

The London Foundation for Banking & Finance

England & Wales · Charity number 297107

Details

Other names	IFS SCHOOL OF FINANCE, IFS UNIVERSITY COLLEGE, THE CHARTERED INSTITUTE OF BANKERS, THE LONDON INSTITUTE OF BANKING & FINANCE
Status	Registered
Legal form	Other
Company number	RC000719
Registered	1987-06-29
Register	View on the Charity Commission register

Contact

Address	1st Floor 40 Gracechurch Street London EC3V 0BT
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Website	www.lfbf.org.uk

Activities

Objects: THE ADVANCEMENT OF KNOWLEDGE OF AND EDUCATION IN FINANCIAL SERVICES AS THE BOARD OF GOVERNORS MAY DETERMINE FROM TIME TO TIME AND TO CARRY OUT RESEARCH AND PUBLISH THE USEFUL RESULTS OF SUCH RESEARCH FOR THE BENEFIT OF THE PUBLIC

Activities: We exist to help students from around the world access industry-leading financial education by providing a range of scholarships, bursaries and grants. Our aim is to remove barriers to entry into the sector and support students from different backgrounds who wish to further their knowledge and experience. We also recognise the highest level of professional competence by awarding chartered status.

Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£587,454	£735,103	£17,426,018	4
2024-07-31	£749,214	£261,987	£17,097,779	1
2023-07-31	£15,924,000	£13,333,000	£16,581,000	119
2022-07-31	£19,183,000	£19,337,000	£4,616,000	167
2021-07-31	£18,315,000	£17,440,000	£4,641,000	160

Trustees

Name	Role	Appointed
ARJAN VAN DEN BERKMORTEL		2019-09-26
BINTA DARBOE		2020-11-19
PAUL GORDON		2019-09-26
Philip O'Shea		2018-09-20
Quentin Garrett Nason		2025-07-01
SABRINA DEL PRETE		2019-03-14
Stephen Andrew Mann		2025-07-01
Steven Jeffrey Darrington		2025-07-01

Linked charities

- EDUCATION FUND (297107-1)
- THE BUILDING SOCIETIES INSTITUTE EDUCATION FUND (297107-2)
- THE BUILDING SOCIETIES INSTITUTE BENEVOLENT FUND (297107-3)

Accounts

The London **Foundation** for Banking & Finance

Charity number: 297107



Trustees' report and financial statements
For the year ended **31 July 2025**

The London Foundation for Banking & Finance

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 9
Independent auditor's report on the financial statements	10 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 29

The London Foundation for Banking & Finance

Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 July 2025

Trustees	Steven Haberman, Chair Binta Darboe Sabrina Del Prete Shelley Doorey-Williams, ex-officio (resigned 1 July 2025) Paul Gordon David Kennedy Philip O'Shea Arjan Van Den Berkmortel Stephen Mann (appointed 1 July 2025) Quentin Nason (appointed 1 July 2025) Stephen Darrington (appointed 1 July 2025)
Charity registered no.	297107
Principal office	1st Floor 40 Gracechurch Street London EC3V 0BT
Chief executive officer	Shelley Doorey-Williams
Independent auditor	Menzies LLP Chartered Accountants Registered Auditors Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	HSBC UK Bank plc 9 Rose Lane Canterbury Kent CT1 2JP
Solicitors	Eversheds Sutherland (International) LLP One Wood Street London EC2V 7WS
Accountants	Kreston Reeves LLP 37 St Margaret's Street Canterbury Kent CT1 2TU
Investment Managers	Cazenove Capital 1 London Wall Place London EC2Y 5AU Rathbones Investment Management 30 Gresham Street London EC2V 7QN

The London Foundation for Banking & Finance

Trustees' report For the year ended 31 July 2025

Welcome to The London Foundation for Banking & Finance (LBBF), formerly known as The London Institute of Banking and Finance, a financial education charity incorporated by Royal Charter.

Our objective

Our charitable objective is the advancement of knowledge of and education in financial services and to carry out research and publish the useful results of such research for the benefit of the public. The changes we seek to make are to improve levels of financial literacy and enablement as well as support those working within or considering a career in the financial services industry.

Our history

Our story began in March 1879, when a group of bank workers came together to establish leadership and professional practice principles for the industry. They created the first Institute of Bankers in England and Wales to offer educational resources to anyone working in the sector.

Over the years, the organisation developed its own industry-leading qualifications to create a gold standard of banking and financial education and established itself as a leading voice in the financial services world, providing invaluable insights into all areas of the industry and promoting the highest standards of professional competency.

In our more recent history, we completed a transaction with a large university group in 2023 to divest of our financial education qualifications and programmes, and direct education assets.

Our strategy

The funds received from the transaction in 2023 enable us to fund projects to support financial education and inclusion, to provide support for people from underrepresented groups looking to develop careers in the financial services industry and to undertake research for the public good. Given the scope of the transaction we initiated a strategic review which included commissioning two pieces of research to inform our long-term strategy. Our refreshed strategy will be published in late 2025.

Our significant activities

Our core activities to fulfil the charity's objectives for the public benefit are as follows:

1. Grant financial awards to students wishing to pursue a career in financial services. This helps to achieve our objective of the advancement of knowledge of and education in financial services. In 2025 we continued to oversee a scholarship programme which provides financial support for students from disadvantaged backgrounds.
2. Fund projects to support financial education. In 2025, in addition to our research launch, we hosted two significant events to bring together those working in the field of financial capability. The first was a leaders' lunch where the guest speaker presented about an award winning programme from South America. The second was the UK's first gala awards event which we hosted in partnership with the Money Awareness and Inclusion Awards. This event recognized and celebrated innovative programmes in financial education, inclusion and literacy. The event, believed to be the first of its kind in the UK was attended by over one hundred guests from the banking, finance, voluntary and charity sectors.
3. Recognise the highest level of professional competence by awarding chartered status to individuals who have demonstrated their commitment to continued education and professional excellence. This helps to achieve our objective of the advancement of knowledge of and education in financial services as membership offers access to ongoing learning and development. In 2025, we conferred Chartered Status upon numerous financial services professionals who had demonstrated their commitment to continued education and professional excellence. In 2025 we hosted a first event by the think tank we acquired in the financial year 2024. The event theme was exploring risk and opportunities in Artificial Intelligence.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

4. Commissioning research in the field of financial education for the benefit of the public. This helps us to achieve our objective of publishing useful results for the benefit of the public. In 2025, we published a significant piece of research called Accelerating Progress: Financial Capability in the UK, a landmark new study of financial education in the UK examining what is working and made recommendations about what more could be done to accelerate progress. It also highlighted key challenges around the volume, quality, and accessibility of financial literacy programmes. The report was launched at Bayes Business School to an audience of key stakeholders in the financial education arena.

Plans for the future

Our objective is just as relevant, perhaps even more so, today as it has been in our long history. During the year we have continued to create positive impact by undertaking the core activities to fulfil our charitable objectives. As stated in our report last year, in late 2023 we embarked on a strategic review that included conducting research and evidence-based evaluation of the areas in which we operate. We have now published two pieces of research, The Young Persons' Money Index 23/24 and Accelerating Progress: Financial Capability for the UK. The findings and conclusions from these pieces of research have enabled us to develop our strategy as well as how to track and report our success against our stated objectives.

We will publish our refreshed strategy befitting of our newly independent status in late 2025.

Thank you for your interest in The London Foundation for Banking & Finance.

Achievements and performance

Financial Review – Results for the Year to 31 July 2025

There was a surplus for the year of £328,239 as shown in the statement of financial activities on page 14.

During the last financial year, a decision was made that LIBF Learning Limited could be voluntarily struck off as it was no longer required. LIBF Learning Limited has now been struck off. The Institute of Financial Services Limited continues to be a dormant company.

The general fund is the primary fund against which underlying financial performance is measured. Previously we generated a surplus to produce sufficient cash to support strategic objectives. In the previous financial year there were no income-generating activities. However, as part of our refreshed strategy going forward we are now active in producing sponsored research, which generates some income.

Restricted funds include: The Grunfeld Fund, which supports the education of people working in banking and financial services in London; the Alumni and Scholarship Fund incorporating Principality Building Society funding previously donated to support financial education for children in schools in Wales and the C. Hoare & Co Scholarship Programme Fund. During the year, the delivery of financial education in schools in Wales was completed and the funds donated by Principality Building Society were paid to the delivery organisation, A small surplus remains in the restricted funds from Principality Building Society.

Going Concern

Following the sale of its operations and assets on 31 March 2023, the charity continues to hold substantial funds. The Trustees have considered the financial projections and cashflow forecasts to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

Reserves Policy

Total funds at 31 July 2025 stood at £17.4m.

Funds are split between unrestricted and restricted and as at 31 July 2025 these amounted to £16.9m and £0.5m respectively. The current level of unrestricted reserves is significant as a result of the sale of educational business in 2023 which generated a profit on sale for the charity of £11.5m. These reserves will ensure that the charity can provide significant support to its charitable purpose for some time to come.

During the year the charity started to operationalize elements of its strategy, hiring its first leadership team since the sale of assets in 2023. This saw cash requirements increase, but these remain modest. It is anticipated that the reserves will remain high relative to the annual spend requirement and will be sufficient to finance the charitable activities for a number of years.

The trustees divide the funds held into:

- 1) Working capital – immediate requirements
- 2) Liquidity reserve – 2-5 year expenditure requirements
- 3) Investment portfolio – post 5 year requirement.

These are based on the immediacy of the need and have differing investment strategies – ranging from cash holdings, money market funds to equity investments planned to generate returns in excess of inflation. During the year there was a move away from treasury deposits.

As stated last year, the Investment Committee undertook a thorough review of our investment management arrangements, culminating in the adoption of an Investment Policy setting out the division and treatment of funds, with differing time horizons and investment strategies. Furthermore, the review led to a decision to appoint a new external Investment Manager, Cazenove Capital, to manage the funds in line with the Investment Policy and befitting of the size of reserves relative to anticipated cash requirements. Cazenove Capital were appointed as our main investment manager and funds were placed with them in January 2025 and further funds were placed with them in February 2025. The Investment Committee decided to retain the existing investment manager, Rathbones and there have been no changes to the investment portfolio held with them.

The trustees consider the reserve requirements of the restricted funds separately from the unrestricted funds. The income from these restricted funds is generated from the donations received and invested. These funds are held for specific scholarship and grant making programmes funded by them. The funds retained at 31 July 2025 can be seen in the Notes to the financial statements where the purpose and background is described.

The trustees intend to continue to award scholarships and grants with the purpose specified by the donors as outlined in the Notes referenced above.

The charity holds no functional assets which represent a commitment of the reserves.

Investments

At 31 July 2025, the charity held fixed-asset investments in managed funds with a market value of £11,032,370 (compared with £504,788 in 2024).

The Trustees delegate the discretionary powers of management of our fixed-asset investments to investment managers Cazenove Capital and Rathbones. The investment objectives are set out above.

Our bank balances are held in cash and during the year had included a range of fixed-term deposits with HSBC.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

Risk management

During the year we terminated a Service Level Agreement between The London Foundation for Banking & Finance and LIBF Ltd. This was achieved by undertaking various initiatives and arrangements to enable the charity to become increasingly independent and therefore the Service Level Agreement was no longer required. The Risk Register is reviewed on an ongoing basis and has been updated to reflect the termination of the Service Level Agreement.

We continue to work closely with LIBF Ltd (who changed their name to Walbrook Institute Ltd) to ensure we have a strong working relationship in order to serve and support our Chartered Members. The ongoing operations to support Chartered Members are delivered under a Chartered Membership Agreement with Walbrook Institute Ltd

Statement of Corporate Governance

The governing body of The London Foundation for Banking & Finance is the Board of Governors, which comprises the Chair, the Chief Executive and up to 15 appointed members. As Governors, members of the Board of Governors have a single overarching responsibility, which is to ensure that we fulfil our object. In addition, the members of the Board of Governors are the Trustees of the charity.

Corporate Governance

We have adopted the Charity Governance Code published by the Charity Governance Code Steering Group (a cross-sector collaboration with an independent chair). The code is not mandatory, but we have decided to adopt it.

Constitution

The London Foundation for Banking & Finance was established in 1879 as the Institute of Bankers and has latterly used the working names Institute of Financial Services, ifs School of Finance, ifs University College and most recently The London Institute of Banking and Finance. It was incorporated by Royal Charter in February 1987 and registered as a charity in June 1987. Amendments to the Charter followed in February 2000, December 2003, July 2006, May 2008, July 2010, September 2016 and September 2023. These included formally changing the name and changes to the governance. In September 2024, we received confirmation from The Charities Commission that they had accepted our application to them to change the name to The London Foundation for Banking & Finance. At the time of writing, the name change is yet to be reflected in the public register of charities, hence our name still appears as The London Institute of Banking and Finance.

Charter

The Charter sets out our objects and powers. It requires us to establish a Board of Governors, who are the Trustees.

The object for which we are constituted is the advancement of knowledge of, and education in, financial services as the Board of Governors may determine from time to time, and to carry out research and publish the useful results of such research for the benefit of the public.

The Trustees are cognisant of the Charity Commission guidance on public benefit and, in particular, guidance for fee-charging charities. The Trustees are satisfied with the steps they have taken in this regard.

Board of Governors (Trustees)

Members of the Board of Governors include senior personnel within the financial services and educational sectors who 'donate' their expertise, experience and limited time on a voluntary basis to act as Governors.

The primary responsibility of the Board is to oversee the charity's strategic direction and monitor the progress through regular, timely reporting, including reports from all of the sub-committees and reviews of key performance indicators. The Board also oversees the management of the finances, property and all business affairs.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

All new Governors are provided with a detailed induction pack when they are appointed and there is a programme of ongoing training for Governors to assist them with carrying out their roles.

During the year, three new trustees were appointed and Shelley Doorey-Williams resigned from her role as trustee but remained as Chief Executive.

Statement of Responsibilities of the Board of Governors (Trustees)

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

The Charities Act 2011 requires the Governors to prepare financial statements for each financial year. The Governors have to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of our state of affairs, and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain our transactions, disclose with reasonable accuracy at any time our financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of our Charter and Statutes. They are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board meets at least four times a year and receives regular reports from management on our operational aspects, including minutes from all of the sub-committees. At least one of the meetings includes a review of the strategy.

Through leadership of the Board, the Chair plays a key role in our business, ensuring that we are well connected with our stakeholders. The Chair promotes the well-being and efficient operation of the Board, and ensures that members work together effectively and have confidence in the procedures laid down for the conduct of business. The Chair ensures that committees play a central role in the proper conduct of the Board's business by exercising delegated powers and reporting back to the Board appropriately. The Chair should not be drawn into the day-to-day executive management.

Day-to-day responsibility is delegated to the Chief Executive. The Chief Executive is responsible to the Board of Governors for business and financial affairs, and for advising the Board on strategic direction.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

Board of Governors (Trustees)

The Trustees as at 31 July 2025 are as follows:

Steven Haberman (Chair)

Steven is currently Professor of Actuarial Science at Bayes (formerly Cass) Business School, City, University of London. From 2002 to 2012, he was Deputy Dean and Director of Bayes (formerly Cass) Business School, and then Dean for three years to the end of 2015.

Steven graduated in mathematics at the University of Cambridge. He qualified as a Fellow of the Institute of Actuaries in 1975, and obtained his PhD and DSc in actuarial science from City University. He is also an Honorary Fellow of the Italian Institute of Actuaries.

Steven has worked at Prudential Assurance and for the Government Actuary's Department, and has been a member of the Council of the Institute and Faculty of Actuaries (for two terms). He has also been a member of TheCityUK Advisory Council, Governor of the City of London Academy Islington, and a member of the External Advisory Panel to the Morris Review of the UK Actuarial Profession, as well as a founder member of the Financial Reporting Council's Board for Actuarial Standards. He has acted as a consultant to Deutsche Bank, Swiss Re, the Financial Services Authority and the National Audit Office, among others.

He is currently a member of Legal & General's Longevity Science Panel.

He has co-authored 5 books and has written over 190 papers on a wide range of topics, including mortality and morbidity models, annuities, insurance pricing and pensions. His papers have won research prizes from the Institute of Actuaries (UK) and Society of Actuaries (US).

Other members of the Board of Governors (Trustees) are:

- Stephen Darrington**
- Binta Darboe
- Sabrina Del Prete
- Shelley Doorey-Williams*
- Paul Gordon
- David Kennedy
- Stephen Mann^**
- Quentin Nason**
- Philip O'Shea
- Arjan van den Berkmortel

^Stephen Mann will become Chair of the Board of Governors on 20 November 2025.

*This Trustee resigned as trustee on 1 July 2025 but remains in the role as Chief Executive and will remain on the Board of Governors.

No trustees, other than Shelley Doorey-Williams, resigned during the year.

** These trustees were appointed on 1 July 2025.

Audit and Risk Committee

The basic responsibility of the Audit and Risk Committee, which meets at least twice a year, is to satisfy itself as far as it can that the annual accounts follow approved accounting principles and give an accurate account of our affairs in as comprehensible a way as possible. It must satisfy itself that the external auditors have no cause for disquiet about any aspect of the accounts or of our control and audit procedures. The Committee also monitors the risk management and internal control processes and provides the Board of Governors with an annual report of its work. The Audit and Risk Committee is chaired by a member of the Board of Governors.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

Members of the Audit and Risk Committee are:

- Stephen Darrington*
- David Kennedy (Chair)
- Paul Gordon
- Philip O'Shea

*Stephen Darrington became Chair of the Audit and Risk Committee on 30 September 2025.

Nominations and Remuneration Committee

The Chair of the Board of Governors chairs the Nominations and Remuneration Committee, which meets at least once a year. It is responsible for making recommendations to the Board of Governors on the appointment of Governors, the Chair of the Board, the Chief Executive and Chairs of Committees.

The Committee determines and approves a framework and consistent policy on remuneration and pension arrangements. It is specifically responsible for setting the terms of service of the Chief Executive and Secretary to the Board and considers, where necessary and subject to the legislation and regulations applying to charitable bodies, any remuneration for the Chairs of the Board and the Audit and Risk Committee.

Members of the Nominations and Remuneration Committee are:

- Steven Haberman (Chair)
- Arjan van den Berkmortel
- Binta Darboe
- Sabrina del Prete
- Stephen Mann*

*Stephen Mann will become Chair of the Nominations and Remuneration Committee on 20 November 2025.

Chartered Membership Committee

Due to our newly independent status, our activities in relation to the conferring of Chartered Status are managed in partnership with LIBF Ltd (the purchasing organisation in the transaction in March 2023). In order to facilitate this process, we established a new sub-committee of the Board of Governors after the end of the financial year, called the Chartered Membership Committee. They play a lead role in reviewing recommendations and deciding upon which individuals to confer Chartered Status to.

Members of the Chartered Membership Committee are:

- Phil O'Shea (Chair)
- David Kennedy
- Claire Harding (representing LIBF Ltd now called Walbrook Institute Ltd)

Investment Committee

The Investment Committee's role is one of strategic direction and oversight of the charity's investment assets.

The investment portfolio represents an important asset for the charity, with investment income representing a significant part of annual total income. The Committee fulfils an essential role in the long-term stewardship of these assets in order to best further the aims of the charity.

The Committee determines, implements and reviews an investment strategy to deliver our agreed investment objectives as follows:

- to at least maintain the real value of the investment portfolio over the long term;
- to generate a consistent and sustainable return to fund annual expenditure;
- to align return expectations and 'pay out' strategy with budget requirements to deliver the investment objectives within an acceptable level of risk.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2025

The Investment Committee is responsible for establishing a detailed Investment Policy, within the powers conferred under our governing documents and incorporation under the Royal Charter, and relevant legislation and guidance as per The Charities Commission. The Investment Policy was established in the context of our overall strategy and to fulfil our charitable objectives.

The Investment Policy sets out the investment objectives, risk tolerance, liquidity requirements, time horizon, responsible investment policy and operational arrangements for implementation, monitoring and reporting.

Members of the Investment Committee are:

- Arjan van den Berkmortel (Chair)
- Paul Gordon
- Binta Darboe

Disclosure of information to auditors

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as the trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- the trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier. This report was approved by the board and signed on its behalf.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:


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Steven Haberman

Chair of the Board of Governors (Trustees)

Date: 20-Nov-2025

The London Foundation for Banking & Finance

Independent auditor's report to the Members of The London Foundation for Banking & Finance

Opinion

We have audited the financial statements of The London Foundation for Banking & Finance (the 'charity') for the year ended 31 July 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The London Foundation for Banking & Finance

Independent auditor's report to the Members of The London Foundation for Banking & Finance (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

The London Foundation for Banking & Finance

Independent auditor's report to the Members of The London Foundation for Banking & Finance (continued)

Auditors' 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.

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:

- The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011 and GDPR. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered that the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the posting of fraudulent journal entries and timing of revenue recognition.

Audit procedures performed by the engagement team and component auditors included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Reviewing and verifying the basis on which income is recognised in the accounts

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

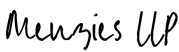
The London Foundation for Banking & Finance

Independent auditor's report to the Members of The London Foundation for Banking & Finance (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


634F24DE92A4471...

Menzies LLP

Chartered Accountants
Statutory Auditor

Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Date: 20-Nov-2025

Menzies LLP is eligible to act as auditor in line with Section 1212 of the Companies Act 2006.

The London Foundation for Banking & Finance

Statement of financial activities For the year ended 31 July 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	-	502	502	-
Charitable activities	4	-	60,083	60,083	51,955
Investments	5	12,825	514,044	526,869	697,259
Total income		12,825	574,629	587,454	749,214
Expenditure on:					
Charitable activities	6	178,537	556,566	735,103	261,987
Total expenditure		178,537	556,566	735,103	261,987
Net (expenditure)/income before net gains on investments		(165,712)	18,063	(147,649)	487,227
Net gains on investments		16,281	459,607	475,888	29,701
Net movement in funds		(149,431)	477,670	328,239	516,928
Reconciliation of funds:					
Total funds brought forward		642,455	16,455,324	17,097,779	16,580,851
Net movement in funds		(149,431)	477,670	328,239	516,928
Total funds carried forward		493,024	16,932,994	17,426,018	17,097,779

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 29 form part of these financial statements.

