

Lockton Charitable Association

Registered charity number: 1169204 and SCO48148

Report of the Trustees and financial statements for the year ended 31st December 2021



Lockton Charitable Association

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Lockton Charitable Association

Report of the Trustees

TRUSTEES AND ADVISORS

Trustees

The list of Trustees who have served throughout the year is as follows:

Simon Coleman	(Chairman)
Sarah Jeffs	
Samuel Clark	
Ian Cooper	
Heidi Watson	(Non-Executive Trustee)
Sarah Nash	
Suzanne Cooper	
Alison Brake	
Miles Bourne	
Laurence Dace	(Resigned 31 January 2022)
Simon Ambler	
Georgina Connor	

Independent examiners

Tudor John Limited

Bankers

Lloyds Bank PLC

Principal Address

The St Botolph Building
138 Houndsditch
London
EC3A 7AG

Registered Charity Numbers

1169204 in England and Wales
SCO48148 in Scotland

Lockton Charitable Association

The Trustees present their report and the financial statements of the Lockton Charitable Association ("the Charity") for the period ended 31st December 2021.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Charity's constitution sets out its purposes and aims, and the rules regulating its governance as described below:

The purpose of the Charity is to further such exclusively charitable purposes for the public benefit according to the laws of England, Wales and Scotland and as the Trustees of the Charity shall in their absolute discretion determine.

The strategy of the Charity is to provide an environment that enables Lockton employees to nominate a registered charity each year (Charity of Year) and put forward recommendations on raising funds for donation to the Charity. In addition, Lockton employees raise funds for any charitable cause in line with the Charity's objectives. These recommendations are considered by the Trustees for implementation.

COVID-19

The outbreak of the COVID-19 pandemic in 2020 and continuing in 2021 caused significant and unprecedented economic and financial turmoil in the UK whereupon the Government initiated specific lockdown restrictions. These restrictions are being lifted slowly and supporting a return to normality. The Charity is a corporate sponsored Charity benefitting from the contribution of Lockton employees, Lockton facilities and sponsorship (whilst ensuring the Charity is managed and controlled independently from Lockton). During the year the Charity continued to align itself to the Lockton remote business working model when they implemented its Business Continuity Plan with all employees working from home with minimal disruption to daily operations. This course of action has allowed the Charity to ensure its volunteers continue to be kept safe during the COVID-19 situation.

The Charity has been impacted by the downturn of fundraising events that it was able to run and has taken the opportunity to manage as many of its planned events as possible or move to virtual fundraising activities. The effect on fundraising is discussed in more detail in this report.

The governance and operational activities of the Charity were adapted to the Lockton remote business model and continue to be managed effectively and adequately in line with its internal control framework.

Significant Activities

The Charity of the Year as nominated by Lockton employees for 2021-2022 is Rays of Sunshine, a registered UK charity brightening the lives of seriously ill children across the UK aged 3 to 18 by granting wishes and providing ongoing support in hospitals.

Donations are the largest source of income for the Charity and these funds are raised by Lockton employees holding a wide variety of events such as sporting challenges; quizzes; raffles; auctions; in-house fairs; cake sales and charity breakfasts. During the year, the Charity has had to suspend a number of its fund raising activities following UK Government advice on social distancing. The Trustees considered and implemented the move to virtual fund raising events and continued with existing fund raising activities that could be undertaken effectively by remote means such as auctions and raffles. The revised fundraising model will continue for the foreseeable future and it is the view of the Trustees that there is no significant impact on the delivery of these activities. The Trustees will continue with this strategy and it is the intention of the Trustees to re-instate its former well established fund raising events when circumstances permit.

The Charity continues to raise funds through its small society lottery launched in 2019 and has received success with this initiative, of which 50% of funds are donated to unrestricted funds, to the Charity.

The funds raised to support charitable causes is shown in note 10 and 11.

Lockton Charitable Association

Mission Statement

Our mission statement is simply for the Charity to raise funds for donation to registered charities and charitable projects to improve the lives of people in our community.

Public Benefit

The purpose of the Charity is stated above and during the financial year the Charity has raised funds for donation in line with our stated aims and objectives. The public benefit is the donation of funds to charitable causes.

The Trustees have referred to the Scottish Charity Regulator and Charity Commissioner's general guidance on Public Benefit when reviewing the Charity's aims and objectives.

