).

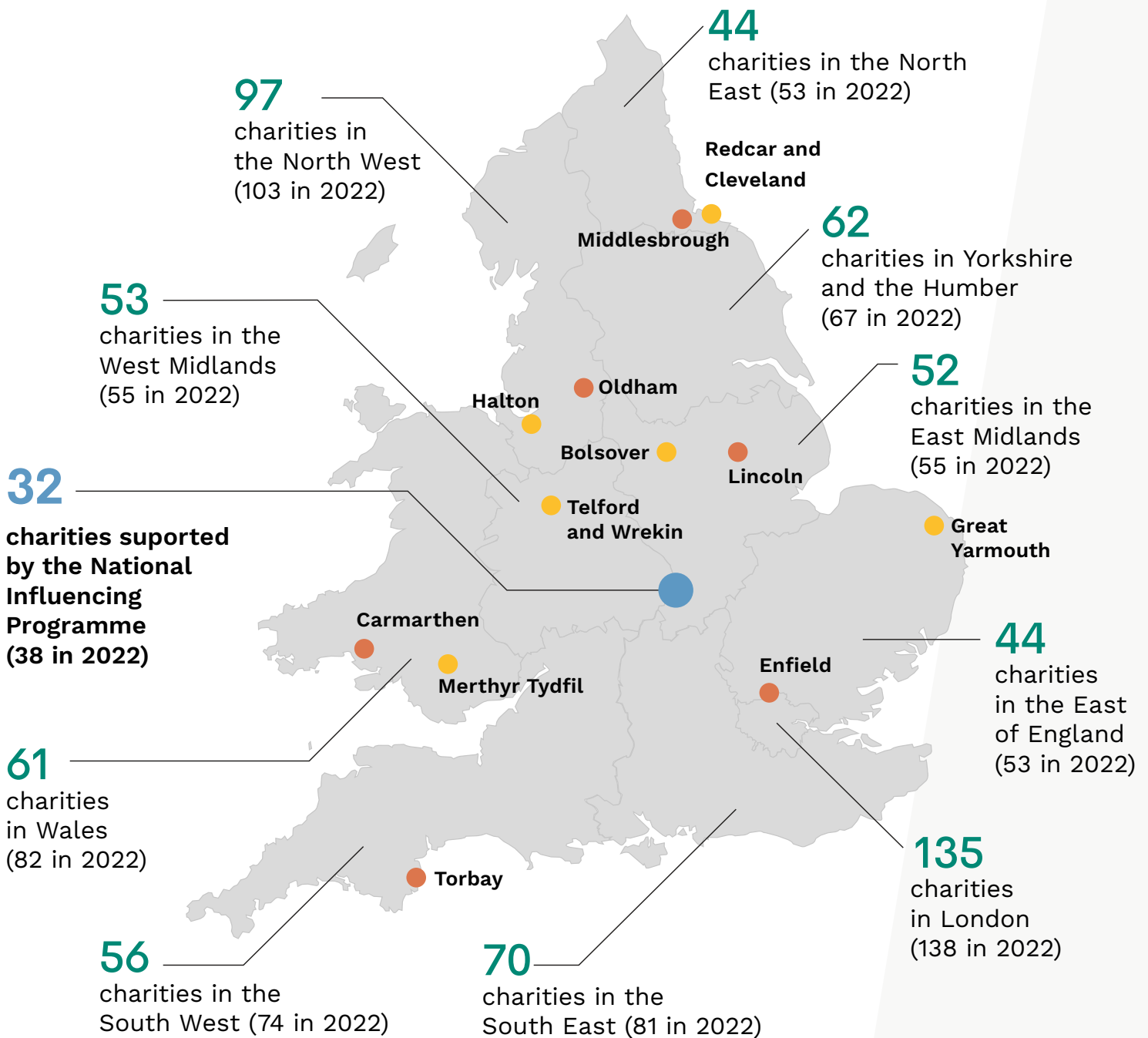
£1.8m

distributed through our Matched Giving scheme supporting fundraising and volunteering by Lloyds Banking Group colleagues for 1,325 charities (£1.5m for 1,232 charities in 2022).

*Estimate based on reports from our charity partners. It's up from 2022 due to the increased proportion of unrestricted grants, which means we now look at how many people were supported by organisations as a whole, rather than people supported by specific projects.

Our reach

- **Charities supported**
- **People and Communities**
- **LocalMotion partnership**
- **National Influencing**



// *We have been supported by Lloyds Bank Foundation over a time when we needed to regroup following Covid-19. The whole experience has changed how we feel and act – we have regained confidence in what we are doing, re-affirmed our values and principles, re-shaped our governance to be fit for the future by becoming a CIO, and gained extensive knowledge and insight into ways to improve and grow.*

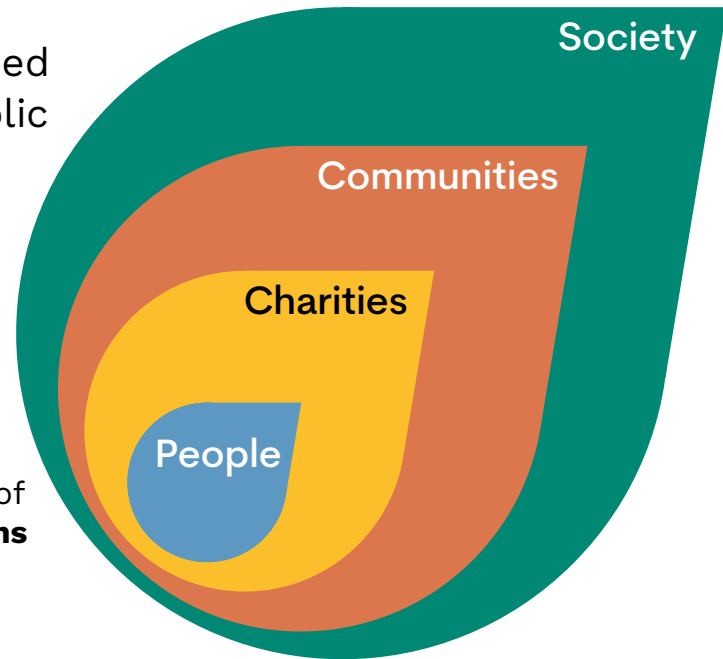
Scarborough and District Mencap, a learning disability charity in Yorkshire, awarded a grant of £52,250

Delivering on our promises

In 2023, more people were pushed into desperate situations as public services continued to be underfunded.

Meanwhile, small charities struggled to meet increasing demand as their communities turned to them for help.

We focused on bridging the gaps to get support to people who needed it most – by strengthening the **resilience** of charities, building supportive **connections** and networks, pushing for **equity**, and listening to and **amplifying the voices** of people being failed by society.



For people

What we promised

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

What we achieved:

- We continued to call on Government to support people facing the greatest challenges, including giving evidence at the **Work and Pensions Committee's inquiry** into benefit levels in the UK, and supporting work by the Public Law Project to improve DWP's processes.
- We **supported research by the Bevan Foundation** highlighting the housing crisis in Wales and launched a new National Influencing Programme supporting 18 new projects, including four seeking to improve the **availability and affordability of accommodation**. **Read more on page 29.**
- We **backed the Essentials Guarantee** campaign to ensure that the social security system protects people from going without food and other essentials. We also worked with partners to call on the Government to **extend the Household Support Fund**, which has provided lifeline to many people throughout the cost of living crisis.



Mojatu Foundation, a charity supporting people facing inequity due to their race or ethnicity in Nottingham, awarded a grant of 50k



Before I came to the Mojatu Foundation, I was lonely and going through a lot of different issues. I've been able to get the support that I need here and found a community that has welcomed me, where I feel safe with my children. It's absolutely changed my life. I have a group of people I can rely on who actually care about me. I feel that I matter.

Refugee supported by Mojatu Foundation

For charities

What we promised

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

What we achieved:

- **Awarded 168 new grants of £75,000** over three years to small and local charities. [Read more on page 13.](#)
- **25%** of these new grants went to organisations led by and for **d/Deaf and Disabled people** and **26%** to organisations led by and for **communities facing racial inequity.** [Read more on page 13.](#)
- We connected **428 Lloyds Bank Colleagues** with 110 charity partners so that they could **share valuable skills and expertise.** [Read more on page 16.](#)



Delivering on our promises

Everyone here knows we've got a past. Everyone is open about it. Everyone's honest. I've worked in places where it's not like that. Here I feel like I'm not judged, and I can just be myself.

Gavin, who has experience of the criminal justice system, now employed by Café 16 run by The Oswin Project

For communities

What we promised

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

What we achieved:

- We developed our **People and Communities** work in six communities across England and Wales, with an independent evaluation confirming that we have played a key role in helping local organisations and groups collaborate effectively to bring about tangible change in their communities. [Read more on page 31.](#)
- We launched our first **Local Collaborations** funding programme to support local charities to form and deepen collaborations so they can influence local policies and practices. [Read more on page 29.](#)
- We supported the work of **LocalMotion**, investing **£900k** across six communities and committing to funding for another three years. [Read more on page 23.](#)





Café 16, run by The Oswin Project, an ex-offenders charity in Newcastle, awarded a grant of £75k

For society

What we promised

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

What we achieved:

- We **included people with lived experience** in our funding assessment and decision-making processes and research. [Read more on page 30.](#)
- We launched our **National Influencing** and **Local Collaborations programmes**, awarding grants to partnerships focused on influencing policy and practice to improve the availability of accommodation, the social security system, and support for refugees and asylum seekers. [Read more on page 29.](#)
- We continued to **share our learnings** through events, research reports, and blogs.