The London Foundation for Banking & Finance

Balance sheet As at 31 July 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	6,414	956
Investments	11	11,032,371	504,791
		<u>11,038,785</u>	<u>505,747</u>
Current assets			
Debtors	13	43,511	463,395
Investments	14	-	10,000,000
Cash at bank and in hand	15	6,420,015	6,271,257
		<u>6,463,526</u>	<u>16,734,652</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(76,293)	(142,620)
Net current assets		<u>6,387,233</u>	<u>16,592,032</u>
Total net assets		<u><u>17,426,018</u></u>	<u><u>17,097,779</u></u>
Charity funds			
Restricted funds	17	493,024	642,455
Unrestricted funds	17	16,932,994	16,455,324
Total funds		<u><u>17,426,018</u></u>	<u><u>17,097,779</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

 1408459E56F64B1...
Steven Haberman
 Chair
 Date: 20-Nov-2025

The notes on pages 17 to 29 form part of these financial statements.

The London Foundation for Banking & Finance

Statement of cash flows For the year ended 31 July 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash generated by operating activities	19	(318,896)	(938,447)
Cash flows from investing activities			
Dividends, interests and rents from investments		526,869	697,259
Purchase of tangible fixed assets		(7,523)	(1,319)
Proceeds from sale of investments		4,120	978
Purchase of investments		(10,055,812)	(13,360)
Transfer of fixed term deposits		10,000,000	5,000,000
Net cash provided by investing activities		467,654	5,683,558
Change in cash and cash equivalents in the year		148,758	4,745,111
Cash and cash equivalents at the beginning of the year		6,271,257	1,526,146
Cash and cash equivalents at the end of the year	20	6,420,015	6,271,257

The notes on pages 17 to 29 form part of these financial statements

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

1. General information

The London Foundation for Banking & Finance is a registered charity incorporated in England and Wales by Royal Charter (RC000719). Its principal office is 1st Floor, 40 Gracechurch Street, London EC3V 0BT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity is a parent charity. Consolidated financial statements have not been prepared on the basis that all of the charity's subsidiary companies were dormant throughout the year.

The London Foundation for Banking & Finance 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.

2.2 Going concern

The charity is holding substantial funds. The Trustees have considered the financial projections and cashflow forecasts and are satisfied that there will be sufficient funds for the charity to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

2.3 Income

Investment income is included on a receivable basis.

Donations are included in the financial statements on the basis of amounts received.

All other incoming resources are included in income and expenditure when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gift Aid is recognised as a distribution at the point that a specific obligation has been created.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

2. Accounting policies (continued)

2.5 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Computer equipment	-	33% on a straight line basis
--------------------	---	------------------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of less than three months from the date of acquisition or opening of the deposit or similar account.

The London Foundation for Banking & Finance

Notes to the financial statements
For the year ended 31 July 2025

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Charity has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into prior to the date of transition of the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	502	502	-

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Chartered membership fees	60,083	60,083	51,955
Total 2024	51,955	51,955	

5. Investment income

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividends	12,810	232,347	245,157	-
Interest	15	281,697	281,712	697,259
	12,825	514,044	526,869	697,259
Total 2024	13,360	683,899	697,259	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Staff costs	-	227,113	227,113	54,230
Other operating expenditure	178,537	327,388	505,925	207,394
Depreciation	-	2,065	2,065	363
	178,537	556,566	735,103	261,987
Total 2024	18,979	243,008	261,987	

Of the total expenditure on charitable activities in the year, £402,932 (2024 - £93,355) relates to direct costs and £332,171 (2024 - £168,632) relates to support costs.

The London Foundation for Banking & Finance

Notes to the financial statements
For the year ended 31 July 2025

7. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £15,000 (2024 - £14,500).

8. Staff costs

	2025 £	2024 £
Wages and salaries	181,865	45,589
Social security costs	21,269	4,994
Pension costs	19,483	3,647
	<u>222,617</u>	<u>54,230</u>

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Employees	<u>4</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration paid to key management personnel during the year was £222,617 (2024 - £54,230)

9. Trustees' remuneration and expenses

During the year, one of the Trustees, Shelley Doorey-Williams, received remuneration of £54,120 (2024 - 45,589) in respect of her role as the charity's Chief Executive Officer with pension contributions of £6,765 (2024 - £3,647) being made until her resignation as a Trustee on 1 July 2025. No remuneration (2024 - £NIL) was received in respect of her role as a Trustee.

No other Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 July 2025, expenses totalling £897 were reimbursed or paid directly to 3 Trustees (2024 - £NIL) in respect of travel and subsistence costs.

The London Foundation for Banking & Finance

Notes to the financial statements
For the year ended 31 July 2025

10. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 August 2024	1,319
Additions	7,523
At 31 July 2025	8,842
Depreciation	
At 1 August 2024	363
Charge for the year	2,065
At 31 July 2025	2,428
Net book value	
At 31 July 2025	6,414
At 31 July 2024	956

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

11. Fixed asset investments

	Investments in subsidiary companies £	Managed funds £	Total £
Cost or valuation			
At 1 August 2024	3	504,788	504,791
Additions	-	10,055,812	10,055,812
Disposals	(2)	(4,118)	(4,120)
Revaluations	-	475,888	475,888
At 31 July 2025	<u>1</u>	<u>11,032,370</u>	<u>11,032,371</u>

Managed funds were managed during the year by Rathbones and Cazenove. Fees are charged separately to the Charity and deducted from the investment portfolio.

At 31 July 2025, the original cost of the Managed funds was £10,499,528 (2024 - £447,738).

The Managed Funds were held in the following classes of investments:

	2025 £	2024 £
Equities	8,334,944	504,788
Bonds	1,052,023	-
Alternatives	1,330,978	-
Cash	314,425	-
	<u>11,032,370</u>	<u>504,788</u>

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

12. Principal subsidiaries

The following were subsidiary undertakings of the Charity during the year:

Names	Company number	Incorporated	Nature of Business	Class of shares	Holding
LIBF Learning Limited	02087869	England and Wales	Dormant	£1 Ordinary	100%
Institute of Financial Services Limited	03637677	England and Wales	Dormant	£1 Ordinary	100%

During the year, LIBF Learning Limited was dissolved.

13. Debtors

	2025 £	2024 £
Due within one year		
Other debtors	10,118	51,955
Prepayments and accrued income	33,393	411,440
	43,511	463,395

14. Current asset investments

	2025 £	2024 £
Fixed term deposits	-	10,000,000

15. Cash at bank and in hand

	2025 £	2024 £
Current account	219,288	6,271,257
Liquidity reserve	6,200,727	-
	6,420,015	6,271,257

The London Foundation for Banking & Finance

Notes to the financial statements
For the year ended 31 July 2025

16. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade payables	14,190	14,640
Other taxation and social security	8,581	28,480
Other creditors and accruals	37,272	99,500
Deferred income (see below)	16,250	-
	<u>76,293</u>	<u>142,620</u>
	2025 £	2024 £
Resources deferred during the year	<u>16,250</u>	<u>-</u>

Income received in respect of a report that had not been produced by 31 July 2025 has been deferred to be recognised in the next financial year.

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2025 £
Unrestricted funds					
General Fund	16,455,324	574,629	(556,566)	459,607	16,932,994
Restricted funds					
Alumni and Scholarship Fund	344,263	4,687	(163,892)	5,951	191,009
Bursary Fund	149,382	4,277	(343)	5,429	158,745
Grunfeld Fund	27,979	706	(57)	896	29,524
Strudwick Prize Fund	3,644	-	-	-	3,644
C. Hoare & Co. Scholarship Fund	117,187	3,155	(14,245)	4,005	110,102
	642,455	12,825	(178,537)	16,281	493,024
Total of funds	17,097,779	587,454	(735,103)	475,888	17,426,018

The Alumni and Scholarship Fund gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals. The primary purpose of the fund is to provide support for students undertaking the charity's full-time undergraduate degree programmes. Principality Building Society provided £166,434 funding to LIBF for the delivery of financial education qualifications in Wales. This funding was transferred to LFBF as part of the restricted fund of £344,263 for Alumni and Scholarships shown in the balance sheet as at 31 July 2024. LIBF/Walbrook Institute provided a detailed breakdown of the students who were able to take advantage of this funding, which amounted to a charge against that funding of £163,508. Transfer of these funds back to LIBF/Walbrook was approved by Principality and the Board of LFBF; Principality also approved the remaining balance of £2,926 to be retained by LFBF as part of funding for future financial capability programmes.

The Bursary Fund provides means-tested assistance to both full and part-time students.

The Grunfeld Fund was received by the charity from the Henry Grunfeld Foundation in March 1999 on the undertaking that it would fulfil the foundation's existing obligations and hold the balance of the fund for the purposes of the education of persons working in banking and financial services in London.

The Strudwick Prize Fund was received as bequest under the will of Mr HEH Strudwick, FCIB on the undertaking that the £30,000 be used to support a prize in his name.

The C. Hoare & Co. Scholarship Fund is derived from funding provided by C. Hoare & Co. One Hoare's Scholarship is available each year for students beginning their second year of Higher Education study. The award is worth £7,000 per year (with a maximum of two years). Certain criteria apply for the selection of students for the Scholarship Awards. Students are assessed against those criteria and recommendations are made to and approved by the Scholarships and Bursaries Group. Since the inception of the Fund, four students have received the Scholarship Award.

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2024 £
Unrestricted funds						
General Fund	15,962,479	735,854	(243,009)	-	-	16,455,324
Restricted funds						
Alumni and Scholarship Fund	453,716	8,170	(18,598)	(117,187)	18,162	344,263
Bursary Fund	135,349	4,455	(326)	-	9,904	149,382
Grunfeld Fund	25,663	735	(54)	-	1,635	27,979
Strudwick Prize Fund	3,644	-	-	-	-	3,644
C. Hoare & Co. Scholarship Fund	-	-	-	117,187	-	117,187
	618,372	13,360	(18,978)	-	29,701	642,455
Total of funds	16,580,851	749,214	(261,987)	-	29,701	17,097,779

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	6,414	6,414
Fixed asset investments	532,863	10,499,508	11,032,371
Current assets	(39,839)	6,503,365	6,463,526
Creditors due within one year	-	(76,293)	(76,293)
Total	493,024	16,932,994	17,426,018

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	956	956
Fixed asset investments	504,791	-	504,791
Current assets	137,664	16,596,988	16,734,652
Creditors due within one year	-	(142,620)	(142,620)
Total	642,455	16,455,324	17,097,779

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	328,239	516,928
Adjustments for:		
Depreciation, profit on sale and amortisation	2,065	363
(Gains) / losses on investments	(475,888)	(29,701)
Dividends, interests and rents from investments	(526,869)	(697,259)
Decrease/(increase) in debtors	419,884	(358,509)
(Decrease)/increase in creditors	(66,327)	(370,269)
Net cash used in operating activities	(318,896)	(938,447)

20. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	6,420,015	6,271,257
Total cash and cash equivalents	6,420,015	6,271,257

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2025

21. Analysis of changes in net debt

	At 1 August 2024	Cash flows	At 31 July 2025
	£	£	£
Cash at bank and in hand	6,271,257	148,758	6,420,015
Fixed term deposits	10,000,000	(10,000,000)	-
	<u>16,271,257</u>	<u>(9,851,242)</u>	<u>6,420,015</u>

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £18,303 (2024 - £3,647).

23. Operating lease commitments

At 31 July 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	35,760	30,360
Later than 1 year and not later than 5 years	3,000	2,760
	<u>38,760</u>	<u>33,120</u>

24. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 July 2025.

The London **Foundation** for Banking & Finance

We are **The London Foundation for Banking & Finance**, a charity incorporated by Royal Charter dedicated to supporting knowledge and lifelong education in financial services.

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Accounts

The London
Foundation for
Banking & Finance

Charity number: 297107

(previously called The London Institute of Banking & Finance)

Trustees' report and financial statements For the year ended 31 July 2024



The London Foundation for Banking & Finance

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 9
Independent auditors' report on the financial statements	10 - 13
Statement of financial activities	14 - 15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 30

The London Foundation for Banking & Finance

Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 July 2024

Trustees	Steven Haberman, Chair Binta Darboe Sabrina Del Prete Shelley Doorey-Williams, ex-officio Paul Gordon David Kennedy Philip O'Shea Arjan Van Den Berkmortel
Charity registered number	297107
Principal office	40 Gracechurch Street London EC3V 0BT
Chief executive officer	Shelley Doorey-Williams
Independent auditors	Menzies LLP Chartered Accountants Registered Auditors Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	HSBC UK Bank plc 9 Rose Lane Canterbury Kent CT1 2JP
Solicitors	Eversheds Sutherland (International) LLP One Wood Street London EC2V 7WS
Accountants	Kreston Reeves LLP 37 St Margaret's Street Canterbury Kent CT1 2TU
Investment Managers	Cazenove Capital 1 London Wall Place London EC2Y 5AU Rathbones Investment Management 30 Gresham Street London EC2V 7QN

The London Foundation for Banking & Finance

Trustees' report For the year ended 31 July 2024

Welcome to The London Foundation for Banking & Finance (LBBF), formerly known as The London Institute of Banking and Finance, a financial education charity incorporated by Royal Charter.

Our objective

Our charitable objective is the advancement of knowledge of and education in financial services and to carry out research and publish the useful results of such research for the benefit of the public. The changes we seek to make are to improve levels of financial literacy and enablement as well as support those working within or considering a career in the financial services industry.

Our history

Our story began in March 1879, when a group of bank workers came together to establish leadership and professional practice principles for the industry. They created the first Institute of Bankers in England and Wales to offer educational resources to anyone working in the sector.

Over the years, the organisation developed its own industry-leading qualifications to create a gold standard of banking and financial education and established itself as a leading voice in the financial services world, providing invaluable insights into all areas of the industry and promoting the highest standards of professional competency.

In our more recent history, we completed a transaction with a large university group in 2023 to divest of our financial education qualifications and programmes, and direct education assets.

Our strategy

The funds received from the transaction in 2023 enable us to fund projects to support financial education and inclusion, to provide support for people from underrepresented groups looking to develop careers in the financial services industry and to undertake research for the public good. Given the scope of the transaction we initiated a strategic review which commenced towards the end of 2023. As part of the review, we commissioned two pieces of research to inform our long-term strategy. Furthermore, both pieces of research will be published for the public good, which is key to our charitable object.

Our significant activities

Our core activities to fulfil the charity's objectives for the public benefit are as follows:

1. Grant financial awards to students wishing to pursue a career in financial services. This helps to achieve our objective of the advancement of knowledge of and education in financial services. In 2024 we continued to oversee a scholarship programme which provides financial support for students from disadvantaged backgrounds.
2. Fund projects to support financial education. In 2024 we sponsored a significant event at the Excel Centre for 586 children to expand their financial education through an innovative app-based competition.
3. Recognise the highest level of professional competence by awarding chartered status to individuals who have demonstrated their commitment to continued education and professional excellence. This helps to achieve our objective of the advancement of knowledge of and education in financial services as membership offers access to ongoing learning and development. In 2024, we conferred Chartered Status upon numerous financial services professionals who had demonstrated their commitment to continued education and professional excellence.
4. Commissioning research in the field of financial education for the benefit of the public. This helps us to achieve our objective of publishing useful results for the benefit of the public. In 2024, we published a significant piece of research called The Young Persons' Money Index, to highlight how young people feel and engage with money. The report was launched at The Bank of England to an audience of key stakeholders in the financial education arena.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2024

Transfer of the Business Assets of the Centre for the Study of Financial Innovation ('CSFI')

On 31 July 2024, the charity acquired the business assets of the CSFI at nil cost. The CSFI is a think tank for financial services professionals and observers to share ideas about opportunities and challenges facing the financial services sector. The charity's object is advancing awareness of and education in financial services and to carry out research for the benefit of the public. The CSFI activities as a think tank fit very well with the charitable object. Furthermore, LBBF has a community of chartered members and plans to leverage CSFI content, community and events to enhance their membership. The CSFI brand will continue to be used.

Plans for the future

Our objective is just as relevant, perhaps even more so, today as it has been in our long history. We continue to create positive impact by undertaking the core activities to fulfil our charitable objectives. As stated in our report last year, in late 2023 we embarked on a strategic review that included conducting research and evidence-based evaluation of the areas in which we operate. At the time of this report, one of those pieces of research has been published, The Young Persons' Money Index, in August 2024. The second research project, which we commissioned from Bayes Business School and with a working title of 'Financial Capability in the UK', is due to conclude in November 2024. The findings and conclusions from these pieces of research will enable us to finalise our decision upon strategy as well as appropriate criteria to track and report our success against our stated objectives.

We will publish our refreshed strategy befitting of our newly independent status in late 2024.

Thank you for your interest in The London Foundation for Banking & Finance.

Achievements and performance

Financial Review – Results for the Year to 31 July 2024

There was a surplus for the year of £516,928 as shown in the statement of financial activities on page 14.

The Charity was previously supported in its activities by its wholly owned subsidiaries, LIBF Learning Ltd, whose main activities encompass sponsorship and events, The London Institute of Banking & Finance (MENA) Ltd, which covers all activities within Abu Dhabi and The London Institute of Banking & Finance (APAC) PTE Ltd which supports all activities within the APAC region. As part of the transaction in March 2023, only two of the subsidiaries had remained: LIBF Learning Limited and Institute of Financial Services Limited.

During the year, a decision was made that LIBF Learning Limited could be voluntarily struck off as it was no longer required. At the time of writing this report, the striking off process was ongoing. The Institute of Financial Services Limited continues to be a dormant company.

The general fund is the primary fund against which underlying financial performance is measured. Previously we generated a surplus to produce sufficient cash to support strategic objectives. Whilst there remain no income-generating activities at present, this will form part of our refreshed strategy going forward.

Restricted funds include: The Grunfeld Fund, which supports the education of people working in banking and financial services in London; the Alumni and Scholarship Fund incorporating Principality Building Society funding previously donated to support financial education for children in schools in Wales and the C. Hoare & Co Scholarship Programme Fund.

Going Concern

Following the sale of its operations and assets on 31 March 2023, the charity continues to hold substantial funds. The Trustees have considered the financial projections and cashflow forecasts to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2024

Reserves Policy

Total funds at 31 July 2024 stood at £17.1m.

Funds are split between unrestricted and restricted and as at 31 July 2024 these amounted to £16.5m and £0.6m respectively. The current level of unrestricted reserves is significant as a result of the sale of educational business in 2023 which generated a profit on sale for the charity of £11.5m. These reserves will ensure that the charity can provide significant support to its charitable purpose for some time to come.

Currently the cash requirement is minimal. The charity is finalising its strategy and once this is in operation it is expected that the cash requirements will increase. It is anticipated that the reserves will remain high relative to the annual spend requirement and will be sufficient to finance the charitable activities for a number of years.

The trustees aim to divide the funds held into:

- 1) Working capital – immediate requirements
- 2) Liquidity reserve – 2-5 year expenditure requirements
- 3) Investment portfolio – post 5 year requirement.

These are based on the immediacy of the need and have differing investment strategies – ranging from cash holdings, treasury deposits to equity investments planned to generate returns in excess of inflation.

During the year, the Investment Committee undertook a thorough review of our investment management arrangements. This review culminated in the adoption of an Investment Policy in April which sets out the division and treatment of funds, with differing time horizons and investment strategies. Furthermore, the review led to a decision to appoint a new external Investment Manager, Cazenove Capital, to manage the funds in line with the Investment Policy and befitting of the size of reserves relative to anticipated cash requirements. At the time of writing this report the transition to this investment manager is being made.

The trustees consider the reserve requirements of the restricted funds separately from the unrestricted funds. The income from these restricted funds is generated from the donations received and invested. These funds are held for specific scholarship and grant making programmes funded by them. The funds retained at 31 July 2024 can be seen in Note 18 in the Notes to the financial statements where the purpose and background is described.

The trustees intend to continue to award scholarships and grants with the purpose specified by the donors as outlined in Note 18 referenced above.

The charity holds no functional assets which represent a commitment of the reserves.

Investments

At 31 July 2024, the charity held fixed-asset investments with a market value of £504,788 (compared with £462,705 in 2023).

The Trustees delegate the discretionary powers of management of our fixed-asset investments to investment manager Rathbones. The investment objective is to maximise long-term total return and it is measured against an agreed target. There is no specific direction given to the investment manager regarding social, environmental and ethical considerations.

Our bank balances are held in cash and in a range of fixed-term deposits with HSBC.

Risk management

We continue to be partially reliant upon a Service Level Agreement between The London Foundation for Banking & Finance and LIBF Ltd. However, during the year, we undertook various initiatives and entered into new arrangements to enable the charity to become increasingly independent of the Service Level Agreement. The Risk Register is reviewed on an ongoing basis and has been updated to reflect our reduced reliance upon the Service Level Agreement.

The Service Level Agreement remains in place and provides for a range of general business support and

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2024

infrastructure, even though our dependency on it has reduced over the year.

We continue to work closely with LIBF Ltd to ensure we have a strong working relationship, and that the charity receives the very best value and support under the agreement. We are cognisant of the areas that we rely upon under the agreement and continue to closely monitor the migration away from the Service Level Agreement as a risk.

Statement of Corporate Governance

The governing body of The London Foundation for Banking & Finance is the Board of Governors, which comprises the Chair, the Chief Executive and up to 15 appointed members. As Governors, members of the Board of Governors have a single overarching responsibility, which is to ensure that we fulfil our object. In addition, the members of the Board of Governors are the Trustees of the charity.

Corporate Governance

We have adopted the Charity Governance Code published by the Charity Governance Code Steering Group (a cross-sector collaboration with an independent chair). The code is not mandatory, but we have decided to adopt it.