Volunteers

In common with many charities it would be difficult to operate without the support of volunteers. During the year covered by these accounts, the Charity has benefitted from the support of volunteers from within the Lockton enterprise, for which they are grateful.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is a charitable incorporated organisation registered in England and Wales with the Charity Commission and in Scotland with the Scottish Charity Regulator.

Recruitment and Appointment of New Trustees

The Charity has adopted a recruitment process to identify appropriate persons to join the Charity as Trustees. When new Trustees are appointed they are given an induction to the work for the Charity and are provided with information to enable them to fulfil their role. The induction includes relevant training, induction pack with essential guidance on the role and responsibilities of a Trustee and charity law including an introduction to the Charity and its journey through the years to current date.

Organisational and Management Structure

The Charity is managed independently from Lockton Companies LLP and was established exclusively for charitable purposes for the benefit of the public.

The Trustees manage the affairs of the Charity in accordance with their powers as set out in the constitutional document. The minimum number of Charity Trustees in office is 3 with a maximum number of 12 Trustees in office. Each year at the Annual General Meeting, one-third of Trustees retire from office and retirement by rotation applies to those who have been longest in office since their last appointment or reappointment.

The Charity is governed by a Board of Trustees now comprising 12 Trustees appointed in accordance with a mandated recruitment process as recommended by the founding Trustees to the Charity and pursuant to charity law. A non-executive Trustee has been appointed to assist with ensuring the Charity maintains an independent voice.

The Charity engages with a group of Lockton employees ("Charity Champions") who have volunteered to assist with the management of fundraising activities. The Charity Champions are represented from the business of Lockton in the UK.

Risk Management

The Trustees acknowledge that the Charity faces risks within the environment in which it operates and the Trustees are satisfied that they have identified and analysed all major risks that the Charity is exposed to and put in place effective controls to mitigate those risks. The type of risk and impact have been considered against the principles of charity guidance and rated accordingly. These potential risks relate to:

- Organisation performance including risks to Trustees;
- Financial stability including controls and income;
- Governance and objectives including legal requirements.

Lockton Charitable Association

The Trustees recently reviewed the risk to the Charity arising from COVID-19 and agreed that this had minimal impact based on the structure of the Charity. The Trustees annually review the Charity risk register and consider any new factors that could impact the Charity and decide collectively on mitigating actions.

ACHIEVEMENT AND PERFORMANCE

These financial statements cover the year to 31st December 2021 during which the activities of the Charity generated income of £133,766 (prior year: £150,046). Whilst the income generated has reduced on prior year, the Charity has actively managed its costs.

FINANCIAL REVIEW

Principal Funding Sources

The Charity receives donations from Lockton employees, the general public and members of the insurance broking community. Lockton employees nominate a Charity of the Year and donations received are held as restricted funds and donated directly to the nominated registered charity. Other donations received as unrestricted funds are donated to a range of charitable causes nominated by Lockton employees and governed and managed by the Trustees.

Other source of funding are through Give As You Earn and the small lottery run by the Charity.

In addition, the Charity is supported by Lockton Companies LLP who provides an annual donation and "in-kind" support to assist the Charity with its general expenses and responsibilities to meet its charitable purposes. The Trustees are certain that this funding is sustainable for the foreseeable future.

Reserves Policy

The Trustees have considered the requirements for a reserves policy based on its annual donation received from the Charity member and receipts from annual fundraising activities taking into consideration annual costs of the Charity.

The Trustees have agreed to retain a greater of its annual costs or Member annual donation as its unrestricted reserves and this has not been impacted by COVID-19.

Investment Policy

Due to the nature of the Charity the Trustees feel it is appropriate to retain reserves in a current bank account.

The financial statements were approved by the Board of Trustees on 11 March 2022 and were signed on its behalf by:



Simon Coleman

Lockton Charitable Association

Trustees Responsibility Statement for the Period 01st January 2021 to 31st December 2021

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and Charities and Trustee Investment (Scotland) Act 2005 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lockton Charitable Association

Independent Examiner's Report to the Trustees of Lockton Charitable Association (Registered number: 1169204)

Examiner's report to the trustees of Lockton Charitable Association

I report on the accounts of the charity for the year ended 31 December 2021 which are set out on pages 9 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the requirements of the Charities Act 2011 ('the Act'). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

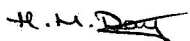
My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations and section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act and Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 accounts Regulations (Scotland); or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 and Regulation 8 of the 2006 Regulations other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which your attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



H. M. Day BSc FCA DChA
ICAEW
Tudor John Limited
Nightingale House
46-48 East Street
Epsom
Surrey
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Date: 15/3/2022