Our impact:

Strengthening resilience

As the pressures of the cost of living crisis heightened this year, more people struggled to afford food, a safe and warm home, and the essentials to survive.

This has deeply impacted people already facing complex issues like domestic abuse, homelessness and addiction – with more and more people turning to small and local charities to help them overcome a range of challenges. But small charities are also grappling with their own costs rising, difficulties recruiting and retaining staff, and their resources being stretched to their limits.

To ensure that charities could continue to provide vital support to people who needed it most, we strengthened the resilience of small charities with unrestricted funding and bespoke organisational development support, alongside advocating for greater government support. This enabled our charity partners to continue to do what they do best, adapt to challenges, and help more people.



Ripon Community Link, a learning disability charity in Yorkshire, awarded a grant of £50k

“The shop and café have really helped the charity as a whole in terms of our future sustainability and resilience because it generates income that we can reinvest into the charity. We couldn't have done any of it without the support of the Foundation and we are so incredibly grateful.”

Victoria Ashley, CEO, Ripon Community Link

Supporting small charities across England and Wales

In 2023 we supported specialist charities working in eight key areas as they helped people facing complex issues adapt to challenges and grow in resilience.

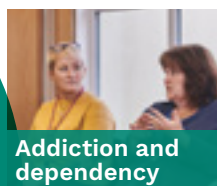
168

new unrestricted grants awarded to small and specialist charities.

We also launched dedicated funding programmes for charities led by and for d/Deaf and Disabled people and people experiencing racial inequity as we know these communities are facing multiple barriers to accessing the support they need.

Specialist programme

For small, local, specialist charities that help people overcome complex issues.



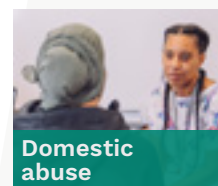
Addiction and dependency



Asylum seekers and refugees



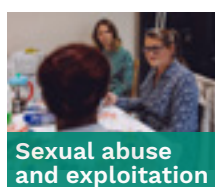
Care leavers



Domestic abuse



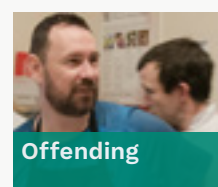
Homelessness



Sexual abuse and exploitation



Trafficking and modern slavery



Offending

£6.1m

82 grants

£3.3m

44 grants

£3.2m

42 grants



Racial equity programme

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



d/Deaf and Disabled people's organisations


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

Building the resilience of small charities

In addition to our funding we offer all our charity partners a breadth of tailored support to help build their skills, capacity and effectiveness. This helps them to grow in resilience and adapt to changes and challenges.

Our Regional Managers work closely with our charity partners to help them identify opportunities to develop. We then commission external consultants, connect them with Lloyds Banking Group volunteers, or connect them with our networks, learning events and online resources to help strengthen them in the nine key areas below.



 *Working with leaders in charities has been hugely rewarding. Charity leaders simply want to be better, more efficient managers and allowing them the space to think about how to do this ultimately brings a better outcome for the individuals supported by each charity. Being able to use the coaching skills and leadership experience I have to help somebody develop their leadership strategy has developed me as a coach, and seeing and supporting real world situations has helped give my own work a clearer sense of perspective.*

John Nicol, Learning Delivery Manager at Lloyds Banking Group



// *One of the most useful pieces of work we've done with the Foundation was around benchmarking ourselves as a charity, around governance and marketing. That was really helpful and means we have strategic goals and can track our progress.*

Sue Gwyn, CEO of Brynawel House, a charity in Pontyclun, Wales, supporting people with alcohol or drug addictions, awarded a grant of £50k, shown with Regional Manager Rachel Marshall (left)

// *The Foundation helped me connect with a mentor from Lloyds Banking Group. It's nice to be able to go to someone who can listen to you and maybe share a different perspective or something from their experience. It's not a case of telling you what to do, but thinking about how we can move forward and finding solutions together.*

Angela Wathoni, Director of Operations, Mojatu Foundation, a charity supporting people facing inequity due to their race or ethnicity in Nottingham, awarded a grant of 50k, shown with Regional Manager Gary Beharrell (right)



420

charities were supported to develop with our organisational development support.

871

development support projects were commissioned.

428

Lloyds Banking Group colleagues shared their skills and expertise with 110 charities.

Organisational Resilience Programme

We supported the School of Social Entrepreneurs by co-designing and funding the Organisational Resilience programme. This course is offered to charities and social enterprises for free so that they can anticipate, prepare for and adapt to changes and develop their services so they can best serve their communities. Through this work we can help strengthen the resilience of charities and communities beyond those directly funded by us.

Case study: We awarded Ella's a £50,000 grant over two years.

// We feel we are being supported and championed to succeed

Ella's provides housing and support for survivors of trafficking and sexual exploitation. Minke van Til, Co-Director of Ella's, shares how the Foundation's support has helped them continue to thrive in the midst of the cost of living crisis.

The purpose of everything we do is to help women to enter into lasting freedom, so they don't ever go back to cycles of abuse and exploitation.

We are one of the few organisations providing survivors with housing and emotional support as they recover from complex trauma. Without this support, they may fall back into situations of trafficking and abuse.

The cost of living is a real problem. We have a crisis fund to help some women directly with financial support and there's been an increase in how much that's been needed – especially for those with big families.

// *The combination of funding alongside non-financial development support offered by the Foundation is amazing. Getting funding for core staff has meant that we have the time and resources to be able to engage with the additional capacity building support.*



It's been amazing to get funding that isn't restricted from the Foundation. We've been able to fund core staff, like myself, and open another safe house which has been a huge achievement. Ultimately, this means we can support more women.

We've had support from consultants provided by the Foundation which has helped us mature and grow as a charity. For example, we've been able to develop our five-year strategy and they've helped us to focus on our strengths and think about where we can really make a difference.

It's also been great to have access to amazing networks, such as Lloyds Banking Group colleagues – like Charlotte Davis, who has recently become a trustee. We've been able to get in touch with lots of different people and more doors are opening for us.

This kind of funding programme is very unique and effective. We feel supported by the Foundation – it's so encouraging to have someone championing us to succeed. I think there should be more of this kind of thing in the world.

Minke Van Til, and Charlotte Davis speak with woman supported by Ella's


The benefits of charity volunteering

Volunteering with Ella's as a trustee supports my role at Lloyds, which involves looking at how we can develop products and processes that supports the financial inclusion of survivors of modern slavery. Being involved with Ella's is helping me understand more about the experience of survivors and how we can support them.

Charlotte Davis, Manager at Lloyds Banking Group and trustee of Ella's

Staff at Ella's, a trafficking and modern slavery charity, awarded a grant of £50k





“ I would say before I came to Ella’s, I felt like I couldn't do anything on my own, and here they teach me to be independent.

I can do anything now – I'm stronger.

Survivor of modern day slavery, currently housed and supported by Ella's

Building connections

Together, we can achieve more than we can in isolation – but funding cuts and more than two decades of austerity has led to a decline in partnership working. We are bridging the gaps between charities and other local organisations by providing opportunities for them to connect through networks, forums and learning events so they can support each other, develop together, and collaborate to improve outcomes for everyone in their communities.

These connections can lead to sustainable and long lasting change in society, ensuring that people facing complex issues get the support they need.

Dan Hastings, Local Implementation Lead for our People and Communities work in Great Yarmouth



// *I am so relieved and delighted to hear people being valued and an openness to different ways of doing things.*

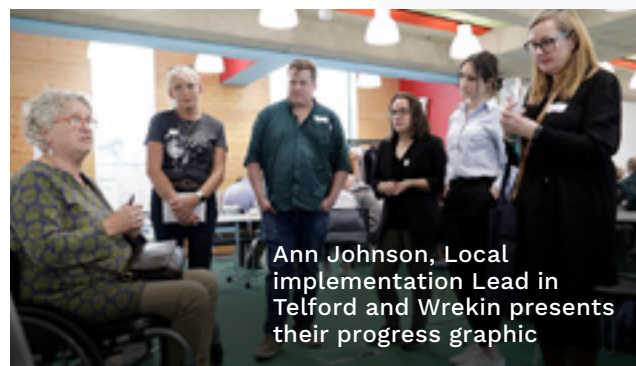
Feedback from a community member in Great Yarmouth about our local People and Communities work

Connecting with people and communities

We continued our People and Communities work in six communities across England and Wales, bringing together local organisations and groups to find new ways of designing and delivering services so that people facing complex issues can get the support they need in the ways that work best for them. The issues being tackled collectively in communities include homelessness, children's and young people's mental health services, and food inequality.

In October, we brought people from all six places together for the first time. This was a chance for people to connect, learn from each other and share their progress so far.

For example, in Great Yarmouth where the focus is tackling homelessness, we have been partnering with local organisations to carry out research into people's experiences of homelessness in the area. People with lived experience of homelessness were involved in every stage of the research, from design, conducting semi-structured interviews and helping with analysis. The findings from this research are helping to highlight what is and what isn't working in the area and informing the collaborative effort to shape local services so that people can get the support they need.



Ann Johnson, Local implementation Lead in Telford and Wrekin presents their progress graphic

LocalMotion

We also continued our partnership and investment in **LocalMotion**, working alongside four other funders to bring people and organisations together to influence change in six communities: Carmarthen, Enfield, Lincoln, Middlesbrough, Oldham and Torbay.