Constitution

The London Foundation for Banking & Finance was established in 1879 as the Institute of Bankers and has latterly used the working names Institute of Financial Services, ifs School of Finance, ifs University College and most recently The London Institute of Banking and Finance. It was incorporated by Royal Charter in February 1987 and registered as a charity in June 1987. Amendments to the Charter followed in February 2000, December 2003, July 2006, May 2008, July 2010, September 2016 and September 2023. These included formally changing the name and changes to the governance. In September 2024, we received confirmation from The Charities Commission that they had accepted our application to them to change the name to The London Foundation for Banking & Finance. At the time of writing, the name change is yet to be reflected in the public register of charities, hence our name still appears as The London Institute of Banking and Finance.

Charter

The Charter sets out our objects and powers. It requires us to establish a Board of Governors, who are the Trustees.

The object for which we are constituted is the advancement of knowledge of, and education in, financial services as the Board of Governors may determine from time to time, and to carry out research and publish the useful results of such research for the benefit of the public.

The Trustees are cognisant of the Charity Commission guidance on public benefit and, in particular, guidance for fee-charging charities. The Trustees are satisfied with the steps they have taken in this regard.

Board of Governors (Trustees)

Members of the Board of Governors include senior personnel within the financial services and educational sectors who 'donate' their expertise, experience and limited time on a voluntary basis to act as Governors.

The primary responsibility of the Board is to oversee the charity's strategic direction and monitor the progress through regular, timely reporting, including reports from all of the sub-committees and reviews of key performance indicators. The Board also oversees the management of the finances, property and all business affairs.

All new Governors are provided with a detailed induction pack when they are appointed and there is a programme of ongoing training for Governors to assist them with carrying out their roles.

Trustees' report (continued)
For the year ended 31 July 2024

Statement of Responsibilities of the Board of Governors (Trustees)

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

The Charities Act 2011 requires the Governors to prepare financial statements for each financial year. The Governors have to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of our state of affairs, and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain our transactions, disclose with reasonable accuracy at any time our financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of our Charter and Statutes. They are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board meets at least four times a year and receives regular reports from management on our operational aspects, including minutes from all of the sub-committees. At least one of the meetings includes a review of the strategy.

Through leadership of the Board, the Chair plays a key role in our business, ensuring that we are well connected with our stakeholders. The Chair promotes the well-being and efficient operation of the Board, and ensures that members work together effectively and have confidence in the procedures laid down for the conduct of business. The Chair ensures that committees play a central role in the proper conduct of the Board's business by exercising delegated powers and reporting back to the Board appropriately. The Chair should not be drawn into the day-to-day executive management.

Day-to-day responsibility is delegated to the Chief Executive. The Chief Executive is responsible to the Board of Governors for business and financial affairs, and for advising the Board on strategic direction.

Board of Governors (Trustees)

The Trustees as at 31 July 2024 are as follows:

Steven Haberman (Chair)

Steven is currently Professor of Actuarial Science at Bayes (formerly Cass) Business School, City, University of London. From 2002 to 2012, he was Deputy Dean and Director of Bayes (formerly Cass) Business School, and then Dean for three years to the end of 2015.

Steven graduated in mathematics at the University of Cambridge. He qualified as a Fellow of the Institute of Actuaries in 1975, and obtained his PhD and DSc in actuarial science from City University. He is also an Honorary Fellow of the Italian Institute of Actuaries.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2024

Steven has worked at Prudential Assurance and for the Government Actuary's Department, and has been a member of the Council of the Institute and Faculty of Actuaries (for two terms). He has also been a member of TheCityUK Advisory Council, Governor of the City of London Academy Islington, and a member of the External Advisory Panel to the Morris Review of the UK Actuarial Profession, as well as a founder member of the Financial Reporting Council's Board for Actuarial Standards. He has acted as a consultant to Deutsche Bank, Swiss Re, the Financial Services Authority and the National Audit Office, among others.

He is currently a member of Legal & General's Longevity Science Panel.

He has co-authored 5 books and has written over 190 papers on a wide range of topics, including mortality and morbidity models, annuities, insurance pricing and pensions. His papers have won research prizes from the Institute of Actuaries (UK) and Society of Actuaries (US).

Other members of the Board of Governors (Trustees) are:

- Binta Darboe
- Sabrina Del Prete
- Shelley Doorey-Williams*
- Paul Gordon
- David Kennedy
- Philip O'Shea
- Arjan van den Berkmortel

*This Trustee resigned from the role of Deputy Chair on 3 October 2023 taking up the role as Chief Executive, she remains a Trustee ex officio.

No trustees resigned during the year.

Audit and Risk Committee

The basic responsibility of the Audit and Risk Committee, which meets at least twice a year, is to satisfy itself as far as it can that the annual accounts follow approved accounting principles and give an accurate account of our affairs in as comprehensible a way as possible. It must satisfy itself that the external auditors have no cause for disquiet about any aspect of the accounts or of our control and audit procedures. The Committee also monitors the risk management and internal control processes and provides the Board of Governors with an annual report of its work. The Audit and Risk Committee is chaired by a member of the Board of Governors.

Members of the Audit and Risk Committee are:

- David Kennedy (Chair)
- Paul Gordon
- Philip O'Shea

Nominations and Remuneration Committee

The Chair of the Board of Governors chairs the Nominations and Remuneration Committee, which meets at least once a year. It is responsible for making recommendations to the Board of Governors on the appointment of Governors, the Chair of the Board, the Chief Executive and Chairs of Committees.

The Committee determines and approves a framework and consistent policy on remuneration and pension arrangements. It is specifically responsible for setting the terms of service of the Chief Executive and Secretary to the Board and considers, where necessary and subject to the legislation and regulations applying to charitable bodies, any remuneration for the Chairs of the Board and the Audit and Risk Committee.

Members of the Nominations and Remuneration Committee are:

- Steven Haberman (Chair)
- Arjan van den Berkmortel
- Binta Darboe
- Sabrina del Prete

Trustees' report (continued)
For the year ended 31 July 2024

Chartered Membership Committee

Due to our newly independent status, our activities in relation to the conferring of Chartered Status are managed in partnership with LIBF Ltd (the purchasing organisation in the transaction in March 2023). In order to facilitate this process, we established a new sub-committee of the Board of Governors after the end of the financial year, called the Chartered Membership Committee. They play a lead role in reviewing recommendations and deciding upon which individuals to confer Chartered Status to.

Members of the Chartered Membership Committee are:

- Phil O'Shea (Chair)
- David Kennedy
- Claire Harding (representing LIBF Ltd)

Investment Committee

The Investment Committee's role is one of strategic direction and oversight of the charity's investment assets.

The investment portfolio represents an important asset for the charity, with investment income representing a significant part of annual total income. The Committee fulfils an essential role in the long-term stewardship of these assets in order to best further the aims of the charity.

The Committee determines, implements and reviews an investment strategy to deliver our agreed investment objectives as follows:

- to at least maintain the real value of the investment portfolio over the long term;
- to generate a consistent and sustainable return to fund annual expenditure;
- to align return expectations and 'pay out' strategy with budget requirements to deliver the investment objectives within an acceptable level of risk.

The Investment Committee is responsible for establishing a detailed Investment Policy, within the powers conferred under our governing documents and incorporation under the Royal Charter, and relevant legislation and guidance as per The Charities Commission. The Investment Policy was established in the context of our overall strategy and to fulfil our charitable objectives.

The Investment Policy sets out the investment objectives, risk tolerance, liquidity requirements, time horizon, responsible investment policy and operational arrangements for implementation, monitoring and reporting.

Members of the Investment Committee are:

- Arjan van den Berkmortel (Chair)
- Paul Gordon
- Binta Darboe

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2024

Disclosure of information to auditors

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as the trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- the trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditor

The auditors, Menzies LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

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Steven Haberman
Chair of the Board of Governors (Trustees)
Date: 06-Nov-2024

The London Foundation for Banking & Finance

Independent auditors' report to the Members of The London Foundation for Banking & Finance

Opinion

We have audited the financial statements of The London Foundation for Banking & Finance (the 'charity') for the year ended 31 July 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Independent auditors' report to the Members of The London Foundation for Banking & Finance
(continued)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the Members of The London Foundation for Banking & Finance
(continued)**

Auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011 and GDPR. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered that the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the posting of fraudulent journal entries and timing of revenue recognition.

Audit procedures performed by the engagement team and component auditors included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Reviewing and verifying the basis on which income is recognised in the accounts

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

The London Foundation for Banking & Finance

Independent auditors' report to the Members of The London Foundation for Banking & Finance (continued)

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Janice Matthews

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Menzies LLP

Chartered Accountants
Statutory Auditor

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

Date: 06-Nov-2024

The London Foundation for Banking & Finance

Statement of financial activities
For the year ended 31 July 2024

		Restricted funds 2024	Unrestricted funds 2024	Continuing operations 2024	Total funds 2024	Continuing operations 2023	Discontinued operations 2023	Total funds 2023
	Note	£	£	£	£	£	£	£
Income from:								
Donations and legacies	3	-	-	-	-	201,841	-	201,841
Charitable activities	4	-	51,955	51,955	51,955	-	11,466,992	11,466,992
Investments	5	13,360	683,899	697,259	697,259	11,981	231,861	243,842
Other income	6	-	-	-	-	-	1,423,208	1,423,208
Total income		13,360	735,854	749,214	749,214	213,822	13,122,061	13,335,883
Expenditure on:								
Charitable activities	7	18,978	243,009	261,987	261,987	18,080	11,543,418	11,561,498
Total expenditure		18,978	243,009	261,987	261,987	18,080	11,543,418	11,561,498
Net (expenditure)/income before net gains/(losses) on investments		(5,618)	492,845	487,227	487,227	195,742	1,578,643	1,774,385
Net gains/(losses) on investments		29,701	-	29,701	29,701	(8,290)	(8,962)	(17,252)
Net movement in funds before other recognised gains/(losses)		24,083	492,845	516,928	516,928	187,452	1,569,681	1,757,133
Other recognised gains/(losses):								
Gain on sale of charity's operations	10	-	-	-	-	-	11,499,803	11,499,803
Net movement in funds		24,083	492,845	516,928	516,928	187,452	13,069,484	13,256,936

The London Foundation for Banking & Finance

Statement of financial activities (continued) For the year ended 31 July 2024

	Restricted funds 2024	Unrestricted funds 2024	Continuing operations 2024	Total funds 2024	Continuing operations 2023	Discontinued operations 2023	Total funds 2023
Note	£	£	£	£	£	£	£
Reconciliation of funds:							
Total funds brought forward	618,372	15,962,479	16,580,851	16,580,851	430,920	2,892,995	3,323,915
Net movement in funds	24,083	492,845	516,928	516,928	187,452	13,069,484	13,256,936
Total funds carried forward	642,455	16,455,324	17,097,779	17,097,779	618,372	15,962,479	16,580,851

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 30 form part of these financial statements.

The London Foundation for Banking & Finance

Balance sheet As at 31 July 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	956	-
Investments	13	504,791	462,709
		<u>505,747</u>	<u>462,709</u>
Current assets			
Debtors	15	463,395	104,885
Investments	16	10,000,000	15,000,000
Cash at bank and in hand		6,271,257	1,526,146
		<u>16,734,652</u>	<u>16,631,031</u>
Creditors: amounts falling due within one year	17	(142,620)	(512,889)
Net current assets		<u>16,592,032</u>	<u>16,118,142</u>
Total net assets		<u><u>17,097,779</u></u>	<u><u>16,580,851</u></u>
Charity funds			
Restricted funds	18	642,455	618,372
Unrestricted funds	18	16,455,324	15,962,479
Total funds		<u><u>17,097,779</u></u>	<u><u>16,580,851</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

Steve Haberman

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Steven Haberman

Chair

Date: 06-Nov-2024

The notes on pages 18 to 30 form part of these financial statements.

Statement of cash flows
For the year ended 31 July 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash generated by operating activities	20	(938,447)	774,649
Cash flows from investing activities			
Dividends, interests and rents from investments		697,259	232,262
Net proceeds from the sale of the Charity's operations		-	12,316,974
Purchase of tangible fixed assets		(1,319)	(129,578)
Proceeds from sale of investments		978	626,080
Purchase of investments		(13,360)	(19,241)
Investment in fixed term deposits		5,000,000	(15,000,000)
Net cash provided by/(used in) investing activities		5,683,558	(1,973,503)
Change in cash and cash equivalents in the year		4,745,111	(1,198,854)
Cash and cash equivalents at the beginning of the year		1,526,146	2,725,000
Cash and cash equivalents at the end of the year	21	6,271,257	1,526,146

The notes on pages 18 to 30 form part of these financial statements

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2024

1. General information

The London Foundation for Banking & Finance is a registered charity incorporated in England and Wales by Royal Charter (RC000719). Its principal office is 40 Gracechurch Street, London EC3V 0BT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity is a parent charity. Consolidated financial statements have not been prepared on the basis that all of the charity's subsidiary companies were dormant throughout the year.

The London Foundation for Banking & Finance 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.

2.2 Going concern

The charity is holding substantial funds. The Trustees have considered the financial projections and cashflow forecasts and are satisfied that there will be sufficient funds for the charity to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

2.3 Income

Investment income is included on a receivable basis.

Donations are included in the financial statements on the basis of amounts received.

All other incoming resources are included in income and expenditure when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gift Aid is recognised as a distribution at the point that a specific obligation has been created.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**Notes to the financial statements
For the year ended 31 July 2024**

2. Accounting policies (continued)

2.5 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Computer equipment	-	33% on a straight line basis
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of less than three months from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
For the year ended 31 July 2024

2. Accounting policies (continued)

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Charity has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into prior to the date of transition of the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	-	201,841
Total 2023	201,841	201,841	

Notes to the financial statements
For the year ended 31 July 2024

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Higher Education students:			
Full-time Home and EU students	-	-	2,668,808
Part-time students	-	-	476,518
Financial Education qualifications	-	-	2,351,332
Professional Education qualifications	-	-	5,970,334
Chartered membership fees	51,955	51,955	-
	<u>51,955</u>	<u>51,955</u>	<u>11,466,992</u>
	<u><u>51,955</u></u>	<u><u>51,955</u></u>	<u><u>11,466,992</u></u>
Total 2023	<u>11,466,992</u>	<u>11,466,992</u>	
	<u><u>11,466,992</u></u>	<u><u>11,466,992</u></u>	

5. Investment income

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other investment income	13,360	683,899	697,259	232,262
Investment income - foreign cash	-	-	-	11,580
	<u>13,360</u>	<u>683,899</u>	<u>697,259</u>	<u>243,842</u>
	<u><u>13,360</u></u>	<u><u>683,899</u></u>	<u><u>697,259</u></u>	<u><u>243,842</u></u>
Total 2023	<u>43,856</u>	<u>199,986</u>	<u>243,842</u>	
	<u><u>43,856</u></u>	<u><u>199,986</u></u>	<u><u>243,842</u></u>	

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Professional and alumni services	-	-	1,423,208
	<u>-</u>	<u>-</u>	<u>1,423,208</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,423,208</u></u>
Total 2023	<u>1,423,208</u>	<u>1,423,208</u>	
	<u><u>1,423,208</u></u>	<u><u>1,423,208</u></u>	

Notes to the financial statements
For the year ended 31 July 2024

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Staff costs	-	54,230	54,230	5,795,991
Other operating expenditure	18,978	188,416	207,394	5,612,496
Depreciation	-	363	363	153,011
	<u>18,978</u>	<u>243,009</u>	<u>261,987</u>	<u>11,561,498</u>
Total 2023	<u>18,080</u>	<u>11,543,418</u>	<u>11,561,498</u>	

Of the total expenditure on charitable activities in the year, £93,355 relates to direct costs and £168,632 relates to support costs.

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £12,500 (2023 - £40,500).

9. Staff costs

	2024 £	2023 £
Wages and salaries	45,589	4,909,546
Social security costs	4,994	514,983
Pension costs	3,647	371,462
	<u>54,230</u>	<u>5,795,991</u>

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Employees	<u>1</u>	<u>119</u>

As part of the arrangements for the sale of the charity and its group's operations on 31 March 2023, all of the employees were transferred under TUPE regulations to the purchaser.

Notes to the financial statements
For the year ended 31 July 2024

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	-	4
In the band £70,001 - £80,000	-	2
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	-	1
In the band £140,001 - £150,000	-	1

Remuneration paid to key management personnel during the year was £54,230 (2023 - £1,065,000)

10. Gain on sale of the Charity's operations

As disclosed in the prior year's financial statements, on 31 March 2023, the Charity sold all of its operations and assets, other than those held for restricted purposes. All of the Charity's liabilities at that date were transferred as part of the sale. The sale included two of the Charity's subsidiaries, The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd. After accounting for the costs associated with the sale, a net gain for the charity on sale of £11,499,803 was recognised in the financial statements.

11. Trustees' remuneration and expenses

During the year, one of the Trustees, Shelley Doorey-Williams, received remuneration of £45,589 in respect of her role as the charity's Chief Executive Officer with pension contributions of £3,647 being made. No other Trustees received any remuneration or other benefits (2023 - £NIL).

During the year, no Trustee expenses have been incurred (2023 - £NIL).

**Notes to the financial statements
For the year ended 31 July 2024**

12. Tangible fixed assets

	Computer equipment £
Cost or valuation	
Additions	1,319
At 31 July 2024	<u>1,319</u>
Depreciation	
Charge for the year	363
At 31 July 2024	<u>363</u>
Net book value	
At 31 July 2024	<u><u>956</u></u>
At 31 July 2023	<u><u>-</u></u>

**Notes to the financial statements
For the year ended 31 July 2024**

13. Fixed asset investments

	Investments in subsidiary companies £	Managed funds £	Total £
Valuation			
At 1 August 2023	4	462,705	462,709
Additions	-	13,360	13,360
Disposals	(1)	(978)	(979)
Revaluations	-	29,701	29,701
At 31 July 2024	<u>3</u>	<u>504,788</u>	<u>504,791</u>

Managed funds were managed during the year by Rathbones. Fees are charged separately to the Charity and deducted from the investment portfolio.

At 31 July 2024, the original cost of the Managed funds was £447,738 (2023 - £435,000).

The Managed Funds were held in the following classes of investments:

	2024 £	2023 £
UK equities	504,788	462,705
	<u>504,788</u>	<u>462,705</u>

Principal subsidiaries

The following were subsidiary undertakings of the Charity during the year:

Names	Company number	Incorporated	Nature of Business	Class of shares	Holding
LIBF Learning Limited	02087869	England and Wales	Dormant	£1 Ordinary	100%
Institute of Financial Services Limited	03637677	England and Wales	Dormant	£1 Ordinary	100%
ifs ProShare Limited	06769997	England and Wales	Dormant	£1 Ordinary	100%

During the year, ifs ProShare Limited was dissolved.

Notes to the financial statements
For the year ended 31 July 2024

14. Business Assets of the Centre for the Study of Financial Innovation ('CSFI')

On 31 July 2024, the charity acquired the intangible business assets of the CSFI, such as the database and intellectual property rights, at nil cost.

15. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	51,955	-
Prepayments and accrued income	411,440	104,885
	<u>463,395</u>	<u>104,885</u>

16. Current asset investments

	2024 £	2023 £
Fixed term deposits	10,000,000	15,000,000

Since the year end, an additional £5,000,000 has been invested in fixed term deposits.

17. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade payables	14,640	-
Other taxation and social security	28,480	-
Other creditors and accruals	99,500	512,889
	<u>142,620</u>	<u>512,889</u>

Notes to the financial statements
For the year ended 31 July 2024

18. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2024 £
Unrestricted funds						
General Fund	15,962,479	735,854	(243,009)	-	-	16,455,324
Restricted funds						
Alumni and Scholarship Fund	453,716	8,170	(18,598)	(117,187)	18,162	344,263
Bursary Fund	135,349	4,455	(326)	-	9,904	149,382
Grunfeld Fund	25,663	735	(54)	-	1,635	27,979
Strudwick Prize Fund	3,644	-	-	-	-	3,644
C. Hoare & Co. Scholarship Fund	-	-	-	117,187	-	117,187
	618,372	13,360	(18,978)	-	29,701	642,455
Total of funds	16,580,851	749,214	(261,987)	-	29,701	17,097,779

The Alumni and Scholarship Fund gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals. The primary purpose of the fund is to provide support for students undertaking the charity's full-time undergraduate degree programmes.

The Bursary Fund provides means-tested assistance to both full and part-time students.

The Grunfeld Fund was received by the charity from the Henry Grunfeld Foundation in March 1999 on the undertaking that it would fulfil the foundation's existing obligations and hold the balance of the fund for the purposes of the education of persons working in banking and financial services in London.

The Strudwick Prize Fund was received as bequest under the will of Mr HEH Strudwick, FCIB on the undertaking that the £30,000 be used to support a prize in his name.

The C. Hoare & Co. Scholarship Fund is derived from funding provided by C. Hoare & Co. One Hoare's Scholarship is available each year for students beginning their second year of Higher Education study. The award is worth £7,000 per year (with a maximum of two years). Certain criteria apply for the selection of students for the Scholarship Awards. Students are assessed against those criteria and recommendations are made to and approved by the Scholarships and Bursaries Group. Since the inception of the Fund, four students have received the Scholarship Award.

A transfer of £117,187 was made during the year from the Alumni and Scholarship Fund to separate out the balance relating to the C. Hoare & Co. Scholarship Fund.