Lockton Charitable Association

Statement of Financial Activities for the Period 01st January 2021 to 31st December 2021

	Notes	Restricted funds 2021 £	Designated funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Period ended 2020 £
INCOME AND ENDOWMENTS						
Donations and Legacies	3	30,348	-	103,418	133,766	150,046
Total		30,348	-	103,418	133,766	150,046
RESOURCES EXPENDED						
Raising funds						
Raising donations and legacies	4	8,674	-	7,213	15,887	11,333
Charitable activities						
Donations		16,626	70,000	3,000	89,626	152,500
Total		25,300	70,000	10,213	105,513	163,833
NET INCOME / (EXPENDITURE)		5,048	(70,000)	93,205	28,253	(13,787)
TRANSFERS		-	70,000	(70,000)	-	-
Net movement in funds		5,048	-	23,205	28,253	(13,787)
Total funds brought forward		17,953	-	69,181	87,134	100,921
TOTAL FUNDS CARRIED FORWARD		23,001	-	92,386	115,387	87,134

Lockton Charitable Association

Balance Sheet At 31 December 2021

	Notes	Restricted funds 2021 £	Designated funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Period ended 2020 £
CURRENT ASSETS						
Debtors	8	1,375	-	744	2,119	503
Cash at bank and in hand		21,626	-	93,142	114,768	88,131
CREDITORS						
Amounts falling due within one year	9	-	-	1,500	1,500	1,500
NET CURRENT ASSETS		23,001	-	92,386	115,387	87,134
TOTAL ASSETS LESS CURRENT LIABILITIES		23,001	-	92,386	115,387	87,134
NET ASSETS		23,001	-	92,386	115,387	87,134
FUNDS						
Unrestricted funds	10	-	-	92,386	92,386	69,181
Designated funds	10	-	-	-	-	-
Restricted funds	11	23,001	-	-	23,001	17,953
TOTAL FUNDS		23,001	-	92,386	115,387	87,134

The financial statements were approved by the Board of Trustees on 11 March 2022 and were signed on its behalf by:



Simon Coleman

Lockton Charitable Association

Cash Flow **For the year ended 31 December 2021**

	Notes	2021 £	Period Ended 2020 £
Cash flows from operating activities:			
Cash generated from operations	1	26,637	(4,662)
Net cash provided by (used in) operating activities		26,637	(4,662)
Cash flows from investing activities:			
Net cash provided by (used in) investing activities		-	-
Cash flows from financing activities:			
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		26,637	(4,662)
Cash and cash equivalents at the beginning of the reporting period		88,131	92,793
Cash and cash equivalents at the end of the reporting period		114,768	88,131

Lockton Charitable Association

**Notes to the Cash Flow Statement
for the period ended 31 December 2021**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOWS FROM
OPERATING ACTIVITIES**

	2021	Period ended 2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	28,253	(13,787)
Adjustments for:		
Decrease/(increase) in debtors	(1,616)	9,125
(Decrease)/increase in creditors	-	-
Net cash provided by (used in) operating activities	26,637	(4,662)

Lockton Charitable Association

Notes to the Financial Statements for the Period 01st January 2021 to 31st December 2021

1. STATUTORY INFORMATION

The Lockton Charitable Association is a Charitable Incorporated Organisation and domiciled in England, Wales and Scotland. The Charity is registered in England and Wales, Registered Charity number 1169204 and Scotland Registered Charity number SCO48148. The registered office is The St Botolph Building, 138 Houndsditch, London, EC3A 7AG.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on the going concern basis.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where the costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of any impairment.

Those that are receivable after more than one year or constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised costs, net of impairment.

Lockton Charitable Association

3. DONATIONS AND LEGACIES

	£	Prior year £
General donations	133,766	150,046

4. CHARITABLE ACTIVITIES COSTS

Activity	Direct costs £	Support costs (See note 5) £	Totals £	Prior year total £
Donations	12,666	3,221	15,887	11,333

5. SUPPORT COSTS

	Trustee training £	Independent Examination £	Business insurance £	Bank fees £	Totals £	Prior year £
Donations	-	1,500	1,351	370	3,221	3,092

6. TRUSTEES REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 (prior year: nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 (prior year: nil).

