

# **Levy2**

## **Annual Report and Financial Statements**

**For the financial year ended 31 March 2024**

**Charity Registered in England and Wales Number: 1198595**

**Levy2**  
**Contents**  
**For the financial year ended 31 March 2024**

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## **Levy2**

Reference and Administrative Details  
For the financial year ended 31 March 2024

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### **Trustees**

S Nyfield  
J Tobias-Tarsh  
M Levy  
C Giat

### **Principal Office**

15 Hove Park Road  
Hove  
BN3 6LA

### **Charity Number**

1198595

### **Independent Examiner**

Michelle Ferris FCA DChA, Albert Goodman LLP, Goodwood House, Blackbrook Park Avenue, Taunton,  
Somerset, TA1 2PX

### **Bankers**

Virgin Money, Symington House, 7-8 North Avenue, Clydebank, G81 2NT

### **Investment Managers**

Evelyn Partners, 45 Gresham Street, London, EC2V 7BG

## Levy2

### Trustees' Report

For the financial year ended 31 March 2024

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The Trustees present their annual report and financial statements of the Charity for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's CIO Constitution, the Charities Act 2011 and the requirement of the 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 2019).

#### Structure, governance and management

Levy2 is a registered Charity, number 1198595, and is constituted under a CIO Constitution document dated 12 April 2022. The Charity was established by an unrestricted grant from the Joseph Levy Foundation following an agreement signed on 24 March 2022.

Levy2 does not actively fundraise but seeks to manage the resources it has carefully in order to provide funds to make grants in accordance with its objects.

New Trustees are appointed by existing Trustees. The CIO Constitution provides for a minimum of two Trustees and no maximum.

Following the initial 'setting up' period, the Trustees intend to meet quarterly, principally to consider the making of grants and to review investment performance. The relatively straightforward nature of the Charity's affairs and the small number of Trustees means that no sub-committees are considered necessary.

All Trustees are made aware of their obligations when taking on the appointment.

#### Risk management

The affairs of the Charity are very straightforward and hence the risks to which it is exposed are minimal. The principal risks are in relation to managing the Charity's investments, both as regards maintenance and growth of capital and maximising income. To mitigate this risk, the Trustees employ professional investment managers to manage the investments in accordance with stated requirements.

#### Objectives and Activities

The Charity's objects, as set out in its CIO Constitution are "... such exclusively charitable purposes as the charity trustees may in their absolute discretion determine" and the Trustees intend to apply the income of the assets under their control and may apply the whole or any part or parts of the capital of such assets in furtherance of the objects.

In practice the Charity intends to fulfil its objectives by making grants as determined by its Trustees.

During this tumultuous year of geopolitical events, war, and climate change disasters on both a local and global scale, the Trustees have been actively considering where the Charity's funds could really make a difference. Emotions have been understandably high and perspectives have differed but the Charity's objects are first and foremost in the Trustees' minds as they move towards potential grant making in the short-term and weighing up sustainability in the long-term.

Our **vision** is of a world where all people feel connected, valued and included.

Our **mission** is to promote change by partnering with organisations which offer resources and opportunities for marginalised communities. We want to support people who do not feel part of a community and communities which do not feel part of society.

### **Investment policy**

The Trustees have agreed an investment policy with the Charity's investment managers which states that a balance will be achieved between capital growth and income, putting an emphasis on providing the best possible income to the grantees, without losing sight of the need for long term capital growth.

### **Achievements and Performance**

Since the Charity's registration in April 2022, the Trustees have successfully opened both bank and investment accounts, held and minuted regular board meetings, created Charity policies, declared commitment to charitable purposes and identified future plans for the Charity. While discussions about grant making actively continue, the Trustees did not award any grants in the year ending 31 March 2024.

### **Public Benefit**

The Trustees have had due regard to the Charity Commission guidance on public benefit and consider that the Charity's aims and objectives comply with this.

### **Fundraising**

The charity does not undertake fundraising activities and therefore does not work with professional fundraisers.

### **Plans for the future**

The Trustees intend to follow their stated policy for making grants primarily out of the income received on the Charity's investments, but not exclusively so. Using the Charity's vision and mission as a guideline, the Trustees have proactively researched priority areas and identified potential projects which align with both the grant making policy and the Trustees' current standpoints. Proposals for funding have been invited and will be brought to the next trustee meeting for discussion and approval. These initial Levy2 grants will hopefully pave the way for the Charity to play a pivotal role in community development and to actuate positive change - we aim to make a difference.

### **Reserves policy**

At 31 March 2024, total Charity funds held were £3,381,384 of which £3,255,387 is invested and £125,997 is held in liquid funds. The Trustees intend to continue to maintain sufficient investment funds to provide an ongoing income to enable grants to be made to worthy causes. The Trustees also intend to maintain sufficient cash reserves to enable grants to be made and to give flexibility to make emergency payments to worthy causes as the need arises. Reserves may vary from year-to-year dependent on fluctuations in income and depending on the quality and appropriateness of grant applications. Should reserves increase significantly trustees will consider whether there are larger projects they consider it appropriate to support or whether they consider it appropriate to provide regular funding to a cause or causes over a sustained period.