Notes to the financial statements
For the year ended 31 July 2024

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2023 £
Unrestricted funds					
General Fund	2,892,995	13,122,061	(11,543,418)	11,490,841	15,962,479
Restricted funds					
Alumni and Scholarship Fund	264,170	209,168	(14,553)	(5,069)	453,716
Bursary Fund	137,596	3,995	(3,477)	(2,765)	135,349
Grunfeld Fund	25,509	660	(50)	(456)	25,663
Strudwick Prize Fund	3,644	-	-	-	3,644
	430,919	213,823	(18,080)	(8,290)	618,372
Total of funds	3,323,914	13,335,884	(11,561,498)	11,482,551	16,580,851

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	956	956
Fixed asset investments	504,791	-	504,791
Current assets	137,664	16,596,988	16,734,652
Creditors due within one year	-	(142,620)	(142,620)
Total	642,455	16,455,324	17,097,779

Notes to the financial statements
For the year ended 31 July 2024

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Fixed asset investments	462,709	-	462,709
Current assets	155,667	16,475,364	16,631,031
Creditors due within one year	-	(512,889)	(512,889)
Total	618,376	15,962,475	16,580,851

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	516,928	1,757,133
Adjustments for:		
Depreciation, profit on sale and amortisation	363	153,011
(Gains) / losses on investments	(29,701)	17,252
Dividends, interests and rents from investments	(697,259)	(232,262)
Decrease in stocks	-	59,515
Decrease/(increase) in debtors	(358,509)	3,936,000
(Decrease)/increase in creditors	(370,269)	(4,817,000)
(Decrease) in other provisions	-	(99,000)
Net cash provided by/(used in) operating activities	(938,447)	774,649

21. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	6,271,257	1,526,146
Total cash and cash equivalents	6,271,257	1,526,146

Notes to the financial statements
For the year ended 31 July 2024

22. Analysis of changes in net debt

	At 1 August 2023	Cash flows	At 31 July 2024
	£	£	£
Cash at bank and in hand	1,526,146	4,745,111	6,271,257
Fixed term deposits	15,000,000	(5,000,000)	10,000,000
	<u>16,526,146</u>	<u>(254,889)</u>	<u>16,271,257</u>

23. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,647.

The Charity previously operated two pension schemes, a defined contribution scheme that was available to new employees and a defined benefit scheme that closed to future accrual on 31 March 2009. Contributions to the defined benefit scheme for the prior year ended 31 July 2023 were £50,000. On 31 March 2023, the Charity sold all of its operations. The defined benefit scheme was transferred with them under the terms of the sale agreement.

24. Operating lease commitments

At 31 July 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	30,360	-
Later than 1 year and not later than 5 years	2,760	-
	<u>33,120</u>	<u>-</u>

25. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 July 2024.

Accounts

The London **Foundation** for Banking & Finance

Charity number: 297107

(previously called The London
Institute of Banking & Finance)



Trustees' report and financial statements
For the year ended **31 July 2023**

The London Foundation for Banking & Finance

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 8
Independent auditors' report on the financial statements	9 - 12
Consolidated statement of financial activities	13 - 14
Consolidated balance sheet	15
Charity balance sheet	16
Consolidated statement of cash flows	17
Notes to the financial statements	18 - 36

The London Foundation for Banking & Finance

Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 July 2023

Trustees	Steven Haberman, Chair Binta Darboe Sabrina Del Prete Shelley Doorey-Williams, ex-officio Paul Gordon David Kennedy Philip O'Shea Arjan Van Den Berkmortel
Charity registered number	297107
Principal office	8th Floor Peninsular House 36 Monument Street London EC3R 8LJ
Chief executive officer	Shelley Doorey-Williams
Independent auditors	Menzies LLP Chartered Accountants Registered Auditors Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	HSBC UK Bank plc 9 Rose Lane Canterbury Kent CT1 2JP
Solicitors	Eversheds Sutherland (International) LLP One Wood Street London EC2V 7WS
Accountants	Kreston Reeves LLP 37 St Margaret's Street Canterbury Kent CT1 2TU

The London Foundation for Banking & Finance

Trustees' report For the year ended 31 July 2023

Welcome to The London Foundation for Banking & Finance (LFBF), a financial education charity incorporated by Royal Charter.

Our objective

Our charitable objective is the advancement of knowledge of and education in Financial Services and to carry out research and publish the useful results of such research for the benefit of the public. The changes we seek to make are to improve levels of financial literacy and enablement as well as support those working within or considering a career in the Financial Services industry.

Our history

Our story began in March 1879, when a group of bank workers came together to establish leadership and professional practice principles for the industry. They created the first Institute of Bankers in England and Wales to offer educational resources to anyone working in the sector.

Over the years, the organisation developed its own industry-leading qualifications to create a gold standard of banking and financial education and established itself as a leading voice in the Financial Services world, providing invaluable insights into all areas of the industry and promoting the highest standards of professional competency.

2023 year marked a significant chapter in our 140-year history. As outlined in our report last year, we completed a transaction with a large university group to divest of our direct delivery of financial qualification and education assets.

The Trustees reached the decision as we recognised that we did not have sufficient funds to enable scaling of our financial qualification and education assets for the future, for the benefit of the public. In the quest for a suitable counterpart we had in mind to source one with sufficient resources and know-how to enable the scaling that was required. We also had in mind to only partner with an organisation with a shared vision and commitment to widen access to education, in line with our charitable objective.

Our strategy

The funds received from this transaction will enable us, in our newly independent status, to fund projects to support financial education and inclusion, to provide support for people from underrepresented groups looking to develop careers in the Financial Services industry and to undertake research for the public good. Given the scope of the transaction we are undertaking a strategic review. As part of the review, we have commissioned two pieces of research, which will be completed in 2024 and will inform our long-term strategy.

Our significant activities

Our three core activities to fulfil the charity's objectives for the public benefit are as follows:

1. Grant financial awards to students wishing to pursue a career in Financial Services. This helps to achieve our objective of the advancement of knowledge of and education in Financial Services.
2. Recognise the highest level of professional competence by awarding chartered status to individuals who have demonstrated their commitment to continued education and professional excellence. This helps to achieve our objective of the advancement of knowledge of and education in Financial Services as membership offers access to ongoing learning and development.
3. Commissioning research in the field of financial education for the benefit of the public. This helps us to achieve our objective of publishing useful results for the benefit of the public.

Plans for the future

Our objective is just as relevant, perhaps even more so, today as it has been in our long history. We continue to create positive impact by consistently undertaking the three core activities to fulfil our charitable objectives. Looking ahead, as has already been highlighted, and in particular due to the nature and significance of the transaction, we are undertaking a thorough research and evidence-based review of the areas in which we operate. We will also decide upon appropriate criteria to track and report our success against our stated objectives as part of this review.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2023

We will establish a refreshed and focused strategy befitting of our newly independent status in 2024.

Thank you for your interest in The London Foundation for Banking & Finance.

Achievements and performance

Financial Review – Results for the Year to 31 July 2023

The surplus of £11,965,000 for the year, shown in the consolidated statement of financial activities on page 13, has been achieved after taking into account the gain on the sale of the Charity's operations and assets of £9,391,000.

The Charity is supported in its activities by its wholly owned subsidiaries, LIBF Learning Ltd, whose main activities encompass sponsorship and events, The London Institute of Banking & Finance (MENA) Ltd, which covers all activities within Abu Dhabi and The London Institute of Banking & Finance (APAC) PTE Ltd which supports all activities within the APAC region. As part of the transaction in March 2023, only two of the subsidiaries remain; LIBF Learning Limited and Institute of Financial Services Limited.

The general fund is the primary fund against which underlying financial performance is measured. Previously we generated a surplus to produce sufficient cash to support strategic objectives. Whilst there are no income-generating activities at present, this will form part of our refreshed strategy going forward.

Restricted funds include: The Grunfeld Fund, which supports the education of people working in banking and financial services in London and the Alumni and Scholarship Fund which incorporate the C. Hoare & Co Scholarship Programme and Principality Building Society which donated funds to support financial education or children in schools in Wales.

Going Concern

Following the sale of its operations and assets on 31 March 2023, the Charity and its group is holding substantial funds. The Trustees have considered the financial projections and cashflow forecasts to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

Reserves Policy

Total funds at 31 July 2023 stood at £16.6m.

Funds are split between unrestricted and restricted and as at 31 July these amounted to £16m and £0.6m respectively. The current level of unrestricted reserves is significant as a result of the sale of educational business in the year which generated a profit on sale of £9.4m and has resulted to an increase in the unrestricted funds balance relative to prior year of £11.7m. These reserves will ensure that the charity can provide significant support to its charitable purpose for some time to come.

Currently the cash requirement is minimal. The charity continues to review its strategy and once finalised it is expected that this will increase, the likelihood is that the reserves will remain high relative to the annual spend requirement and will be sufficient to finance the charitable activities for a number of years.

The trustees aim to divide the funds held into

- 1) Working capital – immediate requirements
- 2) Liquidity reserve – 2-5 year expenditure requirements
- 3) Investment portfolio – post 5 year requirement

These are based on the immediacy of the need and have differing investment strategies – ranging from cash holdings, treasury deposits to equity investments planned to generate returns in excess of inflation.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2023

The trustees consider the reserve requirements of the restricted funds separately from the unrestricted funds. The income from these restricted funds is generated from the donations received and invested. These funds are held for specific scholarship and grant making programmes funded by them. The funds retained at 31 July can be seen in Note 20 in the Notes to the financial statements where the purpose and background is described.

The trustees intend to continue to award scholarships and grants with the purpose specified by the donors as outlined in Note 20 referenced above.

The charity holds no functional assets which represent a commitment of the reserves.

Investments

At 31 July 2023, the charity held fixed-asset investments with a market value of £463,000 (compared with £1,087,000 in 2022).

The Trustees delegate the discretionary powers of management of our fixed-asset investments to investment manager Rathbones. The investment objective is to maximise long-term total return and it is measured against an agreed target. There is no specific direction given to the investment manager regarding social, environmental and ethical considerations.

Our bank balances are held in cash and in a range of fixed-term deposits with HSBC.

Risk management

Our risk management register was updated to reflect our newly independent status. We are reliant upon a Service Level Agreement between The London Foundation for Banking & Finance and LIBF Ltd. This agreement provides for a range of general business support and infrastructure. We work closely with LIBF Ltd to ensure we have a strong working relationship, and that the Charity received the very best value and support under the agreement. We are cognisant of our reliance upon the agreement and, as we move towards further independence, we will be migrating away from some aspects of what is provided by establishing our own support and infrastructure. We monitor this closely as a risk.

Statement of Corporate Governance

The governing body of The London Foundation for Banking & Finance is the Board of Governors, which comprises the Chair, the Chief Executive and up to 15 appointed members. As Governors, members of the Board of Governors have a single overarching responsibility, which is to ensure that we fulfil our object. In addition, the members of the Board of Governors are the Trustees of the charity.

Corporate Governance

We have adopted the Charity Governance Code published by the Charity Governance Code Steering Group (a cross-sector collaboration with an independent chair). The code is not mandatory, but we have decided to adopt it.

Constitution

The London Foundation for Banking & Finance was established in 1879 as the Institute of Bankers and has latterly used the working names Institute of Financial Services, ifs School of Finance, ifs University College and most recently The London Institute of Banking and Finance. It was incorporated by Royal Charter in February 1987 and registered as a charity in June 1987. Amendments to the Charter followed in February 2000, December 2003, July 2006, May 2008, July 2010, September 2016 and September 2023. These included formally changing the name and changes to the governance.

Charter

The Charter sets out our objects and powers. It requires us to establish a Board of Governors, who are the Trustees.

Trustees' report (continued) For the year ended 31 July 2023

The object for which we are constituted is the advancement of knowledge of, and education in, financial services as the Board of Governors may determine from time to time, and to carry out research and publish the useful results of such research for the benefit of the public.

The Trustees are cognisant of the Charity Commission guidance on public benefit and, in particular, guidance for fee-charging charities. The Trustees are satisfied with the steps they have taken in this regard.

Board of Governors

Members of the Board of Governors include senior personnel within the financial services and educational sectors who 'donate' their expertise, experience and limited time on a voluntary basis to act as Governors.

The primary responsibility of the Board is to oversee our strategic direction and monitor the progress through regular, timely reporting, including reports from all of the sub-committees and reviews of key performance indicators. The Board also oversees the management of the finances, property and all business affairs.

Statement of Responsibilities of the Board of Governors (Trustees)

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

The Charities Act 2011 requires the Governors to prepare financial statements for each financial year. The Governors have to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of our state of affairs, and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain our transactions, disclose with reasonable accuracy at any time our financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of our Charter and Statutes. They are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board meets at least four times a year and receives regular reports from management on our operational aspects, including minutes from all of the sub-committees. At least one of the meetings includes a review of the strategy.

Through leadership of the Board, the Chair plays a key role in our business, ensuring that we are well connected with our stakeholders. The Chair promotes the well-being and efficient operation of the Board, and ensures that members work together effectively and have confidence in the procedures laid down for the conduct of business. The Chair ensures that committees play a central role in the proper conduct of the Board's business by exercising delegated powers and reporting back to the Board appropriately. The Chair should not be drawn into the day-to-day executive management.

Day-to-day responsibility is delegated to the Chief Executive. The Chief Executive is responsible to the Board of Governors for business and financial affairs, and for advising the Board on strategic direction.

Trustees' report (continued)
For the year ended 31 July 2023

Board of Governors (Trustees)

The Trustees as at 31 July 2023 are as follows:

Steven Haberman (Chair)

Steven is currently Professor of Actuarial Science at Cass Business School, City, University of London. From 2002 to 2012, he was Deputy Dean and Director of Cass Business School, and then Dean for three years to the end of 2015.

Steven graduated in mathematics at the University of Cambridge. He qualified as a Fellow of the Institute of Actuaries in 1975, and obtained his PhD and DSc in actuarial science from City University. He is also a Fellow of the Royal Statistical Society and of the Institute of Mathematics and an Honorary Fellow of the Italian Institute of Actuaries.

Steven has worked at Prudential Assurance and for the Government Actuary's Department, and has been a member of the Council of the Institute and Faculty of Actuaries (for two terms). He has also been a member of TheCityUK Advisory Council, Governor of the City of London Academy Islington, and a member of the External Advisory Panel to the Morris Review of the UK Actuarial Profession, as well as a founder member of the Financial Reporting Council's Board for Actuarial Standards. He has acted as a consultant to Deutsche Bank, Swiss Re, the Financial Services Authority and the National Audit Office, among others.

He is currently a member of Legal & General's Longevity Science Panel.

He has co-authored 5 books and has written over 190 papers on a wide range of topics, including mortality and morbidity models, annuities, insurance pricing and pensions. His papers have won research prizes from the Institute of Actuaries (UK) and Society of Actuaries (US). He has also successfully supervised 33 doctoral students.

Other members of the Board of Governors (Trustees) are:

- Binta Darboe
- Sabrina Del Prete
- Shelley Doorey-Williams*
- Paul Gordon
- David Kennedy
- Philip O'Shea
- Arjan van den Berkmortel

*This Trustee resigned from the role of Deputy Chair on 3 October 2023 taking up the role as Chief Executive, she remains a Trustee ex officio.

The following Trustees served during the year but were not Board members when this report was signed:

- Alex Fraser (resigned on 31 March 2023)
- Ali Miraj (resigned on 31 March 2023)
- Sakhila Mirza (resigned on 31 March 2023)
- Damian Ward (resigned on 31 March 2023)
- Eddie Webb Student Representative (resigned on 31 March 2023)

Audit and Risk Committee

The basic responsibility of the Audit and Risk Committee, which meets at least twice a year, is to satisfy itself as far as it can that the annual accounts follow approved accounting principles and give an accurate account of our affairs in as comprehensible a way as possible. It must satisfy itself that the external auditors have no cause for disquiet about any aspect of the accounts or of our control and audit procedures. The Committee also monitors the risk management and internal control processes and provides the Board of Governors with an annual report of its work. The Audit and Risk Committee is chaired by a member of the Board of Governors.

The London Foundation for Banking & Finance

Trustees' report (continued) For the year ended 31 July 2023

Members of the Audit and Risk Committee are:

- David Kennedy (Chair)
- Paul Gordon
- Philip O'Shea

The following served during the year but was not a member when this report was signed:

- Hanif Barma (resigned on 31 March 2023)

Nominations and Remuneration Committee

The Chair of the Board of Governors chairs the Nominations and Remuneration Committee, which meets at least once a year. It is responsible for making recommendations to the Board of Governors on the appointment of Governors, the Chair of the Board, the Chief Executive and Chairs of Committees.

The Committee determines and approves a framework and consistent policy on remuneration and pension arrangements. It is specifically responsible for setting the terms of service of the Chief Executive and Secretary to the Board and considers, where necessary and subject to the legislation and regulations applying to charitable bodies, any remuneration for the Chairs of the Board and the Audit Committee.

Members of the Nominations and Remuneration Committee are:

- Steven Haberman (Chair)
- Arjan van den Berkmortel
- Binta Darboe
- Sabrina del Prete

The following served during the year but were not members when this report was signed:

- Shelley Doorey-Williams (resigned on 3 October 2023)
- Sakhila Mirza (resigned on 31 March 2023)
- Damian Ward (resigned on 31 March 2023)

Chartered Membership Committee

Due to our newly independent status, our activities in relation to the conferring of Chartered Status are managed in partnership with LIBF Ltd (the purchasing organisation in the transaction in March 2023). In order to facilitate this process, we established a new sub-committee of the Board of Governors after the end of the financial year, called the Chartered Membership Committee. They play a lead role in reviewing recommendations and deciding upon which individuals to confer Chartered Status to.

Members of the Chartered Membership Committee are:

- Phil O'Shea (Chair)
- David Kennedy
- Claire Harding (representing LIBF Ltd)

Investment Committee

After the end of the financial year a new Investment Committee was formed.

The Investment Committee's role is one of strategic direction and oversight of the Charity's investment assets.

The investment portfolio represents an important asset for the Charity, with investment income representing a significant part of annual total income. The Committee fulfils an essential role in the long-term stewardship of these assets in order to best further the aims of the Charity.

Trustees' report (continued)
For the year ended 31 July 2023

The Committee is established to determine, implement and review an investment strategy to deliver our agreed investment objectives as follows:

- to at least maintain the real value of the investment portfolio over the long term;
- to generate a consistent and sustainable return to fund annual expenditure;
- to align return expectations and 'pay out' strategy with budget requirements to deliver the investment objectives within an acceptable level of risk.

The Investment Committee is responsible for establishing a detailed Investment Policy, within the powers conferred under our governing documents and incorporation under the Royal Charter, and relevant legislation and guidance as per The Charities Commission. This will be established in the context of our overall strategy to fulfil our charitable objectives.

The Investment Policy will set out the investment objectives, risk tolerance, liquidity requirements, time horizon, responsible investment policy and operational arrangements for implementation, monitoring and reporting. Members of the Investment Committee are:

- Arjan van den Berkmortel (Chair)
- Paul Gordon
- Binta Darboe

Disclosure of information to auditors

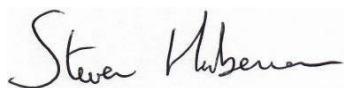
Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as the trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- the trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditor

BDO LLP ceased to act as auditors in 2023 and Menzies LLP were appointed to fill a casual vacancy and have been appointed as auditors for the ensuing period.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Steven Haberman
Chair of the Board of Governors (Trustees)
Date: 2 May 2024

Independent auditors' report to the Members of The London Foundation for Banking & Finance

Opinion

We have audited the consolidated financial statements of The London Foundation for Banking & Finance (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 July 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 consolidated financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the consolidated 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the consolidated 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 consolidated 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 consolidated 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 consolidated 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.

**Independent auditors' report to the Members of The London Foundation for Banking & Finance
(continued)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 group'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 group or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the Members of The London Foundation for Banking & Finance
(continued)**

Auditors' responsibilities for the audit of the consolidated 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- The group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Charities Act 2011, GDPR and the OfS (Office for Students) regulatory framework. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the group is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the group's consolidated financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered that the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the posting of fraudulent journal entries, fictitious employees and timing of revenue recognition.

Audit procedures performed by the engagement team and component auditors included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Carrying out checks to establish the validity of employees, and
- Reviewing and verifying the basis on which income is recognised in the accounts

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the consolidated financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the consolidated financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

The London Foundation for Banking & Finance

Independent auditors' report to the Members of The London Foundation for Banking & Finance (continued)

Use of our report

This report is made solely to the group's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the group's trustees 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 group and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

634F24DF92A4471...
Menzies LLP

Chartered Accountants
Statutory Auditor

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

09-May-2024

The London Foundation for Banking & Finance

Consolidated Statement of financial activities
For the year ended 31 July 2023

		Restricted funds 2023	Unrestricted funds 2023	Continuing operations 2023	Discontinued operations 2023	Total funds 2023	Continuing operations 2022	Discontinued operations 2022	Total funds 2022
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Income from:									
Donations and legacies	4	202	-	202	-	202	1	18	19
Charitable activities	5	-	14,038	-	14,038	14,038	-	17,501	17,501
Investments	6	12	220	12	220	232	10	60	70
Other income	7	-	1,452	-	1,452	1,452	-	1,593	1,593
Total income		214	15,710	214	15,710	15,924	11	19,172	19,183
Expenditure on:									
Charitable activities	8	18	13,315	18	13,315	13,333	31	19,306	19,337
Total expenditure		18	13,315	18	13,315	13,333	31	19,306	19,337
Net income/(expenditure) before net losses on investments		196	2,395	196	2,395	2,591	(20)	(134)	(154)
Net losses on investments	14	(8)	(9)	(8)	(9)	(17)	(33)	(86)	(119)
Net movement in funds before other recognised gains/(losses)		188	2,386	188	2,386	2,574	(53)	(220)	(273)
Actuarial gain in respect of pension schemes	26	-	-	-	-	-	-	248	248
Gain on sale of Charity's operations	11	-	9,391	-	9,391	9,391	-	-	-
Net movement in funds		188	11,777	188	11,777	11,965	(53)	28	(25)

The London Foundation for Banking & Finance

Consolidated Statement of financial activities (continued)
For the year ended 31 July 2023

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Continuing operations 2023 £000	Discontinued operations 2023 £000	Total funds 2023 £000	Continuing operations 2022 £000	Discontinued operations 2022 £000	Total funds 2022 £000
Note								
Reconciliation of funds:								
Total funds brought forward	431	4,185	431	4,185	4,616	484	4,157	4,641
Net movement in funds	188	11,777	188	11,777	11,965	(53)	28	(25)
Total funds carried forward	619	15,962	619	15,962	16,581	431	4,185	4,616

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

The London Foundation for Banking & Finance

Consolidated balance sheet As at 31 July 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	-	1,782
Investments	14	463	1,087
		463	2,869
Current assets			
Stocks	15	-	60
Debtors	16	105	4,041
Investments	17	15,000	-
Cash at bank and in hand		1,526	3,075
		16,631	7,176
Creditors: amounts falling due within one year	18	(513)	(5,330)
Net current assets		16,118	1,846
Total assets less current liabilities		16,581	4,715
Provisions for liabilities		-	(99)
Total net assets		16,581	4,616
Charity funds			
Restricted funds	20	619	431
Unrestricted funds	20	15,962	4,185
Total funds		16,581	4,616

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

 68F9D80C0D634D7

Steven Haberman
 Chair
 Date: 2 May 2024

The notes on pages 18 to 36 form part of these financial statements.