Each community has now produced a local action plan covering objectives for 2024-2031, with the aim of tackling the root causes of social, environmental, and/or economic injustice.

[You can read more on their website.](#)

Case study: Redcar and Cleveland

Bringing people together to develop a shared vision for Redcar and Cleveland

Sharon Chappell, Local Implementation Lead for our People and Communities work in Redcar and Cleveland, talks about how bringing different organisations together has helped develop a shared vision for their community.

We've got some great organisations in Redcar and Cleveland but historically, there hasn't been a lot of connectedness or linked-up working. We have a small local authority which means we don't have the infrastructure or funding of bigger cities.



If we're going to change systems, then we need to do things differently to what has been done before. We have to get people to consider how to better meet the needs of the people they are trying to help. Our sessions have focused on modelling this, using different techniques to generate ideas and think about overcoming challenges in new ways.

We've now managed to bring people together from charities, funders, housing associations, local businesses, the NHS and the local authority.

We also invited local people from the community to take part in several sessions with local poet, Julie Easley, to support them to speak up about the pressures they have faced with service providers. Building these connections between local people and the organisations that are there to support them is essential to developing services that truly meet people's needs.

It's taken us several years to get to this point, but we've stuck with it. Working to change embedded systems and attitudes takes time, and we as a Foundation have been committed to being a consistent presence and building trust within the community. After persevering, we've now managed to bring people together from charities, funders, housing associations, local businesses, the NHS and the local authority.

The multi-disciplinary group have now found their focus and collectively decided to address in-work poverty in rural areas of East Cleveland. Local anti-poverty initiatives were seeing more and more people in work using their services, and the partners felt this issue needed to be addressed as a priority. They are now working together to collaboratively re-design support services for people experiencing in-work poverty.

We will continue to offer a space for people to come together, learn together, think together and develop together. And, as a result, we will be able to create a better future for our community, especially those experiencing in-work poverty.

We're beginning to get a shared narrative again, which we haven't had for some time. People are starting to feel excited and inspired about what could be possible, and the opportunities to work together and make positive changes.

Empty

When you look at me, I feel isolation
I'm here, please see me, my desperation.

I'm asking for help, I feel so lonely.
I've asked all the others, but they disown me.

I'm an empty shell, left with nothing,
Like I've been disregarded by society.

Another bill, I'm already behind,
My credit card has been declined.

Poem written by a member of the local community
in a Speaking Truth to Power session



/// *If we're going to change systems, then we need to do things differently to what has been done before.*

We have to get people to consider how to better meet the needs of the people they are trying to help.

Sharon Chappell, Local Implementation Lead for our People and Communities work in Redcar and Cleveland

Sharon Chappell (centre)
and other delegates at our
event bringing together
each of the six places



Learning and growing together

At the Foundation we believe there is huge value in bringing together partners we fund and supporting them to share, listen and learn from each other.

Sharing our learning after three years of working with communities

Our learning partner, **Brightpurpose**, has been observing and evaluating our People and Communities work and helping us apply learnings as we go.

In November, Brightpurpose published a report summarising the key learnings from our first three years of working with communities. It highlights crucial lessons on new ways of designing and resourcing local services to provide sustainable support for people facing complex issues such as homelessness, addiction and domestic abuse.

More than 120 people attended our **online learning event** where there was opportunity for them to reflect on the learnings from the report, as well as share their own experiences of working locally to shape and change systems. [Read the full report](#)



Connecting small charity leaders

Leading a small charity can be challenging – and at times alienating. To address this, we created opportunities across England and Wales to help small charity leaders connect with a supportive network of peers that they can collaborate with and learn from.

Many of our charity partners in Wales wanted to collectively influence public policy conversations. In

response, we set up the Welsh Small Charities Forum. Around 50 small charities have joined the forum and have collectively identified commissioning best practice recommendations. We're helping them to share this with relevant commissioners and policymakers to influence change in this area.

|| *The briefing was so helpful and meant that the Senedd member is more aware of the work we do, and can let others know about us.*

Small charity leader and member of Welsh Small Charities Forum

78 people connected through networking opportunities such as **Peer Forums** and **Action Learning Sets**.

Celebrating the success of the Criminal Justice Programme

After three years of influencing local and national practice and policy to improve the criminal justice system, we brought the funded partners together in a final cohort event to share their learnings, reflect on progress made and consider how to continue influencing efforts.

The projects celebrated what they've achieved over the last three years, from developing care leaver peer support groups within prisons to launching a national media campaign calling for TV Licensing to stop prosecuting people in genuine hardship. The charities also reflected on what they could learn from one another as they continue to push for change in challenging circumstances.



Vera Baird (above) and delegates (right) from charities who received grants under our Criminal Justice Programme



|| *Girls and young women in contact with the criminal justice system have long been overlooked and unsupported. We have engaged in ongoing influencing work with both the Ministry of Justice and HM Prison and Probation Service. The Government has now announced plans to develop a dedicated Young Women's Strategy which presents a real opportunity to get things right for vulnerable girls and young women.*

Agenda Alliance, charity partner in our Criminal Justice Programme

Sharing our learning with the wider sector

We continued to share our research and learning through online events, research papers and blogs. We also spoke at **London Funders' Festival of Learning** to share the lessons we've learned from moving to **unrestricted funding** (since 2020), including the practical tools and approaches we have developed for monitoring and evaluating the impact of these grants. **We also worked with IVAR** to share the value of unrestricted funding and our charity partners also shared how this approach benefits them.

Amplifying voices

Small charities have a unique insight into the complex issues that the people they support are facing. We want to equip them to share their expertise and experience with local and national decision makers to improve the policies that are failing the communities they serve.

With a General Election on the horizon, it is even more important that the voice and expertise of charities, and people with lived experience of disadvantage, are heard by those in power. We are also committed to using our own platform to advocate for our charity partners and raise awareness of the issues facing the people they support.

/// We are very pleased to have received this grant which will empower people with lived experience to influence change so that those experiencing multiple disadvantages have access to support when facing crisis or destitution, that any benefits are not unfairly taken away, and that supported accommodation is appropriate for those accessing it.

Chris Brill, Policy and Operations Director at Expert Link, a charity partner in our National Influencing Programme

Doorway, a homelessness charity in Wiltshire, awarded a grant of £50k



Supporting charities to influence policy and practice

We want to help small charities influence change in three key areas:

- ✓ Making the **social security system** work better for those facing the greatest challenges.
- ✓ Ensuring people facing complex issues have access to **suitable accommodation**.
- ✓ Improving support and services for asylum **seekers and refugees**.

We've chosen to focus on these areas because they are some of the most pressing issues that are driving disadvantage in society. Addressing these issues is foundational to enabling people to overcome other challenges in their lives and for communities to thrive.

Small and specialist charities are often best placed to understand what is going wrong with current policies and practices, to challenge and offer practical solutions to decision makers. We want to help charities build the skills and confidence to communicate with and influence decision makers to improve the lives of the people they support.

National Influencing Programme

In November, after an open and competitive process, we awarded grants of up to **£150,000** over three years to **18 charities and partnerships**. They are seeking to drive change and improve systems and services by **influencing government policy and practice** on the three key areas.

We are feeding back to the Welsh Government about the gaps in the systems and the challenges that we are experiencing.

Brynawel House, Pontyclun

Local Collaborations

We also launched a new funding programme to support local collaborations led by small charities seeking to influence practice and policy in their region around the same three themes of **improving accommodation**, the **social security system** and support for **refugees and asylum seekers**. In 2024, we'll award **£100,000** of flexible funding over two years to **15 collaborations** that are focused on speaking up, raising concerns and proposing solutions around one of the three focus areas.

Case study: Justlife, Brighton and Manchester

Supporting people with lived experience to influence national policy



Justlife received a £147,981 grant over three years under our National Influencing Programme.

Justlife supports people that are living in temporary accommodation in Brighton and Manchester, as well as advocating for people living in temporary accommodation at a national level. Simon Gale, CEO, shares about their commitment to include people with lived experience in their work, helping their voices to be heard by decision makers.

Getting someone off the streets and into temporary accommodation is often seen as a win by the local authority. But people can end up staying in temporary accommodation for a long time which can negatively affect their health and wellbeing. Many people have multiple needs and may be struggling with substance misuse, fleeing domestic violence, or have physical or mental health issues.

As a small charity we can't help everyone individually, but if we can have an impact on systems nationally then we can help make temporary accommodation short, safe and healthy for everyone.

We're passionate about including people with lived experience in our advocacy work. We want their voices to be heard by decision makers at a national level so that systems can be changed, and people will have access to appropriate accommodation and support.

We've set up an all-party parliamentary group (APPG) with another organisation called Shared Health, where we've started meeting with MPs regularly to get the issues surrounding temporary accommodation on the government's agenda. Having people with lived experience come to the meetings and share their experience and then see some action taken has been really encouraging.



Above and right:
staff and volunteers
working together at
the Justlife offices
in Brighton

Being able to talk about my lived experience of 'the debt trap' was an opportunity to feel heard for the first time in 15 years. I cannot change my past, but it was empowering to feel that my story can help to support change for my children and future generations.

Christine, who was supported by Justlife to give evidence at a special APPG meeting about temporary accommodation which was attended by Felicity Buchan, the Homelessness Minister

We've collected evidence of conditions in temporary accommodation from people with lived experience and presented that to the government, along with our recommendations – for example, guidance around minimum standards for temporary accommodation that we want to be included in bills such as the Renters Reform Bill.