## **Levy2**

### **Trustees' Report**

**For the financial year ended 31 March 2024**

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#### **Trustees' responsibilities in relation to the financial statements**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales 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 income and expenditure of the charity for that period. In preparing these 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 accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and 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.

Approved by the Trustees on 06/10/2024 and signed on their behalf by:

**M Levy**  
Levy2 Co-Chair

**C Giat**  
Levy2 Co-Chair

## **Levy2**

### **Independent Examiners Report to the Trustees and Members For the financial year ended 31 March 2024**

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#### **Independent examiners report to the Trustees of Levy2**

I report to the trustees on my examination of the accounts for Levy2 ("the charity") for the year ended 31 March 2024.

#### **Responsibilities and basis of report**

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **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 charity as required by section 130 of the 2011 Act; or
2. the accounts do not comply with these records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Michelle Ferris FCA DChA**  
Albert Goodman LLP  
Chartered Accountants  
Goodwood House  
Blackbrook Park Avenue  
Taunton  
TA1 2PX

Date 16/10/2024

**Levy2**  
Statement of Financial Activities  
For the financial year ended 31 March 2024

		<b>Total Funds Unrestricted 01 April 2023 - 31 March 2024</b>	<b>Total Funds Unrestricted 12 April 2022 - 31 March 2023</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>			
Grants received		-	3,030,000
Investments	2	74,445	18,397
<b>Total</b>		<b>74,445</b>	<b>3,048,397</b>
<b>Expenditure on:</b>			
Raising funds	3	16,264	108
Charitable activities	4	4,260	17,347
<b>Total</b>		<b>20,524</b>	<b>17,455</b>
<b>Net income / (expenditure) before other recognised gains</b>		<b>53,921</b>	<b>3,030,942</b>
Realised and unrealised gains on investment assets	5	290,042	6,479
<b>Net income / (expenditure) &amp; net movement in funds for the year</b>		<b>343,963</b>	<b>3,037,421</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		3,037,421	-
<b>Total funds carried forward</b>		<b>3,381,384</b>	<b>3,037,421</b>

The statement of financial activities has been prepared on the basis that all operations are continuing operations.  
There were no gains or losses arising in the year that are not shown above.



**Levy2**  
**Balance Sheet**  
**As at 31 March 2024**

		£	2024 £	£	2023 £
	Notes				
<b>Fixed assets</b>					
Investments	5		3,255,387		2,984,391
<b>Current assets</b>					
Cash at bank and in hand		130,257		60,830	
<b>Liabilities</b>					
Creditors falling due within one year	6	(4,260)		(7,800)	
<b>Net current assets</b>			125,997		53,030
<b>Net assets</b>			3,381,384		3,037,421
<b>The funds of the charity</b>					
Expendable endowment fund	7		3,381,384		3,037,421
<b>Total charity funds</b>			3,381,384		3,037,421

The notes on pages 8 to 13 form part of these accounts.

Approved by the Trustees on 06/10/2024 and signed on their behalf by:

**M Levy**  
Co-Chair

**C Giat**  
Co-Chair

**1. Accounting Policies**

**1.1 Basis of accounting**

The financial statements have been prepared in £ sterling on the historical cost basis and in accordance with 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 2019) – (Charities SORP (FRS 102)).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Funds structure**

The Charity has a single expendable endowment fund, created by a grant from the Joseph Levy Foundation. The income of this Trust is restricted to furtherance of the Charity's objectives. The terms allow the capital of the fund to be spent if the Trustees so determine.

**1.3 Income**

All income is recognised once the Charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

**1.4 Expenditure**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust.

*Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant payable.*

**1.5 Governance costs**

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

**1.6 Fixed asset investments**

Investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs). Subsequently, investments are held at market value, with all realised and unrealised gains and losses passing through the SOFA.

## Levy2

### Notes to the Financial Statements

For the financial year ended 31 March 2024

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#### 1.7 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand comprise of cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### 1.9 Creditors

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

#### 1.10 Taxation

As a registered charity, the charity is not liable to corporation tax to the extent that income and gains are applied to charitable objectives.

#### 1.11 Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 9. Investment portfolios are basic financial instruments measured at fair value through the income and expenditure account. Prepayments are not financial instruments.