The London Foundation for Banking & Finance

Charity balance sheet As at 31 July 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	-	1,782
Investments	14	463	1,087
		463	2,869
Current assets			
Stocks	15	-	60
Debtors	16	105	2,669
Investments	17	15,000	-
Cash at bank and in hand		1,526	2,721
		16,631	5,450
Creditors: amounts falling due within one year	18	(513)	(4,896)
Net current assets		16,118	554
Total assets less current liabilities		16,581	3,423
Provisions for liabilities		-	(99)
Total net assets		16,581	3,324
Charity funds			
Restricted funds	20	619	431
Unrestricted funds	20	15,962	2,893
Total funds		16,581	3,324

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

 68F9DB0C0D634D7
Steven Haberman

Date: 2 May 2024

The notes on pages 18 to 36 form part of these financial statements.

Consolidated statement of cash flows
For the year ended 31 July 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash generated by operating activities	22	1,592	271
Cash flows from investing activities			
Dividends, interests and rents from investments		232	70
Net proceeds from the sale of the Charity's operations		11,146	-
Purchase of tangible fixed assets		(130)	(153)
Proceeds from sale of investments		626	2,420
Purchase of investments		(19)	(126)
Investment in fixed term deposits		(15,000)	-
Net cash (used in)/provided by investing activities		(3,145)	2,211
Cash flows from financing activities			
Repayments of borrowing		-	(850)
Net cash (used in) financing activities		-	(850)
Change in cash and cash equivalents in the year		(1,553)	1,632
Cash and cash equivalents at the beginning of the year		3,079	1,447
Cash and cash equivalents at the end of the year	23	1,526	3,079

The notes on pages 18 to 36 form part of these financial statements

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2023

1. General information

The London Foundation for Banking & Finance is a registered charity incorporated in England and Wales by Royal Charter (RC000719). Its principal office is 8th Floor, Peninsular House, 36 Monument Street, London EC3R 8LJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The London Foundation for Banking & Finance 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.

The Consolidated statement of financial activities and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

Overseas centres have not been consolidated on the basis that they operate as separate legal entities governed by their own constitution. The grants made to these centres are given on the express understanding that they will be applied wholly for educational purposes. Grants are included on the basis of amounts payable.

The financial statements are presented in pounds sterling and rounded to the nearest thousand pounds.

2.2 Going concern

Following the sale of its operations and assets on 31 March 2023, the charity and its group is holding substantial funds. The Trustees have considered the financial projections and cashflow forecasts to be able to continue in operation for the foreseeable future. Therefore they have adopted the going concern basis for the preparation of these financial statements.

**Notes to the financial statements
For the year ended 31 July 2023**

2. Accounting policies (continued)

2.3 Income

Income from tuition fees and education contracts was recognised over the length of the course being offered up until 31 March 2023.

Investment income is included on a receivable basis.

With no new life subscriptions being received, the balance is released to income over a 20-year period on a straight-line basis. Other subscriptions and income are included on the basis of amounts receivable and any amounts received in advance included within deferred income.

Donations are included in the financial statements on the basis of amounts received.

All other incoming resources are included in income and expenditure when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy. Any amounts received in advance are included within deferred income.

Gift Aid is recognised as a distribution at the point that a specific obligation has been created.

The Charity sold its operations on 31 March 2023. The sale price was based upon fees invoiced at that date with no account taken of invoices raised in advance or for invoices still to be raised for services provided. The financial statements do not include any adjustments in respect of these amounts.

2.4 Pensions

The Group operated a funded defined benefits pension scheme, the assets of which are held in a specific trust separately from those of the Group. Contributions to the scheme were charged to the statement of financial activities so as to spread the cost evenly over employees' working lives with the Group. The contributions were determined by a qualified actuary on the basis of triennial valuations using the projected unit method and discounted using an AA corporate bond rate. The pension scheme assets are valued at market rate. Pension fund deficits are recognised in the balance sheet, but surpluses are not recognised as assets where they cannot be recovered either through a refund from the scheme or reductions in future benefits.

The Group also operated a money purchase (defined contribution) pension scheme. Contributions payable to this scheme were charged to the statement of financial activities in the year to which they relate. These contributions were invested separately from the Group's assets in an independently administered fund.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated statement of financial activities.

Notes to the financial statements
For the year ended 31 July 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Freehold property	-	2%	on a straight line basis
Leasehold improvements	-	10%	on a straight line basis over the initial lease
Computer hardware and software	-	33%	term on a straight line basis
Office equipment	-	25%	on a straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of less than three months from the date of acquisition or opening of the deposit or similar account.

**Notes to the financial statements
For the year ended 31 July 2023**

2. Accounting policies (continued)

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into prior to the date of transition of the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The items in the financial statements where these judgements and estimates have been made include:

Defined benefit scheme – management's estimate of the scheme was based on a number of critical underlying assumptions such as rates of inflation, mortality and the investment returns of the scheme. The assumptions were reviewed annually with a qualified actuary. The defined benefit scheme was transferred during the year as a part of the sale of the Charity's assets and operations.

Useful lives of depreciable assets – management reviews its estimate of the useful lives of depreciable assets at each reporting date. Uncertainties in these estimates previously related to changes in the useful lives of certain software and IT hardware as well as the useful life and value of the building that the Charity owned. These assets were all sold during the year as a part of the sale of the Charity's assets and operations.

Post-retirement healthcare – management's estimate of the liability was based on assumptions about the discount rate, the rate of inflation as well as mortality. The assumptions were reviewed annually based on the prevailing marketing conditions. The liability was transferred during the year as a part of the sale of the Charity's assets and operations.

Notes to the financial statements
For the year ended 31 July 2023

4. Income from donations and legacies

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	202	-	202	1
Funding body grants	-	-	-	18
	<u>202</u>	<u>-</u>	<u>202</u>	<u>19</u>
	<u>1</u>	<u>18</u>	<u>19</u>	
Total 2022				

5. Income from charitable activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Higher Education students:			
Full-time Home and EU students	2,725	2,725	2,202
Part-time students	412	412	611
Financial Education qualifications	2,351	2,351	2,449
Professional Education qualifications	8,550	8,550	12,239
	<u>14,038</u>	<u>14,038</u>	<u>17,501</u>
	<u>17,501</u>	<u>17,501</u>	
Total 2022			

Notes to the financial statements
For the year ended 31 July 2023

6. Investment income

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment income on restricted income	12	-	12	10
Other investment income	-	220	220	60
	<u>12</u>	<u>220</u>	<u>232</u>	<u>70</u>
Total 2022	<u>10</u>	<u>60</u>	<u>70</u>	

7. Other incoming resources

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Professional and alumni services	1,423	1,423	1,556
Rent receivable	29	29	37
	<u>1,452</u>	<u>1,452</u>	<u>1,593</u>
Total 2022	<u>1,593</u>	<u>1,593</u>	

Notes to the financial statements
For the year ended 31 July 2023

8. Analysis of expenditure on charitable activities

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total 2023 £000	Total 2022 £000
Staff costs	-	6,674	6,674	9,129
Other operating expenditure	18	6,488	6,506	9,965
Depreciation	-	153	153	219
Interest and other finance costs	-	-	-	24
	<u>18</u>	<u>13,315</u>	<u>13,333</u>	<u>19,337</u>
Total 2022	<u>31</u>	<u>19,306</u>	<u>19,337</u>	

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £40,500 (2022 - £54,000).

10. Staff costs

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Wages and salaries	5,739	7,839	4,910	6,980
Social security costs	520	718	515	711
Pension costs	415	572	371	558
	<u>6,674</u>	<u>9,129</u>	<u>5,796</u>	<u>8,249</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Employees	<u>119</u>	<u>167</u>	<u>108</u>	<u>167</u>

As part of the arrangements for the sale of the charity and its group's operations on 31 March 2023, all of the employees were transferred under TUPE regulations to the purchaser.

Notes to the financial statements
For the year ended 31 July 2023

10. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	4	-
In the band £70,001 - £80,000	2	-
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	1	3
In the band £120,001 - £130,000	-	1
In the band £140,001 - £150,000	1	-
In the band £150,001 - £160,000	-	1
In the band £210,001 - £220,000	-	1

Remuneration paid to key management personnel during the year was £1,065,000 (2022 - £1,541,000)

11. Gain on sale of the Charity's operations

On 31 March 2023, the Charity sold all of its operations and assets, other than those held for restricted purposes. All of the Charity's liabilities at that date were transferred as part of the sale. The sale included two of the charity's subsidiaries, The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd. After accounting for the costs associated with the sale, a net gain on sale of £9,391,000 has been recognised in these financial statements.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).

Notes to the financial statements
For the year ended 31 July 2023

13. Tangible fixed assets

Group and Charity

	Freehold property £000	Leasehold improvements £000	Computer installation, furniture and equipment £000	Total £000
Cost				
At 1 August 2022	1,664	1,560	1,775	4,999
Additions	-	5	125	130
Disposals	(1,664)	(1,565)	(1,900)	(5,129)
At 31 July 2023	-	-	-	-
Depreciation				
At 1 August 2022	202	1,469	1,546	3,217
Charge for the year	18	42	94	154
On disposals	(220)	(1,511)	(1,640)	(3,371)
At 31 July 2023	-	-	-	-
Net book value				
At 31 July 2023	-	-	-	-
At 31 July 2022	1,462	91	229	1,782

The cost of freehold property and the net book value prior to revaluation was £833,243. A valuation, based on existing use value, was carried out by a qualified chartered surveyor, Strutt and Parker, as at 31 July 2016, showing the value at £1.6m. The value of land included within freehold property is £NIL (2022 - £350,000).

Notes to the financial statements
For the year ended 31 July 2023

14. Fixed asset investments

Group	Managed funds £000
Valuation	
At 1 August 2022	1,087
Additions	19
Disposals	(626)
Revaluations	(17)
At 31 July 2023	<u>463</u>
Charity	Managed funds £000
Cost / valuation	
At 1 August 2022	1,087
Additions	19
Disposals	(626)
Revaluations	(17)
At 31 July 2023	<u>463</u>

Managed funds were managed during the year by Rathbones. Fees are charged separately to the Charity and deducted from the investment portfolio.

At 31 July 2023, the original cost of the Managed funds was £435,000 (2022 - £531,000).

The Managed Funds were held in the following classes of investments:

	2023 £000	2022 £000
UK equities	463	686
Overseas equities	-	243
UK fixed interest	-	56
Alternatives	-	98
Cash	-	4
	<u>463</u>	<u>1,087</u>

Notes to the financial statements
For the year ended 31 July 2023

Principal subsidiaries

The following were subsidiary undertakings of the Charity and are included within the consolidated financial statements:

Names	Company number	Incorporated	Nature of Business	Class of shares	Holding
LIBF Learning Limited	02087869	England and Wales	Events, sponsorship	£1 Ordinary	100%
Institute of Financial Services Limited	03637677	England and Wales	Dormant	£1 Ordinary	100%
ifs ProShare Limited	06769997	England and Wales	Dormant	£1 Ordinary	100%
The London Institute of Banking & Finance (MENA) Ltd		Abu Dhabi	Education in MENA region	\$1 Ordinary	100%
The London Institute of Banking & Finance (APAC) PTE Ltd		Singapore	Education in APAC region	\$1 Ordinary	100%

The financial results of the subsidiaries included in the consolidated financial statements for the year were:

Names	Income £000	Expenditure £000	Profit/(Loss) / Surplus/ (Deficit) for the year £000
LIBF Learning Limited	85	(85)	-
The London Institute of Banking & Finance (MENA) Ltd	2,580	(1,764)	816
The London Institute of Banking & Finance (APAC) PTE Ltd	63	(202)	(139)

The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd were both sold during the year.

Since the year end, ifs ProShare Limited has been dissolved.

15. Stocks

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Publications and sundry stock	-	60	-	60

Notes to the financial statements
For the year ended 31 July 2023

16. Debtors

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Due after more than one year				
Members and trade receivables	-	42	-	42
	-	42	-	42
Due within one year				
Members and trade receivables	-	3,215	-	1,214
Amounts owed by group undertakings	-	-	-	637
Other debtors	-	11	-	11
Prepayments and accrued income	105	773	105	765
	105	4,041	105	2,669

17. Current asset investments

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Fixed term deposits	15,000	-	15,000	-

Notes to the financial statements
For the year ended 31 July 2023

18. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Trade payables	-	614	-	603
Other taxation and social security	-	239	-	221
Other creditors and accruals	513	1,352	513	948
Deferred income (see below)	-	3,125	-	3,124
	513	5,330	513	4,896

Included within deferred income are the following items of income which have been deferred until specific performance related conditions have been met:

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Subscriptions	-	350	-	350
Qualifications	-	1,470	-	1,470
Life subscriptions	-	54	-	54
Other fees	-	1,251	-	1,250
	-	3,125	-	3,124

19. Provisions

Group and Charity

	Post- Retirement Healthcare £000
At 1 August 2022	99
Amounts reversed	(99)
	-

Up until the sale of operations on 31 March 2023, the Charity continued to provide post-retirement healthcare benefits to certain retired employees and their spouses, a benefit that ceased to be offered to existing staff some years ago. A provision was made in line with FRS 102 using a discount rate in the prior year of 5.0% and a rate of increase in medical costs of 9%. This provision was transferred as part of the sale of operations.

Notes to the financial statements
For the year ended 31 July 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 July 2023 £000
Unrestricted funds					
General Fund	4,185	15,710	(13,315)	9,382	15,962
Restricted funds					
Alumni and Scholarship Fund	264	209	(15)	(5)	453
Bursary Fund	137	4	(3)	(3)	135
Grunfeld Fund	26	1	-	-	27
Strudwick Prize Fund	4	-	-	-	4
	431	214	(18)	(8)	619
Total of funds	4,616	15,924	(13,333)	9,374	16,581

The Alumni and Scholarship Fund gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals. The primary purpose of the fund is to provide support for students undertaking the charity's full-time undergraduate degree programmes. Included within this fund is an unspent balance of £117,000 derived from funding provided by C. Hoare & Co. One Hoare's Scholarship is available each year for students beginning their second year of Higher Education study. The award is worth £7,000 per year (with a maximum of two years). Certain criteria apply for the selection of students for the Scholarship Awards. Students are assessed against those criteria and recommendations are made to and approved by the Scholarships and Bursaries Group. Since the inception of the Fund, four students have received the Scholarship Award.

The Bursary Fund provides means-tested assistance to both full and part-time students.

The Grunfeld Fund was received by the charity from the Henry Grunfeld Foundation in March 1999 on the undertaking that it would fulfil the foundation's existing obligations and hold the balance of the fund for the purposes of the education of persons working in banking and financial services in London.

The Strudwick Prize Fund was received as bequest under the will of Mr HEH Strudwick, FCIB on the undertaking that the £30,000 be used to support a prize in his name.

Notes to the financial statements
For the year ended 31 July 2023

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2021 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 July 2022 £000
Unrestricted funds					
General Fund	4,157	19,172	(19,306)	162	4,185
Restricted funds					
Alumni and Scholarship Fund	296	7	(19)	(20)	264
Bursary Fund	157	3	(12)	(11)	137
Grunfeld Fund	27	1	-	(2)	26
Strudwick Prize Fund	4	-	-	-	4
	484	11	(31)	(33)	431
Total of funds	4,641	19,183	(19,337)	129	4,616

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Fixed asset investments	463	-	463
Current assets	156	16,475	16,631
Creditors due within one year	-	(513)	(513)
Total	619	15,962	16,581

Notes to the financial statements
For the year ended 31 July 2023

21. Analysis of net assets between funds(continued)

Analysis of net assets between funds - prior year

	Restricted funds 2022 £000	Unrestricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	1,782	1,782
Fixed asset investments	460	627	1,087
Debtors due after more than one year	-	42	42
Current assets	5	7,129	7,134
Creditors due within one year	(34)	(5,296)	(5,330)
Provisions for liabilities and charges	-	(99)	(99)
Total	431	4,185	4,616

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £000	Group 2022 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	2,574	(273)
Adjustments for:		
Depreciation, profit on sale and amortisation	153	219
Losses on investments	17	119
Dividends, interests and rents from investments	(232)	(70)
Decrease/(increase) in stocks	60	(30)
Decrease/(increase) in debtors	3,936	(1,034)
(Decrease)/increase in creditors	(4,817)	1,337
(Decrease) / increase in pension provision	-	3
(Decrease) in other provisions	(99)	-
Net cash provided by operating activities	1,592	271

Notes to the financial statements
For the year ended 31 July 2023

23. Analysis of cash and cash equivalents

	Group 2023 £000	Group 2022 £000
Cash in hand	1,526	3,075
Cash held with investments	-	4
Total cash and cash equivalents	1,526	3,079

24. Analysis of changes in net debt

	At 1 August 2022 £000	Cash flows £000	At 31 July 2023 £000
Cash at bank and in hand	3,075	(1,549)	1,526
Cash held with investments	4	(4)	-
Fixed term deposits	-	15,000	15,000
	3,079	13,447	16,526

Notes to the financial statements
For the year ended 31 July 2023

25. Pension scheme

The Charity previously operated two pension schemes, a defined contribution scheme that was available to new employees and a defined benefit scheme that closed to future accrual on 31 March 2009. Contributions to the defined benefit scheme for the year were £50,000 (2022 -£100,000).

On 31 March 2023, the Charity sold all of its operations. The defined benefit scheme was transferred with them under the terms of the sale agreement.

The most recent full actuarial valuation was completed as at 31 December 2019 and the results from that valuation were updated to 31 July 2022 by a qualified independent actuary, using the following principal assumptions:

Discount rate - 3.5%
Price inflation (CPI) - 2.8%
Pension increases pre 2006 excess over GMP - 2.8%
Pension increases post 2006 pension - 2.0%

Assumed life expectations on retirement age at age 60 were:

Retiring today - Males - 27.1
Retiring today - Females - 29.7
Retiring in 20 years' time - Males - 28.6
Retiring in 20 years' time - Females - 31.1

The assets in the scheme at that date were:

	£000
Investment fund	14,062
Matching fund	25,267
	39,329

The actual return on assets over the year ended 31 July 2022 was £(7,779,000).

The irrecoverable surplus in the scheme at 31 July 2022 was £2,425,000.

26. Operating lease commitments

At 31 July 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £000	Group 2022 £000	Charity 2023 £000	Charity 2022 £000
Not later than 1 year	-	943	-	943
Later than 1 year and not later than 5 years	-	2,790	-	2,790
Later than 5 years	-	854	-	854
	-	4,587	-	4,587

The London Foundation for Banking & Finance

Notes to the financial statements For the year ended 31 July 2023

27. Related party transactions

The London Foundation for Banking & Finance has taken advantage of the exemption available under FRS102 Related Party Transactions not to disclose transactions included within the group.

The London **Foundation** for Banking & Finance

(previously called The London
Institute of Banking & Finance)

We are The London Foundation for Banking & Finance, a charity incorporated by Royal Charter dedicated to supporting knowledge and lifelong education in financial services.

Accounts

**The London Institute
of Banking & Finance**

Annual Report & Accounts 2021 – 2022



**The London Institute
of Banking & Finance**

libf.ac.uk

Contents

The London Institute of Banking & Finance

	Page
Welcome from the Chief Executive	3
Organisation Overview	4
Professional Education	6
Higher Education	9
Financial Education & Community Outreach	11
Global Learning/MENA	14
Human Resources/People	16
Equality and Diversity Policy Statement	17
Centre for Digital Banking & Finance	18
Centre for Governance, Risk and Regulation	18
Centre for Sustainable Finance	19
Sustainability	20
Financial Review	21
Statement of Corporate Governance	24
Statement of Responsibilities of the Board of Governors	24
Board of Governors (Trustees)	25
Committees of the Board of Governors	26
Risk Management	27
Reference and Administrative Details	28
Disclosure of Information to Auditors	28
Auditor's Report	29
Statement of Principal Accounting Policies	31
Consolidated Statement of Comprehensive Income and Expenditure	34
Consolidated and Institute Statement of Changes in Reserves	35
Consolidated and Institute Balance Sheets	36
Consolidated Statement of Cash Flows	37
Notes to the Financial Statements	38



Welcome



Alex Fraser
Chief Executive

This year we have achieved a satisfactory outturn which, although some way below last year's, still represents a creditable result taking into account the economic backdrop and the continuing impact of Covid on some of our key international markets for Professional Education, particularly China.

Again we recruited well to our full-time Undergraduate Degree Programme and, to enhance the service we provide to our growing student community, we have created a new Student Centre in Peninsular House which houses all of the support teams including Careers and Employability, the Library and Counselling. There is also provision for more study space. Despite continued challenges facing fresh graduates, our students have been successful in obtaining internships and placements in leading financial institutions. We have continued to work with major UK and international banks on corporate Degree Apprenticeships. In early 2023 will launch our first Open Apprenticeship Programme which will provide a further option for employers.

Our Financial Education activity had a stronger year thanks mainly to increased registrations for our Level 3 offering and for our online programme, Lessons in Financial Education (LiFE). This against a backdrop of continued Covid-driven disruption when high levels of customer service and flexibility have underpinned our delivery.