As a result of our advocacy work, temporary accommodation was debated in Parliament for the first time in 2023. Discussions around homelessness have focused on rough sleeping because that's what's most visible, but most people experiencing homelessness are in temporary accommodation and often living in appalling conditions.

It's amazing what we've been able to achieve through the APPG already, despite being a small charity. Both the Labour Party and the Conservative party have invited us to come and talk to them ahead of the General Election.

We are using some of the funding from the Foundation to hire an Influencing Coordinator. Having someone dedicated to this role will help us develop our national influencing work and ensure that more people with lived experience are heard by decision makers.

Justlife, a homelessness charity in Brighton awarded a grant of £148k



// *We're passionate about including people with lived experience in our advocacy work.*

We want their voices to be heard by decision makers at a national level so that systems can be changed, and people will have access to appropriate accommodation and support.

Simon Gale, CEO, Justlife

Speaking up for small charities and the people they support

Through our influencing work with government, we ensure that policymakers hear the voices, concerns and solutions of small charities and the people they support.

Calling for uplifts to public service contracts

Many of our charity partners deliver essential public services for local authorities such as support for people facing homelessness or domestic abuse. The cost of delivering these services has risen sharply with inflation but, in many cases, the value of government contracts has remained the same for years.

Charities have continued to bridge the gaps in public funding and services, determined to show up for their communities – but charity resources are being stretched like never before. We've been raising awareness of the challenges small charities are facing with policymakers, advocating for them to get **adequate funding** to continue supporting people who have nowhere else to turn.

We continued to work with partners, including the National Council for Voluntary Organisations (NCVO) and the Local Government Association, on influencing the **Procurement Act**. This included co-producing a new resource to help local authorities improve their work with charities and ensure that there is the flexibility needed to fund people-centered services for diverse communities. The Cabinet Office supports this as it will complement the guidance issued by the Government.

In a joint letter with NCVO **signed by 1,407 voluntary organisations**, we called on the Chancellor to address the issue of underfunding of contracts, which gained media coverage and raised awareness of the crisis.

Right: Duncan Shrubsole, Director of Policy Communications and Research, speaking at the Labour Party Conference alongside Lisa from People First Merseyside, and Sarah from NCVO



// *We have seen new people come in just to use the shower or have a cup of tea because they cannot afford to run the water or boil the kettle at home. The huge uptake has seen us deliver over 8,000 meals over this one year period, this averages out at 27 meals per day.*

Homelessness charity partner in the South West

Advocating for charities during the cost of living crisis

We continued to work with partners in the Civil Society Group to advocate for small charities with Government. We shared how our charity partners have faced huge increases in their energy bills and are working even harder to help more people. This helped convince officials and Ministers to announce a new fund of **£100m in the Spring Budget** to support charities with the cost of living crisis and energy efficiency, and we worked with officials to help them identify who the programme would support and how it would work.

Doorway, a homelessness charity in Chippenham, awarded a grant of £50k



Championing the value of small charities

We know the role and value of small and local charities is not always understood and recognised. So we ran more of our **Value of Small webinars**, which help charities define and effectively communicate their value to commissioners, funders, donors and their community. These online events also provide opportunities for charities to connect and learn from each other.

We supported NCVO to deliver **Small Charity Week 2023**, with a focus on bringing attention to the value of small charities and raising their voices. The campaign included a toolkit to help small charities raise their voices in their community, write to MPs and talk to local media which was downloaded more than 1,000 times.

Giving evidence to the Work and Pensions Committee inquiry into benefit levels

Building on our report published in 2022, *Deductions: Driver of Poverty*, we were invited to give oral evidence to the **Work and Pensions Committee**, specifically focusing on how deductions to benefits are leaving many people struggling to afford essentials – drawing from the insight and experiences of the charities we support and the people they serve. We were delighted that our recommendations for change were backed by the MPs and we continue to encourage the Government to act so that more people can be adequately supported by the social security system in these challenging times.

/// We're calling for Government to reduce the overall maximum deduction rate to 15%, and the rate for government debt to 5%. We're also calling for improved access to waivers, affordability assessments to be conducted before deductions are applied, and for historic 'debts' from government errors to be written off.

Duncan Shrubsole, (pictured below) Director of Policy Communications and Research, Lloyds Bank Foundation




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.

We also recognise that we have power and privilege as a funder. We want to continually improve our approaches and practices to make them more accessible and include people with lived experience in our processes so that we can shift power and decisions from us to people facing complex issues.

Improving access to banking

Many people supported by our charity partners face barriers and challenges in accessing banking services. We partnered with Lloyds Banking Group to offer Access to Banking webinars. 97 people working for our charity partners joined these sessions to learn more about the financial services that are available – and how to support the people they work with to access them. We also hope that by knowing what should happen, it may also empower them to raise issues where practice doesn't always follow policy.

 *A really useful session, I will share the information with my team and hopefully they can help some of our clients who are stuck with (not so helpful) online only banks.*

Feedback on Access to Banking event from charity partner



Triangular, a charity in Gateshead supporting asylum seekers and refugees, awarded a grant of £75k

Prioritising support for people and communities facing inequity

Inequity has worsened since the Covid-19 pandemic and the ongoing cost of living crisis. Poverty rates are higher among families where at least one member is Disabled, and relative poverty rates are highest among racially minoritised communities. That's why we've committed at least 50% of our funding to charities led by and for these communities.

- ✓ We launched a new funding programme for small charities **led by and for d/Deaf and Disabled people**, awarding 32 grants to organisations that are committed to reducing poverty and disadvantage through welfare advice, advocacy and frontline services.
- ✓ We awarded **127 grants** to small charities and CICs **led by and working with people who face inequity because of their race or ethnicity**. We focused on organisations outside of London as these organisations have historically received less funding than London based charities.
- ✓ For London based organisations, we collaborated with other London funders through the **Propel** programme to support five organisations addressing structural inequality in the capital.
- ✓ We also supported the development of the regional infrastructure hubs to support charities led by people from racially minoritised communities, through our partnership with **The Phoenix Way**.
- ✓ We supported the development and delivery of a new pilot leadership programme with the **Barrow Cadbury Leadership Trust** aimed at helping Black and Global Majority leaders in the criminal justice system to influence change.

Understanding the value of by-and-for organisations

We started a research project focused on identifying the distinct role and value of by-and-for organisations in helping people overcome complex issues and what practice and policy changes are needed to support them.

The project is being guided by an advisory group made up of people with diverse professional and lived experience. Our learnings will be shared with policymakers and feed into the ways we work with by-and-for organisations.

Case study: The Mojatu Foundation received a £50k grant over three years under our Racial Equity Programme.

Welcoming and supporting diverse communities

The Mojatu Foundation supports, and is run by, people from Black, Asian and minoritised ethnic backgrounds in Nottingham. Angela Wathoni, Director of Operations, shares how the charity is helping people overcome structural barriers to access the support they need and creating a welcoming and diverse community.



We support a diverse range of people including women and girls who have undergone female genital mutilation (FGM), asylum seekers and refugees, and people who are experiencing issues such as homelessness. We offer many different services including mental health support, vocational training programmes, community events, and immigration services.

Many of the people we work with are facing multiple and intersecting challenges – for example, a pregnant woman may have experienced FGM, and also be an asylum seeker. On top of that, they may not be able to speak English well or know what support is available to them. So being able to come into a welcoming community setting, feel safe and talk with someone in their own language can be extremely beneficial.



The funding from Lloyds Bank Foundation has had a huge impact, it has meant that we can open our doors to more people. For example, we now run our coffee mornings every Thursday, which is a relaxed space where people can come in and take part in activities, or just have a drink and a chat. This sense of community is so valuable for the people we work with, who are often very socially isolated.

My hope for the future is to have a society where there is inclusivity so that all organisations providing services in a community can share their experience and expertise. As a smaller charity, our expertise or value is not always recognised. But many people who have tried to get help at bigger charities end up coming to us for support and we have to step in and fill those gaps in services. There isn't much communication between the big charities and the small charities, even though we might be working with the same person. That gap needs to be reduced because we can help people more effectively if we collaborate.

One of the pregnant ladies I worked with had experienced FGM, and she was very comfortable talking to me because she knew that I was Nigerian like her. She knew that I understood that FGM has been performed. She was having sleepless nights, she felt she couldn't really talk to anyone. So that cultural understanding is one of the benefits of working with people from the same background.

Karen Modupe Akubor, Health and Wellbeing Specialist, Mojatu Foundation





I struggled to find community here in the UK, especially people that speak the same language. But me and my family have been able to find a community here and that's been very helpful. Mojatu embraces different cultures and has a spirit of family where we can all be seen and understood.

A refugee supported by the Mojatu Foundation

Shifting power

We've taken steps to ensure that there is greater transparency and representation in our decision-making.

Developing a more participatory approach to funding

For our Racial Equity and d/Deaf and Disabled People's Organisations programmes, we recruited **people with lived experience** to join the panels that decide which applications will be funded.

For our National Influencing Programme, we included people with lived experience in the **application assessment stage** as well, so they were involved in choosing which applications would be shortlisted for the final panel.



Mojatu Foundation, a charity supporting people facing inequity due to their race or ethnicity in Nottingham, awarded a grant of 50k

Improving accessibility

We've made several changes to our funding application process to make it more accessible and inclusive:



Online meetings with a member of our team for charities interested in applying for funding.



Accessibility grants of £500 to charities that could benefit from additional support to apply for funding.



BSL interpreters to share information about our new funding programmes with potential applicants.