Cash at bank and deposit accounts– is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 9. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**Levy2****Notes to the Financial Statements**

For the financial year ended 31 March 2024

**2. Income from investments**

	<b>Unrestricted 1 April 2023 - 31 March 2024 £</b>	<b>Unrestricted 12 April 2022 - 31 March 2023 £</b>
Dividends received	59,824	13,618
Other investment income	-	30
Interest on fixed interest securities	2,492	4,509
Interest on cash deposits	12,129	240
	<u>74,445</u>	<u>18,397</u>

**3. Expenditure on raising funds**

	<b>Unrestricted 1 April 2023 - 31 March 2024 £</b>	<b>Unrestricted 12 April 2022 - 31 March 2023 £</b>
Investment management fees	16,264	108
	<u>16,264</u>	<u>108</u>

**4. Analysis of charitable expenditure**

	<b>Unrestricted 1 April 2023 - 31 March 2024 £</b>	<b>Unrestricted 12 April 2022 - 31 March 2023 £</b>
Grants given	-	-
Administration costs	-	9,547
Governance costs		
Audit fee	-	5,160
Independent examiners fee	1,440	-
Accountancy fee	2,820	2,640
	<u>4,260</u>	<u>17,347</u>

## Levy2

### Notes to the Financial Statements

For the financial year ended 31 March 2024

#### 5. Fixed asset investments

	2024	2023
	£	£
<b>Movements in fixed assets investments:</b>		
Market value as at 1 April 2023	2,984,391	-
Additions at cost	1,014,809	3,451,080
Disposals at carrying value	(1,033,854)	(473,168)
Realised gains on disposals	64,013	(3,202)
Unrealised gain on revaluation	226,029	9,681
	<u>3,255,388</u>	<u>2,984,391</u>
<b>Market value as at 31 March 2024</b>	<u>3,255,388</u>	<u>2,984,391</u>
Historical cost as at 31 March 2024	<u>2,958,867</u>	<u>2,977,912</u>
	2024	2023
	£	£
<b>Investments at market value compromised:</b>		
Equities	2,906,286	2,713,649
Fixed interest securities	349,102	270,742
	<u>3,255,388</u>	<u>2,984,391</u>
<b>Total</b>	<u>3,255,388</u>	<u>2,984,391</u>

All investments are held to provide a return for the charity

#### 6. Analysis of current liabilities

	2024	2023
	£	£
Accruals	4,260	7,800
Accrued grants payable	-	-
	<u>4,260</u>	<u>7,800</u>
<b>Total</b>	<u>4,260</u>	<u>7,800</u>

**7. Analysis of charitable funds**

	Fund B/fwd 01.04.23 £	Income £	Expenditure £	Investment gains £	Fund C/fwd 31.03.24 £
<u>Unrestricted funds:</u>					
Expendable endowment	3,037,421	74,445	(20,524)	290,042	3,381,384
<b>Total</b>	<b>3,037,421</b>	<b>74,445</b>	<b>(20,524)</b>	<b>290,042</b>	<b>3,381,384</b>

**Prior year funds:**

	Fund B/fwd 12.04.22 £	Income £	Expenditure £	Investment losses £	Fund C/fwd 31.03.23 £
<u>Unrestricted funds:</u>					
Expendable endowment		3,048,397	(17,455)	6,479	3,037,421
<b>Total</b>	<b>-</b>	<b>3,048,397</b>	<b>(17,455)</b>	<b>6,479</b>	<b>3,037,421</b>

**8. Trustees and employees**

The charity has no employees, and hence none that receive remuneration of over £60,000.

None of the Trustees (or persons connected with them) received any remuneration during the current year (2023: £nil).

There have been no transactions with any related parties in the year ended 31 March 2024.  
In the previous year, the charity received a one-off grant of £3,030,000 from the Joseph Levy Foundation. Two of the Trustees of Levy2 were formerly Trustees of the Joseph Levy Foundation and are also close family members to the Trustees of the Joseph Levy Foundation. The terms of the grant are that the funds are used for charitable purposes.

**Levy2****Notes to the Financial Statements**

For the financial year ended 31 March 2024

**9. Financial instruments**

	2024 £	2023 £
Financial assets measured at fair value through income and expenditure account	3,255,387	2,984,391
Financial assets that are debt instruments measured at amortised cost	130,257	60,830
	<u>3,385,644</u>	<u>3,045,221</u>
Financial liabilities measured at amortised cost	<u>4,260</u>	<u>7,800</u>

**Item of income, expenditure, gain or losses**

	Income £	Expense £	Net gains £	Net losses £
<b>2024</b>				
Financial assets measured at fair value through income and expenditure account	74,445	16,264	290,042	-
Financial assets that are debt instruments measured at amortised cost	-	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>74,445</u>	<u>16,264</u>	<u>290,042</u>	<u>-</u>
<b>2023</b>				
Financial assets measured at fair value through income and expenditure account	18,397	108	6,479	-
Financial assets that are debt instruments measured at amortised cost	240	-	-	-
Financial liabilities measured at amortised cost	-	-	-	-
	<u>18,637</u>	<u>108</u>	<u>6,479</u>	<u>-</u>