Our Abu Dhabi operation has again enjoyed an extremely successful year. Much of the income continues to flow from Government-backed projects to support Emiratisation and this year we were awarded a large project which involves working with employers as well as job seekers. We have also continued to support the Government and social enterprises with our Financial Inclusion programme.

Elsewhere in the region we have continued to work with national Banking Institutes and other partners to deliver programmes in Digital Finance, Sustainability as well as more traditional areas such as credit risk.

Professional Education finished the year well below 2020/21 levels due to ongoing Covid-related challenges in Asia which have restricted business development and also a reduction in demand for our Regulated Advice qualifications.

Although the Institute has recorded modest surpluses over the past two years, and has built a platform for further expansion, particularly internationally, it does not have sufficient funds to scale up. Trustees have considered a number of options and this has culminated in an agreement to sell the business to a large university group. This sale is subject to approval by a number of regulatory bodies and will, if such approvals are granted, be completed in the first quarter of 2023.

In taking this decision Trustees have been mindful of the need to find a counterparty with sufficient resources to make a significant investment in the Institute, with experience in delivering online Higher Education and sharing Trustees' commitment to widen access to vocational education at all levels. In addition to the investment in the educational programmes of the Institute, the Charity will, subject to relevant approvals, receive a significant sum to enable it to provide funds for projects to support financial education and inclusion and to provide support for young people from underrepresented groups who are looking to develop careers in banking.

Organisation Overview

We are The London Institute of Banking & Finance, lifelong partners for financial education.

We have a rich heritage of providing education in banking and finance that stretches back over 140 years. Founded in 1879 as the Institute of Bankers, we have evolved in line with the financial services and banking industries. We gained our Royal Charter in 1987 and in 1996 developed the first professional award linked to a university degree. We gained Taught Degree Awarding Powers (TDAP) in 2010 and were granted University College title in 2013.

We exist for a very simple reason – to advance banking and finance by providing outstanding education and thinking, tailored to the needs of business, individuals and society. Our focus is on lifelong learning; equipping individuals with the knowledge, skills and qualifications to achieve what they want throughout their career and life. We provide a balance of experience, insight and thought leadership into today's financial world, delivered by industry leaders, thinkers and members of our community.

And because we've been at the heart of the sector since 1879, we create connections and build partnerships between people and business that make banking and finance more accessible and understood, and enhance social inclusion through better financial capability.

The organisation's strategic plan, LIBF 2023, outlines the key objectives we aim to achieve.

- We will deliver highly regarded and distinctive degrees, professional qualifications and other educational programmes.
- We will support the career aspirations of those who work or seek to work in the financial services industry and equip them with the skills needed to succeed in the digital economy.
- We will enhance financial skills and capability and broaden our outreach to improve financial inclusion.
- We will produce thought leadership that informs and inspires our community and the wider industry.
- We will increase our international footprint across all our activities.

We focus on lifelong learning; equipping you with the knowledge, skills and qualifications to achieve what you want throughout your career and life.

Financial Education & Community Outreach

We are the only specialist provider of dedicated personal finance qualifications for children and young people and play a leading role in the development of financial understanding in the wider community. We have over 50,000 students studying our qualifications in over 800 institutions.



over **40,000**
young people taking our financial
education qualifications each year



100%
of full-time students in
employment or further study
within 6 months of graduating



Higher Education

Our undergraduate and postgraduate degrees provide the knowledge and skills you need for a successful career in banking and finance. We place employability at the heart of everything we do, ensuring you graduate with the insight and understanding to perform effectively.



Delivery of the strategy is through four core areas:

Financial Education & Community Outreach

We help schools instil the knowledge and confidence their pupils need to make good financial decisions, as well as inspiring the next generation of finance and banking professionals. Our learning programmes, qualifications and wider community-based initiatives focus on everyday financial skills and essential skills employers say are missing. And through financial champions in schools, membership and higher education qualifications, we make the banking and finance sector more accessible.

Higher Education

Delivered by respected academics, practitioners and industry thinkers, we provide the skills and knowledge that the sector expects from you early in your career. Our learning is based on contemporary real life, using a combination of practice and theory which means you graduate better prepared to advance in the industry. All of our graduates are eligible to apply for Chartered status, a mark of professional standing in the sector.

Professional Education

Developed by respected industry practitioners, our qualifications follow the FCA guidelines to ensure you have a thorough understanding of their regulations. This gives you the insights required to perform effectively and responsibly and, where required, the authorisation to practise in diverging roles.

International

Our trade finance qualifications are recognised internationally and studied in over 90 countries. They help you to enhance your knowledge and skills, demonstrate technical competence and take your career to the next level. In Abu Dhabi, we are very proud of our partnership with the Abu Dhabi Global Market (ADGM) Academy and are working with them to build programmes that are locally relevant but firmly set in a global context.

Professional Education

Enabling you to advance your career and help organisations to deliver great performance. We provide clear pathways to match competency with career development in banking and finance. In regulated advice, there is a range of specialist certificates and diplomas for those working in Mortgages, Financial Advice, Pensions and Trade Finance. We ensure that professional recognition can be attained by everyone at all levels, from the award of a certificate through to the grant of our highly regarded Chartered Associate status.



*A global community of
students and alumni in over*

120 countries



over 140 years

*Providing industry leading
education and thought leadership*



Community

We are a focal point for the sector. We have an active global community of like-minded individuals and professionals so you can continue your development and grow your networks. We share insight and generate thought leadership through events, training programmes and publications.



Mark Heaton
Managing Director,
Professional Education

Key Strategic Priorities

- **Maintain our leading position in a competitive market by continuing to invest in our qualification portfolio and other learning solutions to meet the needs of learners, their sponsors and recruiters.**
- **Focus on making digital enhancements, modernising and updating programmes.**
- **In consultation with the market, expand our service to the financial advice and mortgage advice community.**
- **Increase presence in the Asia Pacific region to support our training and education development goals.**

Progress During the Year

Financial Services

Mortgage Advice: Following an extraordinary financial performance in 2020/21, this year started with much uncertainty regarding the housing market and a spotlight on the Government's decision to withdraw incentive schemes. 2022 has seen a rise in inflation to record levels with the public feeling the strain on household budgets, impacted yet further by the fuel crisis and escalating interest rates.

Contrary to initial concerns, following the Government's stamp duty intervention in 2021, the housing market has stayed buoyant in 2022, with demand for housing being fuelled by home movers and a lack of suitable new property coming onto the market. The demand for re-mortgages has also increased, encouraging new brokers to continue to enter the industry. This market activity has in turn supported our revenue of £4.32m, which represents 43% of overall Professional Education income.

Development and delivery of white labelled training solutions for clients has also seen a considerable upturn, with multiple cohorts running throughout this year. Further advancements to our support material packages and online tuition videos have enhanced user experience, future-proofing customer demand and associated income.

Financial Advice:

This year, the industry has faced difficulties in the recruitment of new advisers into the field, amid financial challenges not faced since the financial crisis.

We continue to update our suite of products in this area, including modern, and importantly, practical ways of assessment with student feedback being extremely positive on this approach in all of the qualifications.

Revenue for financial advice qualifications has returned to pre-pandemic levels, with an influx of interest for our newly launched Financial Planning in Retirement Level 6 module. Other areas of growth stem from later life planning, with the introduction of a new health and social care levy together with other upcoming sector changes igniting interest in our long-term care offering.

Banking

Over this 12-month period, demand for bespoke training programmes has grown significantly, as an example the Advanced Credit Assessment Techniques programme created for both mid and senior level corporate bankers has proven very successful with further cohorts scheduled for delivery throughout 2022/23.

Appetite for training in this sector has exceeded expectations which has helped soothe the decline in demand for banking qualifications. Work is underway to look at alternative ways to deliver banking knowledge in a format that is sought by industry, with a focus upon smaller modules that can be completed swiftly and applied directly to the workplace. This focus has been supported by overwhelming feedback from industry advising that short, stackable modules with practical application are the favoured choice.

With the obvious synergies between Banking and the Centre for Digital Finance, collaborative efforts have taken place to promote the Certified Fintech Practitioner programme among corporate partners. Work is also underway on an entry-level offering in the form of asynchronous online self-paced modules, which has already gained interest from key external stakeholders.

Additional collaboration with the Centres for Governance, Risk and Regulation and Sustainable Finance aims to address the development needs of the banking industry and will become an intrinsic part of the future learning journey.



Trade and Transaction Banking

A successful year for brand awareness and partnership opportunities, and the team were delighted to be awarded 'Best Trade Finance Education Provider' at May's International Trade Awards. Expansion is also evident within the Accredited Learning Support Provider space, previously the preserve of the UK market, and 2022 saw the addition of providers in a number of countries specialising in training to support students in their studies for the Certificate for Documentary Credit Specialists.

China remains a key market for Trade and Transaction Banking qualifications, representing a significant portion of the global revenue for this sector. With border controls curtailing plans to visit key stakeholders in country, efforts to restore revenue to pre-pandemic levels have focused upon our direct relationship with our partner, the International Chamber of Commerce.

Covid-19 restrictions have remained present throughout China and other parts of Asia, affecting examination centre availability and creating pressure of extended home working for candidates. The move to on-demand exams in the year prior has increased accessibility, however, candidates are choosing to delay exam bookings until environmental factors settle. These factors have resulted in a reduced revenue figure of £1.73m against previous income of £2.90m in 2020/21.

Asia Pacific continues to be a focus for strategic growth and, as such, investment was made in the recruitment of a Director of Sales based out of our Singapore office targeting the acquisition of new business, development of existing relationships and exploring opportunities in new sectors such as commodity houses and government agencies.

Singapore Office

Over the last year, the Singapore office has formed strong business relationships with key clients in the region, successfully developing and delivering programmes across a number of areas, including operational risk management, risk awareness, and future skills. These programmes have received formal approval from Singapore's Institute of Banking & Finance (IBF) and are set to run for the next three to five years.

Key collaborative successes include a close partnership with Asian Banking School, which has led to the successful delivery of our Agile Bank Leader programme, with future plans to include programmes from our Centres for Excellence. Partnerships have also expanded in Indonesia, with the development and delivery of a suite of high-profile webinars in conjunction with the Indonesian Banking Development Institute, Lembaga Pengembangan Perbankan Indonesia, and the Indonesian Financial Services Authority (OJK).

Further afield in Brunei, a partnership has developed with the Brunei Institute of Leadership & Islamic Finance (BILIF) to promote LIBF qualifications and programmes.

Actions taken to drive up the number of subject matter experts based in the APAC region have been effective, however, work continues to broaden the skill base in line with the expertise required to deliver programmes designed by our centres.

There has been a notable increase in the number of LIBF qualifications and programmes approved by the Institute of Banking & Finance in Singapore, which enables clients and Singaporean professionals to take advantage of available subsidies.

Regulatory Bodies and Stakeholder Engagement

Proactive dialogue continues with our standard setting bodies, policy makers and regulators. Participation at industry forums, such as the Accredited Bodies Forum attended by the Financial Conduct Authority (FCA), supports our work to ensure members fulfil regulatory obligations.

The Regulatory Education Advice Panel (REAP), a forum created and facilitated by LIBF, continues to bring together representatives from mortgage and financial advice firms across the UK. This panel provides an informed sounding board to broaden and deepen our understanding of the educational needs of the financial services sector.



Looking Ahead

As the leading provider of qualifications in the mortgage arena, the Financial Services team will launch the new LIBF Mortgage Conference to be held in early 2023 at the Congress Centre in London. There has been exceptional interest in sponsorship for the event, which has anticipated attendance of 250 to 300 paying delegates. As an educational showpiece for the industry, we are expecting this to become an annual event in the mortgage industry calendar.

Development activities for our modular asynchronous learning programmes will start to take shape, with the launch of the new Risk Mindset programme in the autumn, followed by the Foundations in Digital Finance and Innovation in early 2023.

A collaborative partnership between ourselves, the Financial Intermediary and Broker Association (FIBA) and the Association of Short Term Lenders (ASTL) is driving a project to create a programme of learning supporting the development of professionals working in these markets. This programme is due to launch in Q1 of 2023.

A relationship fostered by the Singapore office with the Institute of Financial Technologists of Asia (IFTA) in Greater China and Hong Kong, will see a localised version of the Certified Fintech Practitioner programme being delivered in autumn 2022. There are also plans to launch a Risk and Governance programme in conjunction with AFTECH, the Fintech Association of Indonesia in late 2022.

Key Risks

- **Further, global waves of the Covid-19 pandemic affecting the delivery of qualifications and training in the UK and international locations.**
- **The ability to have competitive timelines to market for the creation of engaging training programmes.**
- **Concentration risk in key parts of our qualification portfolio.**
- **The threat from competitive challenge to our regulated advice qualification product offer.**
- **Rebalancing of the current housing market 'bubble' with lenders potentially tightening borrowing criteria.**
- **Potential economic downturn and interest rate increases.**



Hema Tank
Managing Director,
Higher Education

Delivered by academics, practitioners and industry thinkers, we provide the skills and knowledge that the sector expects from students early in their career. Our learning is based on contemporary real life, using a combination of practice and theory, which means students graduate better prepared to advance in the industry.

Right from the beginning, all our students become members with the associated benefits that brings. On graduation they are eligible to apply for chartered status, a mark of professional standing in the sector.

Key Strategic Priorities

- **Secure our position to be internationally recognised as market leaders for banking and finance programmes by key stakeholders.**
- **Provide outstanding teaching and innovative and inclusive education to prepare our students for a rapidly changing world.**
- **Recruit, develop and retain the best staff and provide them with a high-performing supportive environment and culture.**
- **Be selective and strategic in choices, and align planning, evaluation and budgeting processes with strategic aspirations in the most efficient way.**

Measuring Success

We have continued to see revenue growth in Higher Education due to an increase in the number of students on both our undergraduate and apprenticeship programmes. Our degree-level apprenticeship programmes now comprise both early career and senior professionals.

We continue to work on enhancing our portfolio of programmes through international partnerships specifically through our MENA regional office and the development of our postgraduate offer through our Research Centres.

Progress During the Year

Employer connections and employability: In 2021/22 we built upon our achievements from the previous year. A key focus for the team was to develop our digital sources. A key achievement has been the implementation of a new online career centre that was implemented in the summer of 2022. We had over 230 new student registrations on our systems, and over 200 new job opportunities posted. We hosted over 15 careers events with alumni participants from companies such as HSBC, Barclays, Goldman Sachs and others. Results from the Graduate Outcomes survey showed us ranking within the top 5% of all UK universities. We were

pleased to welcome two new part-time careers advisers to the team, helping us reach optimal staffing levels. Our focus for 2022 is to deliver a more holistic experience on campus while strengthening our digital offering.

Student experience: Our focus is always on listening to student feedback and acting on that to improve their experience. This year, in the light of the pandemic, we continued to deliver classes virtually. When allowed, in line with government guidance, we gave students the opportunity to attend campus, although many chose to still study online. We adapted our assessment strategy to allow students to sit examinations at home and this was well received. Following guidance from both OfS and the Quality Assurance Agency for Higher Education (QAA) we continued with our 'No Detriment' policy which provided students with a safety net for their grade mark average.

Student support: Our physical learning environments have adapted to accommodate the need for a Covid-safe space. This has led to an investment in technical infrastructure to support synchronous learning experiences – so that we can offer, as far as is possible, equitable and collaborative experiences for students, both at home and on campus.

We have enhanced students' digital experiences by investing in a new virtual learning platform, Brightspace, which has been rolled out across programmes. It offers more sophisticated navigation and enhanced collaboration facilities as well as tools to help manage progression.

Our physical library is small: more a place for students to quietly study and to gain support from the librarians. We moved to digital delivery of library resources more than 15 years ago when we invested in transferring all our books, journals, and other resources online. This has meant that students have been able to access all their learning resources, including access to the Bloomberg terminal, from home during the pandemic, while still having access to library support.

Health and well-being: Our professional counsellor continued to support students over the year, particularly those seeking help with anxiety exacerbated by the pandemic. Counselling sessions were able to return on a face-to-face basis and students engaged with these sessions to benefit from the support on offer. We will continue to invest in this area in 2022 to increase the support and accessibility for our students.

Student recruitment: Face-to-face recruitment returned from September, with a full range of activities including external visits to schools, schools attending campus, UCAS fairs, open days and offer holder days. This academic year we delivered the highest number of both off and on campus school events which we hope to see translated into increased student applications. We have also introduced weekly campus drop-in sessions for prospective students. This has allowed us to engage



with students on a more personal level. Our work with organisations marketing our courses has continued but we are also developing new opportunities with the aim of increasing awareness of and applications to our programmes.

Regulatory oversight: In line with all other apprenticeship providers, in 2022 we were asked to re-apply to the 'refreshed' Register of Apprenticeship Training Providers. We were pleased that our re-application was successful.

Looking Ahead

We will continue to develop a diverse range of programmes that will enable us to further increase our revenue. We are making progress in this area and are seeing an increase in the number of apprenticeship partners we are working with. We will support our current apprentices through both their studies with us and their end-point assessment during the next academic year.

Though our current undergraduate programmes are delivered face to face, we will continue to focus on enhancing our digital capacity to deliver, teach and support students through virtual learning platforms. We will invest in the tools, training and technology to develop an e-learning environment to enable us to be flexible to adapt to a rapidly changing environment. This is becoming increasingly important for our apprentices who will undoubtedly continue to study in a hybrid

mode going forward, to align with the direction of financial services organisations.

Through our strong networks and connections in the sector, we will continue to work with employers in developing content, as guest lecturers and as members on our deliberative committees so that our students have the knowledge, skills and competencies to be successful in their careers.

Key Risks

- **The financial services sector is a rapidly changing environment. We must keep our curriculum current to provide our students with the necessary knowledge and skills to compete in this challenging environment.**
- **Loss of brand and profiling in the sector is a key risk, especially in relation to the student experience, where a negative experience could have a significant impact on future recruitment.**
- **We must keep pace with technological advancements in learning, teaching and assessment as the sector moves to further enhance remote provision in the light of student expectations developed during the recent Covid-19 pandemic.**





Catherine Winter
Managing Director,
Financial Capability &
Community Outreach

Our qualifications and learning programmes ensure schools and colleges instil the knowledge, confidence and resilience children and young people need in order to be confident and competent financial consumers. They also provide both a route through to further education along with the essential skills employers say young people are lacking as they enter the workplace.

Strategic Objective

Provide lifelong learning through impactful financial education in UK schools and colleges.

Strategic Priorities

- **Maintain our position as the market leader of highly regarded financial education programmes and qualifications both in the UK and international markets.**
- **Continue to provide an outstanding customer experience.**
- **Improve the progression of students to higher education and the world of work.**
- **Work with both internal and external stakeholders on expanding our provision beyond the traditional classroom environment, targeting the most vulnerable children and young people in society.**
- **Retain and develop staff while creating a culture of empowerment and collaboration within the team.**

Measuring Success

Despite a challenging year, it is pleasing to know that we have continued to see an increase in revenue growth. Our year end figure showed a 17% increase of £350,000 over budget, and 4% ahead of last year. This increase was supported by growth in all qualifications but more significantly we have seen a positive trend in the popularity of our Level 3 qualification.

We continued to work on enhancing our portfolio of qualifications and have been focused on getting a new Level 2 qualification through the Department for Education (DfE) and Ofqual approval process and ready to market.

We continued to support our HE colleagues through the work on our scholarship programme, which recognises and rewards high academic achievement by students who have taken the Certificate and Diploma in Financial Studies (CeFS and DipFS). Scholarships have continued to raise the profile of both FC and our university. The Financial Capability team have co-ordinated the delivery of over 1,000 scholarship certificates. We continued with over 30% of the undergraduates on our HE courses coming from our school qualifications and nearly 20% of students joined our university taking advantage of the scholarship scheme.

Additionally, to date we have seen a growth from 34% last year, to 43% this year in the number of undergraduate students gaining scholarships, applying to our programmes. Our current undergraduate applications show an increase to 60% of students coming from our school qualifications.

Progress During the Year

Our focus continued to be on four key areas: providing outstanding customer service, business development, meeting our regulatory requirements and the review and development of new qualifications.

Customer Service

Covid-19 continues to present challenges in schools. Most schools have been facing both major teacher shortages and substantial loss of learning for students due to absences. We are aware of these challenging circumstances and continue to work as collaboratively and flexibly as possible with our centres. The team continues to adapt to meet our customer needs to ensure that we maintain both our very high standards of customer service and meet our regulatory compliance requirements. We are operating a centre visit hybrid approach, and where possible, physically visiting centres. Where this is not possible, we are supporting our centres remotely via Zoom. We have delivered to over 35,000 children and young people in over 650 mainstream schools, colleges, pupil referral units (PRUs) and special educational needs and disability (SEND) institutions.

We continued to offer teacher CPD, curriculum planning, open evenings and scholarship presentations both physically and via Zoom were required. In total, the team of five relationship managers conducted well over 1,000 school visits.

We had a specific focus on retaining as many existing centres as possible. We achieved a 90% retention rate, set against a 2019/20 rate of 67%.

Business Development

In line with our Strategic Development plan, we continued to focus on business generation activities. The loss of learning in schools has created an additional squeeze on an already tight curriculum. Despite this, we continued to identify new business opportunities and expansion within existing schools. We exceeded both of our targets for expansion of existing centres and acquisition of new centres.

In addition to our UK success, we have also expanded our international network of delivery centres. Our delivery to schools in China continues. We have seen a growth in student registrations and are close to expanding the provision of our Level 3 qualification in China on a more substantive level. We continue to explore options to increase the uptake of our programmes internationally, especially in the MENA region. The highly successful Ghaya programme continues to be well regarded and consequently there are discussions ongoing regarding an extension of this programme to a younger age group.

Regulatory and Quality Compliance

Our qualifications continue to feature in DfE performance tables, to be fully funded and offer maximum UCAS points for those students progressing to university.

Following the cancellation of summer exams in 2020, as required by Ofqual, we held autumn resit exams; this was an opportunity for students who wished to try and improve their exam results following the awarding of centre assessed grades (CAG). Throughout the year, we continued to work with Ofqual and other awarding bodies to create the required adaptations to our assessments. Our suggested adaptations were approved in full and accordingly communicated through to our centres.