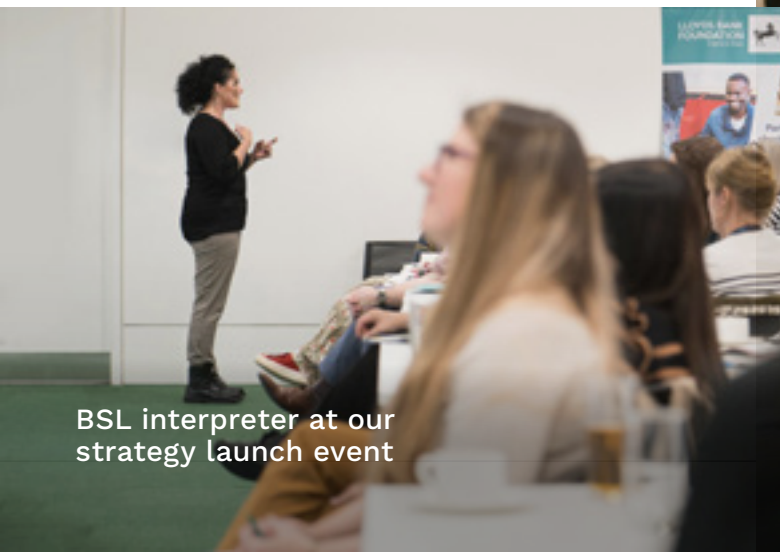
Easy read versions of our guidance and alternative ways to apply for our Deaf and Disabled People's Organisations Programme.



Accessibility widget on our website providing text to speech and adjustable text and contrast for visually impaired people.



Large print pdfs that work with digitally accessible tools such as screen readers, screen magnifiers and refreshable Braille displays.



BSL interpreter at our strategy launch event



Ripon Community Link a learning disability charity in Yorkshire, awarded a grant of £50k

Leading by example

As we champion diversity, equity and inclusion externally, we know that we must also reflect on our internal practices and make changes to ensure that our workplace is becoming more inclusive and reflective of the diverse communities we support.

Pay gap data

We want to be transparent about our progress in diversity, equity and inclusion. In 2023, we published our **gender, disability and ethnicity pay gap data** on our website for the first time, and committed to updating this on an annual basis.

Inclusive recruitment

To improve how we recruit, retain and develop Disabled people, we signed up to the **Disability Confident Employer** scheme and completed level one. We made adjustments to our recruitment process, including guaranteeing an interview to all Disabled candidates if they meet the minimum criteria for the job.

Our senior leadership team took part in **inclusive leadership training**, which supported them to work in a way that prioritises connection and empathy so that everyone in the workplace feels valued and included. This has been transformative for how we work with each other, and the training will be extended to all managers in 2024.



Foundation staff at an away day

Reducing our carbon footprint

We know that climate change is negatively affecting people living in poverty and communities in the Global South the most and we are taking ambitious action to reduce our impact on the environment.



FUNDER
COMMITMENT
ON CLIMATE
CHANGE

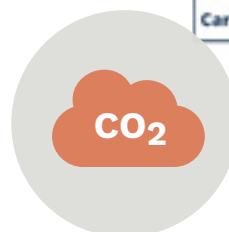
In 2023 we signed up to the **ACF Funder Commitment on Climate Change** and offered **Carbon Literacy Training** for our staff and charity partners to learn more about the causes of climate change and how we can individually and collectively reduce our impact.



We are taking steps to reduce our carbon footprint.



We have calculated and offset our carbon emissions.



We became **PAS 2060 certified as carbon neutral** in September.



As someone with dyslexia I've found the Foundation to be really supportive in making the workplace more accessible for me. They introduced a software called Grammarly, a digital writing tool that provides grammar and spell checking, and by talking about neurodiversity in the workplace I've felt more confident to share about my dyslexia with colleagues.

Helen Underwood-Savage, Skills Volunteering Lead, Lloyds Bank Foundation

Our objectives for 2024



Resilience



- 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.
- We'll support at least 200 **small and local charities** to become stronger and more resilient through flexible unrestricted funding and capacity building support.
- We'll continue to work within six **communities** supporting them to develop new ways of designing and resourcing systems to better support their communities.
- We'll work with civil **society** partners to improve the operating environment for small and local charities, pushing for better commissioning practices.

Above: Ella's, a trafficking and modern slavery charity in London, awarded a grant of £50k

Connection



- We'll effectively reach **people** within communities to shape how services are designed and resourced so they are better supported.
- We'll support **charity** leaders to feel more connected with their peers and support one another by convening supportive networks.
- We'll invest in 30 local collaborations within **communities** across England and Wales, supporting them to effect changes to policy and practice.
- We'll build a strong community of practice among civil **society** organisations, supporting small and local charities and sharing our insight and knowledge on unrestricted multi-year funding and organisational development support.



Voice



- 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.
- 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.
- 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.
- 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.

Above, left to right:

People and Communities event

Doorway, a homelessness charity in Chippenham, awarded a grant of £50k

Triangular, a charity in Gateshead supporting asylum seekers and refugees, awarded a grant of £75k

Equity



- 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.
- We'll support **charities** led by and for d/Deaf and Disabled communities and racially minoritised communities and include individuals from user led charities to make decisions on our funding.
- We'll invest in exploring equitable and inclusive decision-making practices within **communities**.
- 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**.

A farewell to Paul, our Chief Executive



This year we will be saying goodbye to Paul Streets who, after more than a decade leading the Foundation, will be retiring in June 2024. Paul has steered the Foundation through significant change, both internally as we have strengthened and adapted, and externally as the environment for small and local charities and the people they support has become increasingly challenging.

Left to right: Paul with The Basement Project, Ark Resettlement, at the *Value of Small North* event, and at the *Building a Better Future* strategy launch.

There is still so much more to do but, after just over 10 years, the time has come for me to bring my own role to a close and find out what life beyond full time work has to offer. I look forward to continuing to move the Foundation's strategy forward in preparation for my successor.

Paul Streets, our outgoing Chief Executive

Paul has championed the voices, strength and value of small and local charities across England and Wales. This has ensured that the critical role they play within our communities and society is seen, recognised, and valued among Government and decision makers.

Leading the development and launch of three of our strategies, Paul has supported the Foundation to continuously innovate.

We moved towards greater flexibility by providing fully

unrestricted grants, rooted in trust and ongoing partnership. Alongside multi-year funding, we also developed an award-winning breadth of support offers. This included seasoned consultants, skilled volunteers from Lloyds Banking Group, peer learning opportunities and much more to help charities strengthen beyond the lifetime of their grant.

I am proud of the work we have done together to reshape the role of foundations, to set charities free through unrestricted funding and providing support that works for them. And using our own power and influence to help bring people together locally and nationally to influence policy and practice as well as sharing power over how we ourselves make decisions. Equity, diversity and inclusion is vital and I am proud of making tangible progress in my time at the Foundation, in particular through our commitment to charities led by communities themselves.



Left to right:
Paul with High
Level Trust,
and MK Snap

This year marks 10 years since the creation of our skilled volunteering programme conceptualised by Paul, recognising the unique role we play as a corporate foundation. This innovative programme connects passionate and skilled volunteers from Lloyds Banking Group with the charities we support as they form relationships that benefit charities, volunteers, and businesses. The trusting connection with Lloyds Banking Group that Paul helped foster has led to ongoing joined-up working, including shaping how the Group supports customers who have survived domestic abuse or supporting people who lack conventional ID due to homelessness to open bank accounts.

All of us at the Foundation thank Paul for his dedication to our cause and stewardship over the last decade, and extend a warm welcome to his successor, Matt Hyde.

I have loved my role at the Foundation. And loved working with the thousands of incredible small and local charities we reach right across England and Wales. We are blessed in having the opportunity to connect with Britain at its best while addressing the consequences of Britain at its worst.

Financial review

In this section, our Trustees outline our principal funding source in the year ended 31 December 2023 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 64 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 2023 we received £17.8m from Lloyds Banking Group (LBG) under the Covenant (2022: £14.7m under the Covenant and an additional £1.4m to provide additional funding to charities facing cost of living pressures).

How we spend our money

Everything we spend aligns with our mission: to partner with small¹ and local charities helping people overcome complex social issues² and rebuild their lives. We aim to make grant funding unrestricted wherever possible.

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

- **Specialist programme** – 82 grants totalling £6.2m to fund support to charities working with people facing complex social issues.
- **Racial equity** – 44 grants totalling £3.3m to fund organisations run by-and-for people who have faced inequity because of their race or ethnicity.
- **d/Deaf and disabled people** – 42 grants totalling £3.2m to fund organisations led by and working for d/Deaf and disabled people.
- **National Influencing programme** – 18 grants totalling £2.4m to fund organisations undertaking major change projects in three key themes of Homelessness, Asylum Seekers and Refugees and Social Security.

Other key funding included:

- £2.0m of organisational development support for charities (2022: £2.3m)
- £1.8m (2022: £1.5m) 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 and at the Foundation. Expenditure increased as many fundraising events which Lloyds colleagues support were reinstated in 2023 but the level of giving in this area remains below that of 2019.

Expenditure

Total grant and donation expenditure was £20.5m (2022: £19.6m). Total charitable expenditure was £24.1m (2022: £22.9m) – the increase was enabled by the higher level of funding from Lloyds Banking Group (LBG).