Lockton Charitable Association

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Restricted funds 2020 £	Designated funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
INCOME AND ENDOWMENTS					
Donations and Legacies	3	88,559	-	61,487	150,046
Total		88,559	-	61,487	150,046
RESOURCES EXPENDED					
Raising funds					
Raising donations and legacies	4	4,290	-	7,043	11,333
Charitable activities					
Donations		83,647	50,000	18,853	152,500
Total		87,937	50,000	25,896	163,833
NET INCOME / (EXPENDITURE)		622	(50,000)	35,591	(13,787)
TRANSFERS					
		-	-	-	-
NET MOVEMENT		622	(50,000)	35,591	(13,787)

Lockton Charitable Association

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	Prior year £
Other debtors	2,119	503

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	Prior year £
Other creditors	1,500	1,500

10. MOVEMENT IN FUNDS

	Balance as at January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance as at December 2021 £
Unrestricted funds					
General fund	69,181	103,418	(10,213)	(70,000)	92,386
	69,181	103,418	(10,213)	(70,000)	92,386
Designated funds					
Children With Cancer	-	-	(40,000)	40,000	-
Rays of Sunshine	-	-	(30,000)	30,000	-
	-	-	(70,000)	70,000	-
TOTAL FUNDS	69,181	103,418	(80,213)	-	92,386

Comparatives for movement in funds

Unrestricted funds					
General fund	33,590	61,487	(25,896)	-	69,181
	33,590	61,487	(25,896)	-	69,181
Designated funds					
Children With Cancer	50,000	-	-	(50,000)	-
	50,000	-	-	(50,000)	-
TOTAL FUNDS	83,590	61,487	(25,896)	(50,000)	69,181

Lockton Charitable Association

11. RESTRICTED FUNDS

	Balance as at January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance as at December 2021 £
Lloyds Community Programme	5,000	3,000	(3,000)	-	5,000
REAC Nominated Cause	8,300	6,238	(3,070)	-	11,468
Covid-19	5	7	(12)	-	-
A Bigger Pot	1,419	1,015	(2,434)	-	-
A Bigger Pot 2	-	2,510	(1,049)	-	1,461
Children With Cancer	3,229	4,633	(7,862)	-	-
Rays of Sunshine	-	12,945	(7,873)	-	5,072
	17,953	30,348	(25,300)	-	23,001

Comparatives for movement in funds

	Balance as at January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance as at December 2020 £
Lloyds Community Programme	5,000	3,000	(3,000)	-	5,000
REAC Nominated Cause	10,000	900	(2,600)	-	8,300
Covid-19	-	70,904	(70,899)	-	5
ABI Appeal	-	5,000	(5,000)	-	-
A Bigger Pot	-	4,097	(2,678)	-	1,419
Children With Cancer	2,332	4,658	(3,761)	-	3,229
	17,332	88,559	(87,938)	-	17,953

- **Lloyds Community Programme:** Lloyd's Community Programme volunteers help to build stronger local communities by supporting community projects, and providing the young people we help with the key skills to achieve their potential. The programme has a wide range of volunteer opportunities ranging from one hour a week reading in a local primary school, to an hour a month mentoring a young person, or a day out of the office taking part in a team challenge.
- **REAC Nominated Cause:** Funds being raised from a single charity event that Lockton Companies LLP REAC Business Unit have asked to be restricted.
- **Covid-19:** Funds raised from donations from Lockton employees and Lockton sponsorship, 28 charities benefitted from these funds after the Trustees had selected the charities from the nominations by Lockton employees.
- **A Bigger Pot:** Funds were raised for support to homeless people in the UK and due to the Covid-19 crisis, facilities and shelters were minimal. Shelters required supplies, food banks needed to be restocked and cooked food parcels were delivered. Several organisations were worked with during this time.
- **A Bigger Pot 2:** Funds raised to support and actively help the Afghan refugees, delivering much need clothing, toiletries and books. There was also help with the charities to help the refugees with reading, form filing, education projects and helping families adapt to life in the UK.
- **Children with Cancer:** Leading national children's charity dedicated to the fight against childhood cancer.
- **Rays of Sunshine:** National charity that brightens the lives of seriously ill young people by granting wishes and providing ongoing support in hospital and within the community.

Lockton Charitable Association

12. LIMITED LIABILITY

In accordance with the Charity Constitution, in the event of a winding up of the Charity the members of the Charity have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

13. RELATED PARTIES

The Charity operates with the support of Lockton Companies LLP who provides staff time required to run the Charity on a day to day basis free of charge and also covers the cost of any other operating expenses.