We are also being asked to consider plans for any further disruption to summer 2023 assessments.

Our results were within the Ofqual guidance framework, and all centre results were communicated to centres on time. An analysis and comparison of our Level 3 results with A levels demonstrated that the adaption methods we implemented this year were correct. They included the release of the pre-release material two weeks earlier than normal, allowing a compensatory pass between elements in units (to enable those who narrowly failed to still continue and achieve a pass) and advance notice of topics in written exams. We also had the option to adjust the grade boundaries where necessary but didn't need to implement this more than within our normal parameters.

Qualification Review

We also continued the long-term strategy of reviewing and creating new programmes. Our priority is, in line with Ofqual guidance, to provide robust and reliable qualifications that schools, colleges, universities and employers can trust and respect. We have identified key development areas for our qualifications.

This year has seen a significant amount of work completed on reviewing our LiFE programme. Qualification Wales, our Welsh regulator, made changes to qualification requirements in Wales. This resulted in update work required on our LiFE qualification. These changes have been made, submitted for approval and consequently we have just received notification, they have been approved for delivery in September 2022. These changes have made the LiFE programme, created seven years ago, more relevant and commercial.

On 14 July, the DfE published outcomes for the second phase of the Government's consultation on the future shape of the post-16 Level 3 qualification landscape.

The Government had stated that they wished to reform post-16 education. Initially, they stated that there would be two distinct routes:

Academic route – Level 3 qualifications that lead to Higher Education.

Technical route – Level 3 qualifications that lead to employment/specific careers.

Originally, any qualifications that fell outside of the above routes, and had similarities (shared content) with T levels (referred to as overlapping subjects) were earmarked for defunding over the next two to three years. This included Applied General qualifications (equivalent to A levels) such as our CeFS/DipFS, BTECs and OCR Nationals.

Following petitioning and public discussion, including representations from AOs via consultation documents – LIBF contributed to this via the Federation of Awarding Bodies and also our own submission – the Government has revised the routes and has stated that it will allow small qualifications that may overlap with T levels to be considered as part of the approval process from 2024. There is a full process for this and it relies on key tests to be met for defunding to occur or not.

This process is being done in waves; the waves being led by the staggered introduction of different T levels across different subjects (the T level in finance is in wave 3). On the basis of what we know to date, we should be in a position by autumn 2023 of knowing whether our current Level 3 qualification continues to be funded or not.

Qualification Development

Having received notification in March 2020 from the DfE of the lifting of the moratorium on Level 2 technical qualifications, we started working on developing a new Level 2 technical qualification for inclusion in performance tables. This qualification was submitted for approval in January 2021.

The process for approval placed a significant demand on our resources but we are delighted to be able to report that we received notification from the DfE in December 2021, of approval for our new Level 2 Technical Certificate in Finance (TCF). This qualification will be in the Progress 8 performance tables for delivery in September 2022. Although interest in this new qualification remains high with our centres, the notification was unfortunately six months behind schedule, resulting potentially in lower registration numbers for its first year of delivery.

Community Outreach

We have continued to expand our reach further than the traditional classroom environment, targeting the most vulnerable children and young people in the community. We have worked with national charities and corporates to support individuals at risk of financial exclusion to help them gain invaluable financial awareness and increase their digital, literacy and numeracy skills. For the first time, our work for this period has expanded to also include parents and students.

Seven years on from the launch of our LiFE programme, we are delighted to see that we are gradually removing barriers to accessible financial capability education. Many special schools, PRUs and hospital schools are now offering the LiFE programme and benefiting from the SEND guide that supports it. As members of the National Association for Special Educational Needs (nasen), we have continued to attend various events and gained valuable feedback from SEND professionals



around the country.

Our strong relationship with Principality Building Society continued to grow and they have committed £100,000 for 2022 funding to support young people in Wales to be able to study one of our qualifications. At least £25,000 of this will be allocated to outreach education providers such as special schools, pupil referral units (PRUs) and children in care so that we are helping the most vulnerable children in the community. We have also successfully launched a community-based financial education project in Llanelli, Wales to deliver our LiFE programme to parents and carers. This is the first time we have worked with this age group.

Last academic year, we started working with the Worshipful Company of International Bankers on an initial project to provide our LiFE programme to a group of young people studying at the London Academy of Excellence in Stratford, London. This sixth form academy was set up with the objective of improving social mobility. This was our first project with them and due to the successful outcomes, we have been working with another charity, Financial Futures, on expanding this programme in 2022/23.

Our Young Financial Journalist competition was again sponsored by the Financial Times. This collaboration allows us to draw in large numbers of young people to this competition, which goes from strength to strength each year. We are currently looking at how we can engage more young people, via a video or TikTok competition, in learning about becoming more financially capable.

Policy Engagement

In March, we launched the findings from our Young Persons' Money Index and were subsequently asked to give evidence to an All-Party Parliamentary Group on young people and their relationship with money.

We also attended a session at Westminster hosted by several MPs and sponsored by Yorkshire Building Society on the future of financial education.

We continue to work closely with policymakers – the DfE, Institute for Apprenticeships and Technical Education, and the Money and Pensions Service (MaPS) – and other organisations that are passionate about financial education. On behalf of MaPS, we continue to chair the children and young people (CYP) steering committee, which includes other charities, Ofsted, and key financial services organisations. The key objectives are:

- All CYP will get the financial education they need by 2025.
- Improved knowledge and skills.
- Increase in positive attitudes and motivations.
- Increased connection and access to products/risk.
- Increase in financially capable behaviours of young people.
- Leading to a future generation of adults who make good financial decisions.

Looking Ahead

The Covid-19 pandemic will continue to cause challenges for schools and colleges. Most schools face the challenge of dealing with a substantial loss of learning over the past three academic years and will need to prioritise students' knowledge in core subjects. As financial education is not a compulsory subject, we will face our biggest challenge in keeping our programmes and qualifications on the agenda for school leaders. We will continue to engage and support centres to the best of our ability and build on the outstanding relationships we have with our customers.

We will also continue to contribute to the various DfE agendas that are ongoing, in particular the post-16 consultation and the Post-Qualification Admissions consultation. The government proposal is to change the admission system to university to allow students to receive their grades before they apply. If this proposal is successful, this would create operational issues for our assessment teams who will need to turn around grades in half the current time. We have planned for this possibility and are well placed to manage this change effectively. However, the current political uncertainty has put many of these issues on the back burner for now.

Key Risks

- **Schools focus on catching up on missed learning on key subjects. This will potentially push out their ability to deliver financial education qualifications.**
- **Government moves ahead with the removal of funding for all vocational and technical qualifications (VTQs), including our Level 3 qualification.**
- **DfE leaves moratoriums in place to block the submission of new qualifications at Level 3.**
- **Lack of appropriate stakeholder and policy engagement with key stakeholders and the financial community ceasing to engage in the financial education agenda.**
- **Challenges around internal resources affect the ability to be agile and respond to entrepreneurial projects, allowing us to diversify our income stream.**
- **Risk of losing business crucial staff due to higher wages being offered from competitors.**



Kareem Refaay
Managing Director,
Gulf & MENA

The LIBF MENA office was established in Abu Dhabi in 2018. The office works with local and regional regulators, government bodies, banking clients and partners to provide banking education and training for banking professionals and in support of national development programmes, with the skills agenda forming a key pillar of economic strategies across the region.

Key Strategic Priorities

- **Diversify business through the delivery of a broader range of qualifications and programmes across professional education, higher education, financial capability, bespoke training, and other services such as endorsement and accreditation.**
- **Develop major relationships with key regional governmental bodies to support national economic visions and diversity agendas, through the upskilling and reskilling of regional and national new graduates into critical job roles in banking and finance.**
- **Create community impact through financial inclusion, employability, and gender diversity initiatives.**
- **Support the banking and finance sector in the region to approach challenging and disruptive trends, including sustainable finance and digital transformation.**
- **Expand our cross-regional business in key financial hubs in the MENA and GCC region.**

Measuring Success

A key measure of our success is ensuring a sustainable growth in revenue. Revenue in the year grew to £3.6m, representing a 100% increase year on year and with a strong pipeline of projects taking us into next year.

Our flagship programme, The Bankers Programme, continues to gain ground with 220 students joining the programme over the period of this report. The number of participants on the programme increased by 124% from the previous year. Corporate commitment to this government-supported national upskilling programme remains strong as banks look to appoint UAE nationals into critical roles in banking.

Community impact remains a key strategic priority with our Ghaya financial capability programme showing strong continued participation. The programme is now in its fifth cohort with 465 beneficiaries recruited to the programme during the year. We were proud to receive the distinction of excellence awarded by the Authority of Social Contribution – Ma'an, in recognition of our social contribution in Abu Dhabi via this programme.

Our support for employability in Abu Dhabi was underlined with the award of a major new strategic initiative led by the Abu Dhabi Government to provide employability skills training and career guidance for

Emirati nationals as part of a newly launched 'The Job Centre programme', which LIBF MENA will run in partnership with the ADGM Academy and other key stakeholders.

Gender diversity remains a key success for us with 83% of participants on our Bankers Programme being women and providing career pathways for Emirati women into critical roles in banking.

Progress During the Year

Banking programmes: Our flagship UAE National Development programme, The Bankers Programme, commissioned by the Human Resources Authority of Abu Dhabi (HRA), continues to receive excellent feedback from participants and employers. We had over 200 participants on the programme for cohort two and preparations are underway to start cohort three. Participants study two LIBF banking certificates, including the newly redeveloped International Banking and Finance foundation certificate, in addition to attending sessions on employability skills. A further 165 students completed a new Retail Sales Specialist Programme for a leading bank in Abu Dhabi. Our Certificate in Retail and Digital Banking (CertRDB) forms a central element of that programme.

In Higher Education we successfully concluded the inaugural cohort of the Executive Postgraduate Certificate in FinTech and started the third cohort of the Executive Postgraduate Certificate in Sustainable Finance. The two programmes are gaining considerable interest across the MENA/GCC region.

LIBF MENA continues to raise its profile through strong local alliances and May saw the launch of the inaugural Sustainable FinTech Leadership Programme – a joint educational programme with the MENA FinTech Association's Sustainable FinTech Alliance and their FinTech members, including American Express, Mastercard, Codebase Technologies, Checkout.com and Yap, alongside regulators including DIFC, ADGM.

Bespoke education and training: Client interest in bespoke education and training across the MENA/GCC region remains strong. Topics of interest for board-level sessions are in areas under regulatory interest including strategies for managing climate-related risks and corporate governance. For wider bank populations, topics of interest remain banking fundamentals, digital transformation and innovation and awareness around the sustainable finance and ESG (Environmental, Social and Governance) emerging themes.

Serving the wider MENA region: In Egypt, we have strengthened our relationship with the Egyptian Banking Institute (EBI) and offered our first in-person training since the pandemic. We aim to work with EBI to deliver our international banking qualifications with considerable interest expressed by several large Egyptian banks. This builds on the successful delivery of the



LIBF MENA in numbers



international banking foundations qualification to nearly 140 employees of one of the largest Egyptian banks, with 85% of the cohort passing the qualification, of which 57% passed with Distinction.

LIBF MENA has cemented key relationships with banking institutes in the region, most notably the Bahrain Institute of Banking & Finance (BIBF) with our Chair of the Board signing three co-operation agreements in the presence of His Excellency the Crown Prince of Bahrain during a hybrid ceremony in January 2022 to open BIBF's new premises.

In Oman, LIBF has signed a strategically important MoU with the College of Banking and Financial Studies (CBFS) – a college of the Central Bank of Oman. This collaboration will see initiatives across professional, higher education and training propositions with digital banking and sustainable finance being key areas of focus.

Community

Financial capability: Our financial inclusion programme Ghaya, which is offered in partnership with Ma'an – the Government of Abu Dhabi's Authority of Social Contribution – goes from strength to strength. The fourth cohort of 144 beneficiaries graduated in a ceremony held in June and recruitment for a fifth cohort is underway. Surveys of earlier graduates show an improvement in the management of their personal finances, with 95% of the cohort stating they now feel able to plan and budget, nine months after completion of the programme.

The Job Centre programme: LIBF is proud to be a partner in the Abu Dhabi Human Resources Authority (HRA) and ADGM Academy Job Centre programme initiative. This ambitious initiative will mitigate the gaps between labour market supply and demand, and support UAE National talent acquisition by providing skilled and job-ready candidates.

Growing Profile

Thought leadership: LIBF MENA has been raising its profile across MENA and engaging with the banking and finance community through participation in events and thought leadership initiatives. This included working closely with the MENA FinTech Association (MFTA) on the publication of white papers, including an Open Banking report published in November and the SHIFT series of reports on the future of cross-border payments in MENA. These reports are published via our website.

Alumni: In October, we held the first Higher Education Alumni event for students and graduates of our Executive Postgraduate Certificate programmes attended by our Chief Executive, Alex Fraser, and Managing Director for Higher Education, Hema Tank.

In the news: LIBF MENA Managing Director, Kareem Refaay, was in the news in recent months discussing topical banking issues and reaching audiences across the UAE and GCC region.

Recruitment: The LIBF MENA office seeks to build capacity in support of delivering its core objectives. In the year, we recruited a Director of Business Operations. Furthermore, the work of the office has been ably supported by young Emirati interns who provide support to our Marketing and Programme Management teams.

Looking Ahead

We will look to expand the take up of the International Banking & Finance certificate programmes with new clients in Abu Dhabi and across the MENA and GCC region to help establish the International Banking & Finance certificate pathway as the 'go to' certification for early career bankers.

We aim to leverage the programme portfolios from the three LIBF Research Centres to provide executive education and bespoke programmes in digital banking and fintech, sustainable finance, and governance, risk and regulation. These disruptive trends remain in sharp focus among banks and regulators in the region and present training opportunities.

Working with banking institutes and select universities across the region, we will develop pathways and opportunities to study the LIBF Higher Education Executive Postgraduate Certificates in Sustainable Finance and in FinTech and provide progression to the LIBF Masters in Banking & Finance.

Working with key stakeholders and clients, we will expand initiatives to create community impact through financial inclusion, employability and gender diversity.

We will support thought leadership and knowledge sharing by working with the banking community, networks and alliances to produce reports and host events and programmes that address the specific challenges and opportunities in the MENA and GCC region.

Key Risks

- **It is vital that we can keep pace with changing learning preferences and are able to respond quickly to opportunities from banks for digitally enhanced and delivered learning content.**
- **We are aware of the need to reach a broad range of clients and learners across the region to enable us to avoid concentration risk.**
- **The education and training arena in MENA/ GCC is highly competitive and we need to remain alert to diversify and update our programme offer and other learning solutions to meet the needs of clients and stakeholders.**

Key Strategic Priorities

During the year, we have continued to work on our People Strategy with the aim of keeping people engaged in the ever-changing world of work. Our strategic priorities are:

- To develop a culture that supports the next stage of our business transformation to enable us to deliver an effective service to our customers.
- To recruit, successfully onboard and retain the right people to continue our journey to become an employer of choice.
- To develop and upskill our people to be able to encourage high levels of performance.
- To ensure our reward mechanisms are fair and transparent and that we recognise our people for their efforts and achievements.
- To create a working environment that considers the needs of all stakeholders and ensures equality, diversity and inclusion for all.
- To create a working environment where our employees' health and well-being are integral to the success of the business.

Measuring Success

Developing our people: in 2021, the average number of development hours per employee was 8 hours; this has increased slightly from our 2020 figure due to the easing of the Covid-19 pandemic.

During the year we:

- continued to offer our learning activities online and virtually;
- delivered a Leadership Programme to support our Leadership Principles across the organisation;
- delivered development to support our competency framework;
- have continued to use and improve our performance management system;
- have supported our staff to study further qualifications.

Recruitment and retention: We continue to strive to be an employer of choice and have focused on how we recruit and retain skilled workers, particularly working at home and in a hybrid way. The recruitment market in 2021 was particularly challenging, with low unemployment and a high number of vacancies, with fewer skilled candidates. A review of our recruitment procedure with new recommendations assisted us to stay competitive and work effectively with our recruitment methods. These recommendations have been reinforced to our managers at our annual briefing sessions. We have also maintained a clear focus on our onboarding promise, the process from interview to job offer and induction, and by market analysis and benchmarking against methods within the industry. Engaging our workforce is key to our success.

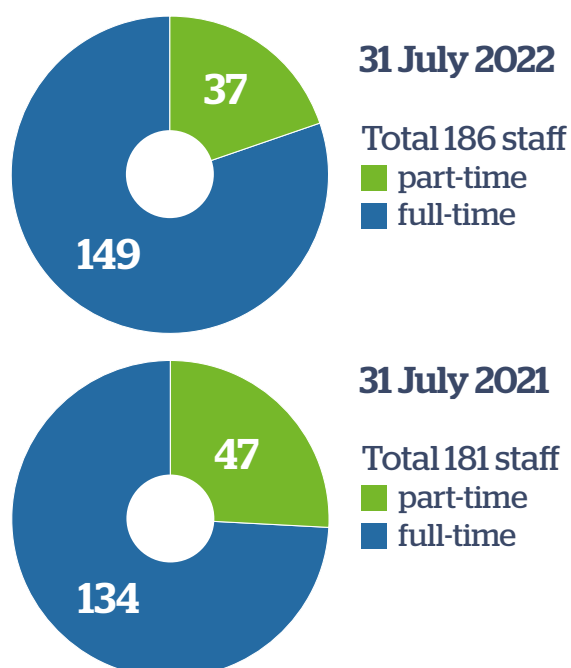
We continue to make vacancies available to all internal applicants and to provide feedback to unsuccessful employees after the interview, outlining suitable development where appropriate. This work has resulted in our voluntary turnover rate remaining low and within the national average.

Retaining our people: Although still low, our voluntary turnover rate in 2021/22 increased slightly to 11.2% from 10% in 2020/21. Like many organisations, we have had more leavers in the last 12 months as workers change industry or reconsider their career priorities after the pandemic. After an in-depth analysis from our leavers, and by implementing our updated recruitment procedure, we aim to attract staff of the highest calibre.

Maintaining our employer brand: Our rating on Glassdoor over the last 12 months to July 2022 has increased slightly from 3.8 to 3.9.

Maintaining our sickness absence rate below the national average: In 2020 the UK sickness absence rate was at 2.2% (Personnel Today). In 2021 this increased to 3.1%. It is suggested that lifting the measures to stem the spread of Covid-19 in the second half of 2021 contributed to an increase in sick days. Our sickness rate in 2021 was 1.24% so our absence days as an organisation were under the national average. Out of our total absence figure, 13% was related to Covid-19.

Increasing flexible working practices: We have continued to encourage managers to offer flexibility to our employees with hybrid working opportunities and flexibility with hours to suit individual circumstances. Our part-time workers have decreased slightly in the last 12 months, however recent feedback from our manager briefings suggests that individuals feel that our culture is now more flexible with its approach.





Reward: During the year we introduced a global discount platform to make our benefits more inclusive across the organisation as well as communicating with employees about the market rate process and benefits available. We are continuing to recognise our employees' length of service and to market rate all our roles to ensure that we are rewarding our staff at the appropriate level. In the last 12 months, our Pension Governance Committee has reviewed the performance of our pension provider and implemented a pensions communication plan to increase our employees' knowledge of pensions.

Engagement: Employee engagement activity has been maintained during the year with regular Town and Village Hall meetings organised by our staff representation group Your Voice. Other engagement activities have included social events, well-being activities both online and in the offices and some face-to-face learning and development activities. We continue to encourage a feedback culture within the organisation.

Well-being: Our success as an organisation is very much dependent on the well-being of our staff. We follow our well-being commitment with the overall aim being that we take a people-centred approach and have a company culture which recognises that well-being is high on the agenda and part of our people strategy going forward.

Our well-being activities have been affected by the pandemic and our move to working from home during 2020. This has meant we have had to change the type of things we offer to employees. Activities have included virtual 'bring your pets to work' sessions and information sessions on salt awareness, back care, diabetes, World Cancer Day and the menopause. We have also continued our informal remote buddy groups to which all new joiners are invited, along with promoting our employee assistance scheme, where staff can access a 24-hour counselling service. We also continue to have Mental Health First Aiders.

We have a regular programme of learning and development around health and well-being, e.g. mental health and to recognise the importance of this we have repeated our resilience training courses for staff throughout the organisation on an annual basis.

Looking Ahead

In the coming year we are planning to continue to work on the key HR strategic themes aiming to support the business areas to achieve their objectives.

Our focus will be on implementing the proposals which have been identified as part of the Leadership Programme via the Action Learning sets, identifying equality, diversity and inclusion priorities, reviewing succession and talent management practices, implementing our revised recruitment and retention practices and focusing on reward and recognition.

Key Risks

- **We face increased risks in the recruitment market, with the best candidates only on the market for a short period of time. This causes potential difficulties in completing shortlisting and interviewing quickly enough.**
- **We will continue to develop our employees to encourage retention but face the situation where promotional opportunities can be limited due to the size of the organisation. We will continue to encourage development and monitor our turnover rate.**

Equality and Diversity Policy Statement

We are committed to creating a culture in which diversity and equality of opportunity are promoted and in which unlawful discrimination is not tolerated. We recognise the real educational and business benefits of having a diverse community of staff, students, apprentices, members and subscribers to any services and therefore work towards building and maintaining an environment that values such diversity. To meet this commitment, we aim to ensure that:

- individuals are treated solely on the basis of their abilities and skills;
- nobody is discriminated against on grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation;
- it affords its students, members, subscribers and employees the opportunity to fulfil their potential;
- it promotes a supportive environment for staff, students and visitors.

We will aim to create a working environment that considers the needs of all stakeholders and ensures equality, diversity and inclusion for all.