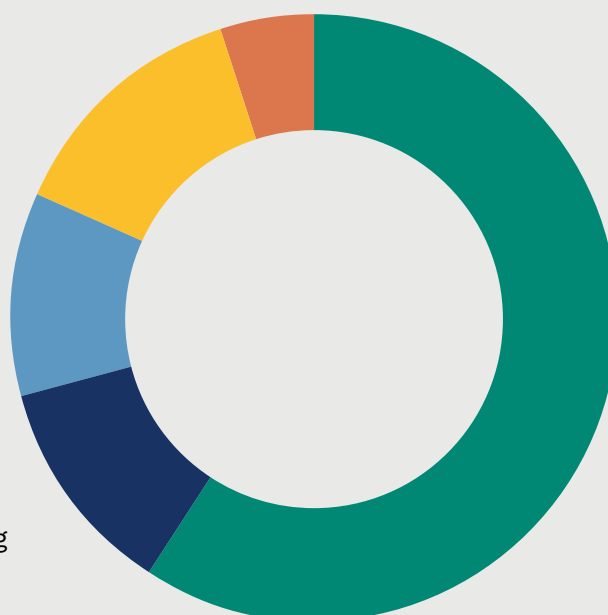
The overall result for the year was a deficit on unrestricted funds of £5.0m (2022: £6.3m) before investment gains of £1.3m (2022: investment losses of £2.0m).

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 2023

- Long-term funding: **£14.3m** (2022: £15.3m)
- Development: **£2.8m** (2022: £2.1m)
- Influencing, Policy and Practice: **£2.6m** (2022: £1.7m)
- Direct costs of charitable activity: **£3.2m** (2022: £2.7m)
- Central support costs: **£1.2m** (2022: £1.1m)



The Foundation is currently able to spend more than the annual income from Lloyds Banking Group as in 2017 it received a significant gift of shares which were sold realising £38.6 million. The Foundation will incur a smaller deficit in 2024 and beyond but will align its spending with annual income once the additional funding from the share proceeds has been utilised which it expects to be in 2026.

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 following two approaches:

- 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 to the value of £14.7m (2022: £13.5m) have been managed by Cazenove since October 2023. The funds are invested in the Cazenove Sustainable Multi-Asset Fund. Prior to that date the funds were managed by Sarasin & Partners LLP, predominantly in the Climate Active Endowment Fund with around 14% in the Income and Reserves Fund.

The disposition of funds at 31 December was as follows:

	2023	2022
	Asset value	Asset value
	£'m	£'m
Sarasin Climate Active Endowment Fund	-	11.5
Sarasin Income & Reserve Fund	-	2.0
Cazenove Sustainable Multi-Asset Fund	14.7	-
Total	14.7	13.5

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.

The investment is recognised at its market value of £14.7m (2022: £13.5m).

Investment by asset class at 31 December	2023	2022
Long-term portfolio	£'m	£'m
Equities	10.2	7.6
Bonds	1.7	1.4
Property	0.7	0.5
Alternative investments	1.4	1.5
Cash	0.7	0.5
Total	14.7	11.5

The Medium-Term portfolio was invested in the Sarasin Income and Reserve Fund. The balance of £2m was transferred to the Cazenove Sustainable Multi-Asset Fund in October 2023.

After falling in value in 2022 the investments recovered in value in 2023. The performance in the year was as follows;

	Return 2023	Benchmark 2023	Return 2022	Benchmark 2022
	%	%	%	%
Sarasin Medium Term Fund*	0.8	7.0	15.6%	14.7%
Sarasin Long Term Fund*	2.0	11.7	(10.6)	(6.9)
Cazenove Multi Asset Fund†	7.4	1.2	–	–

*From 1 January to mid October 2023 †From mid October to 31 December 2023



Above: In June the entire Executive Team of Lloyds Banking Group visited charities The Foundation partners with in and around Birmingham. They saw first hand the impact of these charities and how we support them.

Pictured is Charlie Nunn Lloyds Banking Group CEO, with staff and service users of Shape, a charity helping young women escape homelessness. We have supported the charity with grants of £72.25k and £50k and currently with our development support offer.

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 2023, in the event that there was a general 10% fall in equity markets there would be a reduction in net income of £1,017k (2022: £763k).

Currency

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

	2023	2022
	Currency exposure	Currency exposure
	%	%
Sterling	32.3	62.8
US Dollar	9.3	26.2
Euro	2.8	3.2
Japanese Yen	0.2	1.3
Other	55.4	6.5
Total	100.0	100.0

Credit risk

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

Term deposits of £17.6 million at 31 December 2023 (2022: £14m) were invested 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 £21.1m (2022: £24.9m) of which the free reserves are £20.8m (2022: £24.6m). 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 2023 this represented a level of £12.6m (2022: £9.1m). At £20.8m on 31 December 2023 (2022: £24.6m), 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 use the reserves over the next three 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.



Wycome Women's Aid, a domestic abuse charity in Buckinghamshire, awarded a grant of £52k

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

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 recovered well and they have raised the minimum payable from £10.8m to £14.4m.

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 2024 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 2025.

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. Our objectives are shown on page 46.

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 2024 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.



Brynawel House, a charity in Pontyclun, Wales, supporting people with alcohol or drug addictions, awarded a grant of £50k

Governance

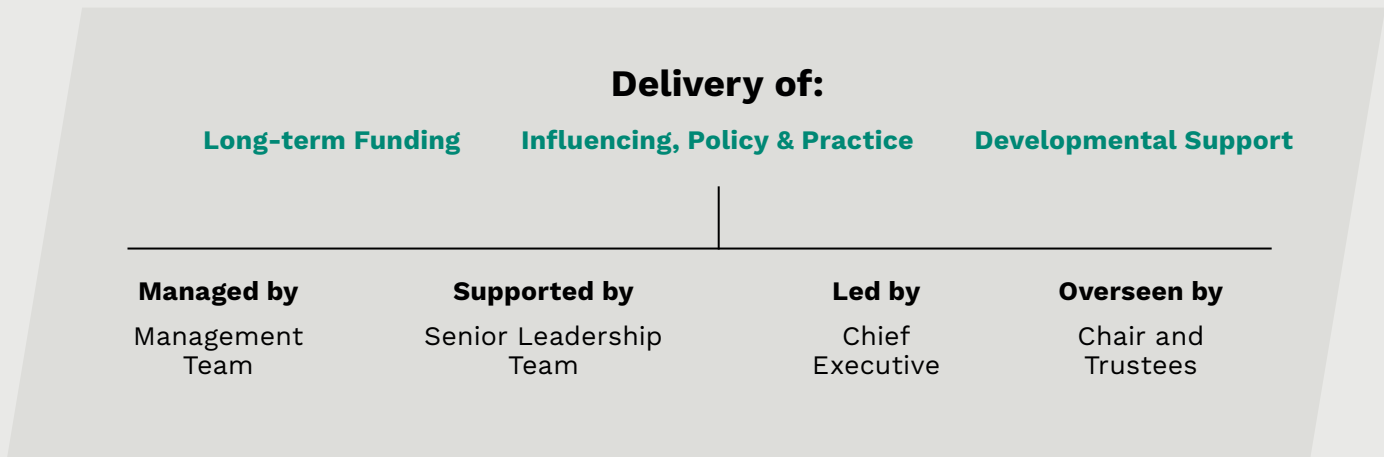
Constitution

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 46–47.

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

Organisational structure



The Foundation is organised and governed under an agreed strategic framework as summarised below:

The Board of Trustees has collective responsibility for everything that the Foundation does – including the legal responsibility to ensure that the Foundation is controlled and properly managed.

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

The principal governing body of the Foundation is the Board of Trustees, whose names are listed on page 84. The Board is responsible for the strategic direction of the Foundation and normally meets quarterly together with the Senior Leadership Team to review progress and to ensure that the Foundation is on track to meet its objectives.

Board of Trustees

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

Audit, Investment 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 Grants 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.



Lloyds Bank
Foundation staff at
an all staff meeting

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.

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 charity partners and learning about the organisation from the Chair and Senior Leadership Team.

More details about our Trustees can be found on page 84.



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 Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period including the income and expenditure. In preparing the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

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

Independent auditors



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

The Trustees' Report, including the Strategic Report was approved by the Board of Trustees on 21 May 2024 and signed on their behalf by **Dame Ann Limb DBE DL, Chair of Trustees.**

signature

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

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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, which comprise:

- the statement of financial activities (incorporating an income and expenditure account)
- 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 12 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, pension legislation; and
- do 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 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 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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of this report

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

signature



Helen Perkins, CA (Senior statutory auditor)

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

21 May 2024

Financial statements

Statement of financial activities

(incorporating an Income and Expenditure account)

Year ended 31 December 2023

	Note	Unrestricted	Restricted	Total Funds 2023	Unrestricted	Restricted	Total Funds 2022
		£'000	£'000	£'000	£'000	£'000	£'000
Income from:							
Donations and legacies	2	17,872	-	17,872	16,198	-	16,198
Investment income	9	1,239	-	1,239	155	-	155
Other income	3	12	96	108	11	94	105
Total income		19,123	96	19,219	16,364	94	16,458

Expenditure on:							
Charitable activities	4a	(24,053)	(97)	(24,151)	(22,602)	(340)	(22,942)
Investment fees		(70)	-	(70)	(92)	-	(92)
Total expenditure		(24,123)	(97)	(24,221)	(22,694)	(340)	(23,034)

Net (expenditure) before (loss)/gain on investments		(5,002)	(1)	(5,002)	(6,330)	(246)	(6,576)
Net gain/(loss) on investments	9	1,263	-	1,263	(2,022)	-	(2,022)
Net (expenditure)		(3,737)	(1)	(3,738)	(8,352)	(246)	(8,598)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		(3,737)	(1)	(3,738)	(8,352)	(246)	(8,598)

Reconciliation of funds:							
Total funds brought forward		24,885	-	24,885	33,237	246	33,483
Total funds carried forward	14	21,148	(1)	21,147	24,885	-	24,885

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.

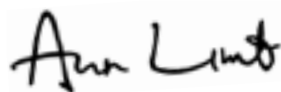
The Notes on pages 67–83 form part of these financial statements.

Balance sheet

As at 31 December 2023	Note	2023	2022
Fixed assets:		£'000	£'000
Tangible assets	8	89	112
Investments	9	14,731	13,522
Total fixed assets		14,820	13,634
Current assets:			
Debtors	10	352	82
Investments	9	17,600	14,000
Cash at bank and in hand		4,651	9,360
Total current assets		22,603	23,442
Creditors: Amounts falling due within one year	11	(9,588)	(9,463)
Net current assets		13,015	13,979
Total assets less current liabilities		27,835	27,613
Creditors: Amounts falling due after more than one year	12	(5,445)	(1,223)
Provision for liabilities and charges	13	(1,243)	(1,505)
Total net assets		21,147	24,885
The funds of the charity			
Unrestricted funds:	14		
General fund		20,753	24,586
Designated funds		395	299
Total unrestricted funds		21,148	24,885
Restricted funds	14	(1)	-
Total charity funds		21,147	24,885

The financial statements of Lloyds Bank Foundation for England & Wales, registered number 1971242 including the notes on pages 67–83 were approved and authorised for issue by the Trustees on 21 May 2024 and signed on their behalf by **Dame Ann Limb DBE DL, Chair of Trustees.**

signature



Statement of cash flows

Year ended 31 December 2023	Note	2023	2022
Cash flows from operating activities		£'000	£'000
Net cash used in operating activities	(A)	(2,327)	(9,837)
Cash flows from investing activities:			
Dividends and interest from investments		1,239	137
Purchase of investments		(17,378)	(4,000)
Purchase of tangible assets		(5)	(64)
Proceeds from sale of investments		13,762	17,512
Net cash (used in)/provided by investing activities		(2,382)	13,585
Change in cash and cash equivalents in the reporting year		(4,709)	3,748
Cash and cash equivalents at the beginning of the reporting year		9,360	5,612
Cash and cash equivalents at the end of the reporting year	(B)	4,651	9,360

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

	2023	2022
	£'000	£'000
Net (expenditure) for the reporting year	(3,738)	(8,598)
Adjustments for:		
Depreciation charges	28	35
Income from investments	(1,239)	(155)
Increase in debtors	(270)	(2)
Increase/(decrease) in creditors	4,347	(3,205)
Decrease in provisions	(262)	(26)
(Gain)/loss on investments	(1,263)	2,022
Investment management fees	70	92
Net cash used in operating activities	(2,327)	(9,837)

(B) Analysis of cash and cash equivalents

	2023	2022
	£'000	£'000
Cash in hand	4,651	9,360
Total cash and cash equivalents	4,651	9,360

The Notes on pages 67–83 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 13 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 84.

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 14. The different funds held are defined below:

Unrestricted funds

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

Designated funds

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

Restricted funds

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

Investments

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

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

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

Income

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

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

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.

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.

Provisions

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

Enhance provisions

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

Releases of grant commitments

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

Allocation of expenditure

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

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

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

Tangible assets

Tangible assets are included at historic cost less accumulated depreciation.

Capitalisation and Depreciation

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

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

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

Pension costs

The Foundation participated in two separate independently managed, defined benefit, occupational pension schemes: the Lloyds Bank Group Pension Schemes No.1 and No.2. There are no longer any active

members in either scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of these schemes and hence contributions to the schemes are accounted for as if they were defined contribution schemes; the cost recognised within the Statement of Financial Activities for the year being equal to the contributions payable to the schemes for the year.

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 before 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 2024.

 *The development support has enabled me as a CEO to be confident about my decision making as I am clearer on legislative responsibilities. Access to consultancy support has been invaluable for a small organisation, where it would be otherwise unobtainable without funding.*

TOKKO, a learning disability charity in Luton

2. Donations and Legacies

	Unrestricted	Restricted	Total 2023	Unrestricted	Restricted	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Donations from Lloyds Banking Group						
Covenant income	17,808	-	17,808	14,722	-	14,722
Cost of living award	-	-	-	1,442	-	1,442
External audit services	38	-	38	34	-	34
Other donations						
The Holman Foundation	-	-	-	2	-	2
Donated services	26	-	26	8	-	8
Legacies	-	-	-	(10)	-	(10)
Total	17,872	-	17,872	16,198	-	16,198

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	Unrestricted	Total 2023	Unrestricted	Unrestricted	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Administration support to Lloyds Bank Foundation for the Channel Islands	12	-	9	-	-	9
Other income	-	96	99	-	-	-
Total	12	96	108	-	-	9

4. Analysis of Grant Expenditure

4a. Charitable activities

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
Total	19,748	2,415	771	1,217	24,151

Year ended 31 December 2022

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

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.




Charity partners sharing their learnings at our Criminal Justice Programme event in May

4b. Grant awards

	2023		2022	
	No.	£'000	No.	£'000
Long-term funding				
Core grant programme	169	12,633	265	12,287
Cost of living grants		-		1,481
Matched Giving		1,824		1,491
Total		14,457		15,259
Developmental support				
Enhance and Development Partner support		2,217		2,340
Development funding	7	1,192	5	388
	176	3,409	270	2,728
Influencing Policy and Practice				
National grant programmes	24	2,597	32	1,709
Total grants awarded in the year	200	20,463	302	19,696
Less grants cancelled in the year		(715)		(549)
Grants payable (Note 4a)		19,748		19,147

A full list of the grants approved in 2023 can be found on our website lloydsbankfoundation.org.uk/our-impact/who-we-support



Brynawel, a charity in Pontyclun, Wales, supporting people with alcohol or drug addictions, awarded a grant of £50k

4c. Grants payable

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

	2023	2022
	£'000	£'000
Reconciliation of grants payable		
Amount outstanding at 1 January	11,908	15,046
Grants approved/cancelled in year		
Grants approved	20,463	19,696
Grants cancelled or recovered	(715)	(549)
Grants payable for the year	19,748	19,147
Grants paid during the year	(15,611)	(22,285)
Amounts outstanding at 31 December	16,045	11,908

Amounts outstanding at 31 December split between:

Due within one year (Note 11)	9,357	9,180
Due after more than one year (Note 12)	5,445	1,223
Provision for liabilities and charges (Note 13)	1,243	1,505
Amounts outstanding at 31 December	16,045	11,908

4d. Support costs

	2023	2022
	£'000	£'000
Finance	307	251
Human Resources	224	177
Facilities	241	267
IT	144	134
Executive	294	240
Trustees	7	29
Total	1,217	1,098

5. Governance costs

	2023	2022
	£'000	£'000
Legal fees	29	-
Auditor's remuneration	38	34
Trustee recruitment	-	20
Other costs	-	5
Total	67	59

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 (2022: nil).

Expenses were paid directly or by reimbursement for seven Trustees principally relating to travel and subsistence totalling £3k (2022: £4k, nine Trustees).

6. Staff costs

	2023	2022
	£'000	£'000
Wages and salaries	2,357	2,139
Social security costs	263	254
Pension costs	383	269
Other staff costs	41	30
Agency staff costs	146	117
Total	3,190	2,809

The average number of persons employed by the Foundation was 50 (2022: 48) of which full-time employees is 46 (2022: 44) and part time is 4 (2022: 3).

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

	2023	2022
	No.	No.
£60,001–£70,000	2	2
£70,001–£80,000	-	1
£80,001–£90,000	-	3
£90,001–£100,000	2	-
£130,001–£140,000	-	1*
£150,001–£160,000	1*	-
Total	5	7

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

Total remuneration received by key management personnel being the Senior Leadership Team was £534k (2022: £532k).

Pension costs

	2023	2022
	£'000	£'000
Defined contribution scheme	383	268
Total	383	268

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 £383k (2022: £268). Since September 2022 the pension scheme has operated under a salary sacrifice basis.

7. Other expenditure

	2023	2022
	£'000	£'000
Net (expenditure) is stated after charging		
Depreciation	28	35
Operating lease costs	78	78
Auditor's remuneration (Statutory audit)	38	34



PHOEBE, a domestic abuse charity in Ipswich, awarded a grant of £50k

8. Tangible assets

	Furniture and office equipment	Computer equipment ³	2023 total	2022 total
Cost	£'000	£'000	Total	Total
At beginning of the year	101	256	357	354
Additions	3	2	5	64
Disposals	(13)	(152)	(165)	(61)
At end of the year	91	106	197	357

Accumulated Depreciation

At beginning of the year	31	214	245	271
Charge for the year	9	19	28	35
Disposals	(13)	(152)	(165)	(61)
At end of the year	27	81	108	245

Net book value at beginning of the year	70	42	111	83
Net book value at end of the year	64	25	89	112

³Includes the value of computer software



The Oswin Project, an offenders charity awarded a grant of £75k

9. Investments

	2023	2022
	£'000	£'000
Fixed and current asset investments		
Fixed asset investments	14,731	13,522
Current asset investments	17,600	14,000
Total	32,331	27,522

Movement in a year

As at 1 January	27,522	43,130
Investment income reinvested	15	143
Disposal of fixed asset investments	(13,763)	(17,512)
Additions	13,763	-
Net gain/(loss) on investments	1,263	(2,147)
Management fees	(69)	(92)
Movement on deposits	3,600	4,000
As at 31 December	32,331	27,522

Breakdown of investments (excluding short-term deposits)	2023		2022	
	£'000	% of portfolio	£'000	% of portfolio
Cash and other liquid assets				
Cash	32	-	-	-
Sub-total	-	-	-	-
Multi asset fund	14,699	100	13,522	100
Total	14,731	100	13,522	100

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

	2023	2022
	£'000	£'000
Investment income		
Dividend income	15	144
Bank interest	1,224	136
Total	1,239	280

10. Debtors

	2023	2022
	£'000	£'000
Other debtors	44	30
Prepayments and accrued income	308	51
Total	352	81

11. Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Grants payable (Note 4c)	9,357	9,180
Trade creditors	58	145
Other creditors	84	75
Accruals and deferred income	89	59
Total	9,588	9,459

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

	2023	2022
	£'000	£'000
Grants payable (Note 4c)	5,445	1,223
Total	5,445	1,223

13. Provision for liabilities and charges

	2023	2022
	£'000	£'000
Balance brought forward	1,505	1,531
Additions	1,982	2,165
Cancellations in the year	(579)	(539)
Utilised during the year	(1,665)	(1,652)
Balance carried forward	1,243	1,505

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

14. Movement in funds

	Balance at 1 Jan 2023	Total incoming resources	Total resources expended	Change in market value of investments	Transfers	Balance at 31 Dec 2023
Unrestricted funds:	£'000	£'000	£'000	£'000	£'000	£'000
General fund	24,586	19,123	(24,123)	1,263	(96)	20,753
Designated funds						
Fixed asset funds	112	-	-	-	(23)	89
Research funding	-	-	-	-	190	190
Enhance projects	-	-	-	-	3	3
Communities funding	-	-	-	-	113	113
Grant funds carried forward	187	-	-	-	(187)	-
Total designated	299	-	-	-	96	395
Total unrestricted	24,885	19,123	(24,123)	1,263	-	21,148
Restricted funds						
LocalMotion	-	96	(97)	-	-	(1)
Total restricted	-	96	(97)	-	-	(1)
Total funds	24,885	19,219	(24,220)	1,263	-	21,147



Doorway, a homelessness charity in Chippenham, awarded a grant of £50k

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

Designated Funds

Fixed asset funds

The fixed asset fund represents the value invested in 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.

Enhance projects

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

Grant funds carried forward

Comprises funds set aside for grant extensions expected to be awarded in 2023 which charities have requested be awarded in 2024. 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.

	General fund	Designated funds	Restricted funds	Total
Net assets as at 31 December 2023	£'000	£'000	£'000	£'000
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	(5,445)	-	-	(5,445)
Provisions	(1,243)	-	-	(1,243)
Total	20,753	395	(1)	21,147

Net assets as at 31 December 2022	£'000	£'000	£'000	£'000
Tangible fixed assets	-	112	-	112
Investments	13,522	-	-	13,522
Current assets	23,255	187	-	23,442
Creditors due within one year	(9,463)	-	-	(9,463)
Creditors due after more than one year	(1,223)	-	-	(1,223)
Provisions	(1,505)	-	-	(1,505)
Total	24,586	299	-	24,885

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 2023 was 12 (2022: 12).

16. Related party transactions

16a Connected Foundations

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

Halifax Foundation for Northern Ireland

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

There were no transactions with Halifax Foundation for Northern Ireland in 2023 or 2022.

Bank of Scotland Foundation

The Mound
Edinburgh EH1 1YZ

There were no transactions with the Bank of Scotland Foundation in 2022 or 2023.

Lloyds Bank Foundation for the Channel Islands

Society Building
8 All Saints Street
London N1 9RL

The Foundation received £9,221 (2022: £8,782) 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 £60 (2022: Nil).

At 31 December 2023 there was £15,319 due from LBFCI to the Foundation under this arrangement (2022: Nil).

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 £17.8m (2022: £16.2m) as income, and £1.2m (2022: £74k) bank interest was received from Lloyds Banking Group plc.

At 31 December 2023 a balance of £4.7m is in a current account with Deloitte LLP (2022: £9.6m), and held Treasury deposits of £17.6m (2022: £9.0m).

16c Transactions

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

Trustee Joanna Harris is employed by Lloyds Banking Group and has supported **Women Acting in Today's Society (WAITS)** as a mentor to the Chief Executive. In 2022 the Foundation awarded grants of £52,250 to WAITS over two years, of which £25,000 was paid in 2023 (2022: 27,250). The outstanding amount at 31 December 2023 was nil (2022: £50,000). In 2023 WAITS received £2,500 of Enhance support (2022: Nil).

Trustee Bushra Ahmed is a Trustee of **Sheila McKechnie Foundation** and **Home-Start UK**. The Foundation sponsored an award run by the Sheila McKechnie Foundation at a cost of £7,500 in 2022 – there were no payments in 2023. In 2022 the Foundation gave a donation of £1,050 to a local Home-Start group (2022: £500).

Chief Operating Officer until August 2023, Liz Winder, is a Trustee of **Settle Support**. In accordance with normal practice a three-year grant of £100,000 awarded in 2019 was extended for a further year with the award of a further £33,333 grant. A total of £33,333 was paid in 2022 in final payment of the grant.

Head of Communications, Aferdita Pacrami, is a Trustee of **Lewisham Refugee and Migrant Network**. In 2020 the Foundation awarded a grant of £72,500 of which £25,000 was paid in 2022. The outstanding balance at 31 December was £Nil (2022: £25,000). In 2022, a cost of living crisis grant of £2,250 was awarded and paid. Additionally, in 2023 Enhance support worth £13,406 was provided to the charity (2022: £3,360).

Head of Finance, Andrew Whitehead, is a volunteer at **Enfield Churches Debt Centre**. In the year ending December 2022, the Foundation made a donation to the charity in relation to the Matched Giving Scheme of £980 – there were no gifts in 2023.

Manager for North East, Neil Shashoua was a Trustee of **North East law Centre (NELC)**. In the year ended 31 December 2019 a grant of £100,000 was awarded to NELC. In accordance with normal practice Invest Programme the three-year grant was extended for a further year with the award of an additional £33,333. A total of £33,333 was paid in 2022 in final payment of the grant. A cost of living crisis grant of £2,250 was awarded and paid in 2022.

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 (2022: £500).

Rachel Cain, Public Affairs and Programme Officer, is sister to a Trustee of **Zacchaeus 2000 Trust (Z2K)**. In 2020, the Foundation awarded a two year grant of £49,834 which was paid in full in 2021. In 2022, this grant was extended for a further year and awarded and paid an additional £25,000. In the year ending 31 December 2022, the Foundation supported the charity with cost of living crisis grant of £2,250 which was awarded and paid in the year. There were no payments in 2023.

17. Lease commitments

The Foundation had a total commitment under non-cancellable operating leases at 31 December 2023:

	Buildings		Other	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Within one year	94	94	4	7
Within two to five years	189	283	-	4
Total	283	377	4	11

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



Foundation staff at an all staff meeting

Reference and administrative details

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

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

Registered office and operational address

Society Building
8 All Saints Street
London N1 9RL

Independent Auditors

Deloitte LLP
Abbots House
189 Abbey Street
Reading RG1 3BD

Bankers

Lloyds Bank plc
10 Gresham Street
London EC2V 7AE

Investment Managers

Sarasin & Partners LLP (until October 2023)
100 St. Paul's Churchyard
London EC4M 8BU
Cazenove (from October 2023)
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

Bushra Ahmed

Cherrie Bija (from 2 January 2023)

Catharine Cheetham (until 31 December 2023)

Joanna Harris (until 31 December 2023)

Ajneet Jassey (from 1 January 2024)

Darren Knight

Sarah Legg (Chair, Audit, Investment and Risk Committee)

Kamran Mallick (Chair, Remuneration Committee)

Laura Needham (from 1 January 2024)

Gareth Oakley (until 31 December 2023)

Jayne Opperman (from 1 January 2024)

Rebecca Shaw

Claud Williams (from 1 January 2023)

Senior Leadership Team

Chief Executive: Paul Streets OBE

Chief Operating Officer:
Elizabeth Winder (until 10 August 2023)
James Phillips (from 16 October 2023)

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

Director of Charity Development:
André Clarke (from 10 July 2023)

Director of Policy, Communications and Research: Duncan Shrubsole

Director of Communities: Jill Baker

/// *The unrestricted funding we have received from Lloyds Bank Foundation has enabled us to set up a group for ex-residents to meet together on a weekly basis. And we've also been able to employ a full-time worker to support people in the communities after they leave.*

Being able to provide these aftercare services gives people the best chance of sustained recovery, because relapsing after leaving rehab is quite common.

Sue Gwyn (below, centre), CEO of Brynawel House, a charity in Pontyclun supporting people with alcohol or drug addictions, awarded a grant of £50k



/// *As a charity we really welcome this relationship-based model because the more traditional approach to grant-making can feel quite transactional. We've had a really positive partnership with the Foundation. Carlos, our Regional Manager from the Foundation, has been amazing to work with. He is our consistent point of contact and has supported us throughout.*

Victoria Ashley, CEO, Ripon Community Link



Victoria Ashley, CEO, Ripon Community Link, a learning disability charity in Yorkshire, awarded a grant of £50k, with Regional Manager Carlos Chavez



lloydsbankfoundation.org.uk
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