CENTRE DIGITAL BANKING AND FINANCE

Over the last 12 months our virtual Certified Fintech Practitioner (CFP) programme has built on its previous success and been delivered to over 100 students in four cohorts producing income of circa £60,000. As in the previous year, the programme has attracted students from organisations and countries not normally served by LIBF programmes and we also delivered the first private session of the programme to executives in one of the world's leading development banks. Our efforts to support increased diversity in the sector through CFP have also continued with the award of 15 Women in Fintech Scholarships across the year.

Elsewhere in the training and executive education space, we have now developed an extensive course library that we are able to offer to clients and have worked closely with our relationship management teams and international partners to successfully deliver a number of corporate and regional training programmes. Activity of note in the year includes working with the MENA Fintech Association to develop and deliver a course on Sustainability Leadership for FinTechs, partnering with a LatAm-based banking institute to deliver fintech leadership courses to their members and continuing to deliver insight webinars on global fintech developments for a South-East Asia financial services regulator.

Our programme of popular webinars and podcasts continued throughout the year, though at a slightly reduced frequency, reflecting the changing needs of our stakeholders. Highlights included a very well attended session on the potential impacts of Web 3.0 on the financial sector and one exploring the Buy-Now-Pay-Later phenomenon and its possible impacts for the industry and consumers.

To complement our webinar series, we also published a series of insight articles and blogs via the centre's dedicated microsite.

Topics explored in the year included digital trade finance, NFTs and EFTs, cybersecurity and innovation. We also featured the career stories of a number of the alumni from our CFP programme, highlighting the benefits of learning for personal and career development.

Another priority for the year was to expand and diversify our faculty of subject matter experts and guest speakers. Over the past 12 months we have added expertise to our network in areas such as Web 3.0 and the metaverse, alternative finance and artificial intelligence.

Members of this network have also represented and helped raise awareness of LIBF in a variety of public forums such as speaking at conferences and contributing articles to publications and industry websites. Most notably, Helene Panzarino, Co-Founder of the Centre, has maintained her high profile in the sector and for the third year running has been shortlisted by Computer Weekly for their 'Most Influential Woman in UK Tech' award.

We will be relaunching the CFP course in September in a new format that reduces the reliance on live virtual teaching. The new format will enable us to expand the maximum number of students in any given cohort and also work with international partners to offer sessions targeted at students from their regions – using shorter live webinars to provide local case studies and context.

We will also be developing a new entry-level fintech programme, following positive feedback on the concept from a number of key corporate partners. The new programme will be delivered fully online and on demand and will be designed to provide new entrants to both the banking and financial technology sectors with the fundamental knowledge of fintech and innovation they will need to progress their careers.

CENTRE FOR GOVERNANCE, RISK AND REGULATION

The Centre for Governance, Risk and Regulation supports the organisation's need by enhancing its visibility, developing its capabilities in the executive training area and developing new, and supporting existing, programmes in the rapidly evolving fields of governance, risk and regulation. LIBF draws on its historical roots and network of senior alumni to support these aims.

We focus on corporate rather than open programmes, except when these are run by partner organisations. We run existing, and develop new, training programmes, propose outlines and ideas to support sales and relationship-building efforts. In the past year, members of the Centre's faculty of experts were deployed on programmes in Malaysia, Bahrain, Tunisia, Morocco, Egypt and Algeria as well as the UK. Our offering is delivered either online – for the majority during the pandemic period – and increasingly face to face again.

We set up a Next Gen Faculty, led by Katie Shanahan, to help encourage the next generation of professionals to share their insights and perspectives on the evolving finance sector. They focus on three critical areas – sustainable finance, digital banking and fintech, and risk and governance – working with our three [research centres](#). Some examples of output include an article on how different age groups assess climate risk, or a podcast on the theme 'experience versus expertise' with Olivia Jennings and Katie Shanahan.

The Centre's content output takes place through events in live but virtual delivery. We also produce content in the form of videos, podcasts and articles/blogs on relevant themes that dovetail with our strategic intents. We expect our virtual faculty

to participate actively in the production and dissemination of content. For example, Andrew Cunningham authored a blog on 'inflation, banks and financial institutions' and hosted a webinar on the return of inflation with Paul Fisher, Mark Cliffe and Bryan Foss on the panel, all of whom are members of the Editorial Board. Several podcasts and articles were produced on topics such as geopolitical risk, risks from the top, and soft skills from the military, which can be accessed via the Centre's web page.

The Centre has its own microsite, risk.libf.ac.uk/. Members of the faculty have also been active participants in a range of both physical and virtual events run by third parties. Most recent events include an OJK webinar titled 'Agile Banking and Geopolitical Risk', delivered by Olivier Beroud and Derek Leatherdale on 14 July 2022 to a large audience in Indonesia.

In the next financial year, the Centre's focus will be on further programme development and delivery through partnerships, with the expectation that much of this course delivery will be to international cohorts. We continue to run our successful leadership course with our Malaysian partner, the Asian Banking School. We continue to produce content that is closely related to environmental and digital topics in collaboration with our sister centres, and are working on programmes for partner organisations in the Middle East and Asia with appropriate international institutions and education providers.

The Centre also continues to explore opportunities to deliver virtual executive training to corporate clients directly and is developing a portfolio of virtual workshops to form the basis of this offer.



Climate change and environmental, social and governance (ESG) risks have become top priorities for financial institutions, companies and governments. Over the past year, regulators have increased their pressure for a robust climate-related risk management framework. The LIBF Centre for Sustainable Finance (Centre SF) is well positioned to support students and organisations in their progress towards a greener economy.

Progress against the strategic objectives will be measured through a series of activities:

- Engaging with other institutions to raise the profile of LIBF and create new connectivity. The range of external parties includes financial institutions, companies, governments, international development institutions, NGOs and other universities. Progress on this can be measured by the quality of the relationships that are established and maintained.
- Generating research content for consumption by clients and for use by LIBF colleagues in general marketing. Content includes publication of white papers and an aspiration to produce quality academic research. It also includes other media content such as webinars, podcasts, interviews and publication in the media. Measurement is best achieved by monitoring attendance, access to the Centre SF website, downloads of material and usage of recordings.
- Commercial activity that generates revenue for LIBF. This includes any consultancy work, projects, or contributions to courses that relate to sustainable finance that are run by LIBF. These contributions could be in the form of course design and delivery. Metrics are both monetary and the quality/quantity of work undertaken.

The context of the pandemic and the absence of overseas travel have impacted the capabilities to engage into academic or commercial exchanges. Many institutions have been operating in a crisis or post-crisis mode, with reduced appetite to engage with discussions around courses and training. Despite the internal and external context, the year showed some good contributions to the strategic objectives. The Centre has still been active through various online events and

activities to maintain its visibility. More importantly, we have been mobilising a virtual faculty of more than 15 subject matter experts who are now contributing to the reputation of the Centre.

We have continued to engage actively with trusted partners to develop quality academic propositions and training programmes on sustainable finance. This engagement was still limited to online meetings and webinars due to the pandemic, however, we had our first post-Covid-19 face-to-face training in July. LIBF partners in the field of sustainable finance include the Abu Dhabi Global Market Academy and the Bahrain Institute of Banking and Finance. We have also delivered specialised training on sustainable trade finance with Coastline Solutions, and continued our partnership with WRAP, the UK-based NGO, in the P4G-funded 'FLAWLESS' project, which aims to halve food loss and waste (FLW) in alignment with Sustainable Development Goal (SDG) 12.3.

We have achieved our objective to produce relevant content by working with institutions and also to publish quality academic research. We published further white papers, blogs and interviews during the year. Our communication is now highlighted by the relaunch of our microsite.

The most positive achievement has been the significant demand from financial institutions for specialised training in the fields of climate-related risk and ESG risks. As the final stage of the North Africa Technical Assistance Facility programme, we have delivered a comprehensive programme about climate-related risks to banking and insurance institutions in Algeria, Egypt, Morocco and Tunisia. We have also delivered a number of training sessions about sustainable finance or climate-related risks with partners like EFMA (now Qorus), the Bahrain Institute of Banking and Finance and the Asian Business School.

In the next financial year, the Centre will present a revised library of courses 'The A to Z of Sustainable Finance' to cover financial institutions' needs. The courses can be delivered standalone or in combination to make larger 'programmes' and adapted to meet client needs. This will support the development of our commercial activities, especially in the MENA and APAC regions.



Working to Address UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) are 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. We continue to focus on the SDGs where we believe we can make the most impact through our operations.

Our Equality, Diversity and Inclusivity Committee oversee and advise our EDI activities which address the UN Goal 'Gender Equality' (Goal 5) alongside 'Reduced Inequalities' (Goal 10).

DocuSign has helped replace over 16,690 sheets of paper, saving trees, water, CO2, & waste



16,690 sheets of paper



2 trees



6,697 litres of water



640kg of CO2



44kg of solid waste

Goal 5: Gender equality



Targets seek to:

- end all forms of discrimination against all women and girls everywhere;
- ensure women's full and effective participation and equal opportunities for leadership.

LIBF actions

- We are committed to encouraging and supporting a diverse student community. Our REACH programme encourages people from underrepresented groups to sign up to our degree programmes and begin their careers in banking and finance. We support and encourage student societies that have a focus on inclusivity (e.g. Women in Finance), and have students on our committee.
- We are committed to having an inclusive workplace. Our senior leadership team is gender equal and supportive of our initiatives in this area. Lean In Circles are in place where female staff and students can connect and support each other.
- Below are some examples of initiatives that have taken place during the year:
 - focused on the diversity of our faculty to ensure they are representative of our students and provide meaningful insights from a range of perspectives;
 - celebrated a range of national events with staff and students, e.g. Pride, Black History Month, and International Men's Day;
 - raised awareness of alternative pronouns and the importance of allyship in this area. Also adapted our systems to make it easier for our stakeholders to declare a range of titles or pronouns.

Goal 12: Responsible consumption and production



Targets aim to:

- increase sustainable management and efficient use of natural resources;
- halve food waste;
- ensure environmentally sound management of chemicals and all wastes;
- reduce waste generation through prevention, reduction, recycling and reuse;

- adopt sustainable practices;
- share relevant information and awareness for sustainable development.

LIBF actions

- Began gathering data to measure our carbon footprint.
- Our staff Environment group meet regularly to discuss key environmental issues.
- Produced and shared environment-focused newsletters with staff to promote responsible consumption and production (Goal 12) and climate action (Goal 13) awareness.
- Published and promoted seven blogs on sustainable finance.
- Provided education for employees and students to reduce waste and energy use.
- Recycling carried out on all sites and encouraged for home workers.
- Premises fitted with energy reducing sensor lights and water saving dual flush toilets.
- Redundant electronic equipment recycled using WEEE 2 (Directive 2012/19/EU) compliant disposal companies.
- Waste removal contractors hold correct waste transfer notes.
- Printer toners and used light tubes are disposed of correctly.
- National Living Wage is a requirement for contractors.
- Due diligence carried out on all suppliers.
- COSHH risk assessments are in place.
- In 2021 we transferred from plastic membership cards to fully compostable cards. We are taking one step further this year with compostable cards only being issued to Chartered, Fellow and Chartered Fellow membership types.
- Membership stationery was moved to a fully compostable solution and the paper used within the annual renewal pack is part of the carbon capture programme supporting the Woodland Trust.
- Digital badges and email renewals will replace postal membership packs for all standard membership types from the November 2022.
- Usage of cheques and postal orders as a method of payment for membership will no longer be available from this year, with us promoting digital payment solutions to further reduce our carbon footprint.

Financial Review – Results for the Year Ended 31 July 2022



Ian Parrett
Chief Operating Officer

Introduction

As an educational charity incorporated under Royal Charter, The London Institute of Banking & Finance uses all its income to advance banking and finance by providing outstanding education and thinking, tailored to the needs of individuals, business and society.

We receive a variety of tax exemptions on our educational activities and on our investment income and gains. We are also entitled to an 80% reduction in business rates on the property occupied for our charitable purposes. The financial benefits received from these tax exemptions are all used for educational purposes.

The fees, kept as low as possible to ensure affordability and wider access, are sufficient to cover the cost of running current programmes and investing in new ones. Funding comes from a variety of sources both public and private. Employers fund many students and some students, studying for qualifications that are in Ofqual's Qualifications and Credit Framework (QCF), have indirect access to public funding. Full-time students studying for a degree on an appropriate 'designated' course are eligible to borrow their fees from the Student Loans Company.

The Institute is supported in its activities by its wholly owned subsidiaries, LIBF Learning Ltd, whose main activities encompass sponsorship and events, The London Institute of Banking & Finance (MENA) Ltd, which covers all activities within Abu Dhabi and The London Institute of Banking & Finance (APAC) PTE Ltd which supports all activities within the APAC region.

The deficit of £154,000, shown in the consolidated statement of comprehensive income and expenditure on page 34, is broken down as follows:

	Income £000	Expenditure £000	Surplus £000
General fund	19,172	-18,858	314
Restricted funds	11	-31	-20
Strategic investment	-	-205	-205
EBITDA	19,183	-19,094	89
Interest	-	-24	-24
Depreciation	-	-219	-219
	19,183	-19,337	-154

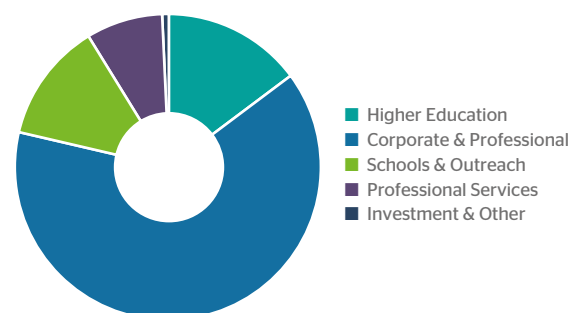
The general fund is the primary fund against which underlying financial performance is measured. We look to generate a surplus to produce sufficient

cash to support strategic objectives and long-term sustainability, targeting an annual surplus (EBITDA) as a percentage of revenue of between 5-10%. Depreciation, investment performance and funds allocated to strategic projects are excluded from this calculation so we can focus on the ability to generate cash flow. Restricted funds include the Alumni Fund, which gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals through funding and scholarships; the Bursary fund, which provides means-tested assistance to both full and part-time students, and The Grunfeld Foundation, which supports the education of people working in banking and financial services in London.

Strategic funds are those that have been designated by the board separately from the general fund for major projects.

Income

Total income from continuing operations for 2021/22 was £19.183m, an increase of 4.7% over the previous year's total of £18.315m, with the key revenue analysis as follows:



Within Higher Education, revenue from full-time degree programmes increased by 35% to £2.2m. This reflects several years of increases in student intakes. Revenue from part-time courses was also up 16.4% to £611k as demand continued to grow for degree apprenticeships.

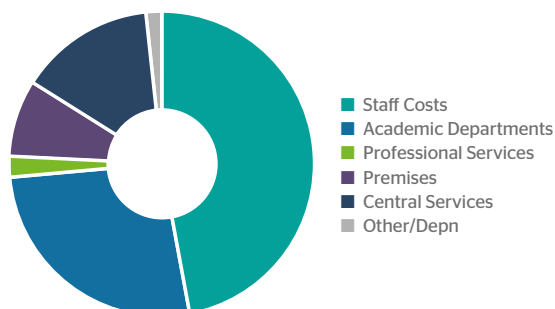
Professional education qualifications revenue grew by 2.6% to £12.24m. Demand for mortgage advice, financial advice and trade finance qualifications fell during the year following the previous year's bounce-back from Covid-19. However, there was a significant increase in activity in the middle-east with revenue from the MENA over double the previous year at £3.6m.

Overall registrations for Financial Education qualifications fell by 3% to £2.45m as there was a one-off programme in the MENA region in the previous year. UK revenue was ahead by 4.2% with increases seen across most of the qualification levels.

Professional services revenue grew by 8.7% with membership revenue staying in line with the previous year combined with a growth in training programmes.

Expenditure

Total expenditure for 2021/22 was £19.34m, an increase of 11% over the previous year's total from continuing operations of £17.44m, with the key analysis as follows:



As the organisation recovered from the impacts of the Covid-19 pandemic and the resulting increase in activity, staff costs have risen by 11.6% to £9.129m and represent a 48% of income (2021/22 45%).

Costs for academic departments increased by 14% to £5.078m, reflecting the increased volumes delivered during the year with costs for Professional Services rising 15.1% to £420k as a result of the increase in training programmes.

Premises costs increased by just 2.3% to £1.57m which is helped by fixed costs on rented properties in a time of higher inflation. Central costs rose by 6.8% to £2.81m with inflationary increases contributing together with higher costs of non-recoverable VAT.

Investments

During the year £2.385m was withdrawn from the fund as part of a planned process of closing the general investments funds to prepare the business sale (please see section on going concern below). £850k of this was used to repay the Coronavirus Business Loan (CBIL) with the balance retained in cash. Following that withdrawal, assets of £1.087m (2021 £3.543m) remain in the investment fund of which £460k is held for restricted funds. The remaining general fund investments will be divested prior to any business sale going ahead.

The Trustees, through the Senior Executive Team, delegate the discretionary powers of management of our fixed-asset investments to investment manager Rathbones.

The investment objective is to maximise long-term total return and it is measured against an agreed target. There is no specific direction given to the investment manager regarding social, environmental and ethical considerations.

Pensions

The London Institute of Banking & Finance operates two schemes: a defined-contribution scheme, which is available to all employees, and a defined-benefit scheme that closed to future accrual on 31 March 2009.

The most recent triennial valuation of the defined-benefit scheme was 31 December 2019, and this showed a technical provisions surplus of £2.42m (106% funded). No contributions were made to the fund during the year but, from 1 August 2021, LIBF has agreed to pay £100,000 per annum to the fund as a voluntary employer contribution as it aims to reach a fully funded position on a low-dependency basis. As at 31 December 2021, the surplus had increased to £3.757m although that doesn't factor in the decision to align the Retail Price Index (RPI) with the Consumer Price Index (CPIH) which was estimated to increase liabilities by around £2.8m.

Financial Outlook and Going Concern

To ensure we have a sound financial base and are well resourced to meet the challenges and opportunities we face, the long-term strategic plan contains key performance indicators (KPIs) on the level of operating surplus (excluding strategic investments) that we should generate each year – broadly 5-10% of revenue.

The strategy also outlines provision for building reserves and cash so they fall within the boundaries of our reserves policy. We aim to maintain a level of reserves that would enable us to fulfil our future commitment to existing alumni and students, notwithstanding unforeseen adverse events. The KPI, a target range for the appropriate quantum of reserves, is currently estimated to be one year's operating costs in respect of alumni services, plus between one and two years' operating expenditure relevant to the provision of qualification services. This equates to a target level of between £6m and £12m.



Reserves for this purpose are defined as consolidated unrestricted income and expenditure reserves less tangible fixed assets. The overall value of those reserves decreased by £151k to £2.403m as follows:

	2021/22 £000	2020/21 £000
General reserves brought forward	2,554	895
Surplus/(deficit) in general funds	314	1,236
Strategic investments and capital	-358	-230
Loan interest	-21	-
Investment gains	-86	653
General reserves carried forward	2,403	2,554
Represented by: unrestricted income and expenditure reserve	4,185	4,402
Less: tangible fixed assets	-1,782	-1,848
	2,403	2,554

However, as described above, the objects of the charity will have to be changed and the activities will be fundamentally different. There are currently no alternate plans in place from August 2023 to continue.

For the reasons above, the Board has prepared the financial statements on a basis other than a going concern.

The forecasts and budget for 2022/23 indicate a surplus in line with the reserves policy requirements which we estimate will grow in the next four years within the targets set by the financial strategy. Early trading for 2022/23 indicates we have met our target intakes for full-time students and other qualification revenue is in line with projections.

However, on 24 November 2022, the Board of Governors signed an agreement with a third-party University Group to sell the business. This includes the trade of the organisation and all assets and liabilities (including the defined benefit pension fund) but excluding the restricted funds. The completion of the sale is subject to numerous regulatory approvals including the OfS, FCA, Ofqual and the Privy Council. Whilst the Board are currently unable to confirm an exact date of the transaction, it is expected to be completed sometime in the first quarter of 2023.

In return, the Charity will receive a considerable sum of money to invest in new projects and it is anticipated, subject to Charity Commission consent, that the main Charitable purpose will change from education to grant making. The Board are currently working with a third-party consultancy on a new strategy and business plan to be implemented sometime after the transaction has been completed.

The Board had produced a budget for the 2022/23 financial year which showed growth in activity, a surplus position and sufficient cash to continue trading over this period, or if shorter, to the expected date of sale sometime in the first quarter of 2023.

Structure, Governance and Management

The governing body of The London Institute of Banking & Finance is the Board of Governors, which comprises the Chair, the Chief Executive and up to 15 appointed members, including a representative from the student body and a representative of the academic community. As Governors, members of the Board of Governors have a single overarching responsibility, which is to ensure that we fulfil our object as stated below. In addition, the members of the Board of Governors are the Trustees of the charity.

Corporate Governance

We have adopted the Charity Governance Code published by the Charity Governance Code Steering Group (a cross-sector collaboration with an independent chair). The code is not mandatory, but we have decided to adopt it. We also take into account the Guide for Members of Higher Education Governing Bodies in the UK and the HE Senior Staff Remuneration Code, both published by the Committee of University Chairs.

Constitution

The London Institute of Banking & Finance was established in 1879 as the Institute of Bankers and has latterly used the working names Institute of Financial Services, ifs School of Finance and ifs University College. It was incorporated by Royal Charter in February 1987 and registered as a charity in June 1987. Amendments to the Charter followed in February 2000, December 2003, July 2006, May 2008, July 2010 and September 2016. These included formally changing the name and changes to the governance.

Charter

The Charter sets out our objects and powers. It requires us to establish a Board of Governors, who are the Trustees, and an Academic Board.

The object for which we are constituted is the advancement of knowledge of, and education in, financial services as the Board of Governors may determine from time to time, and to carry out research and publish the useful results of such research for the benefit of the public.

The Trustees are cognisant of the Charity Commission guidance on public benefit and, in particular, guidance for fee-charging charities. The Trustees are satisfied with the steps they have taken in this regard.

Board of Governors

Members of the Board of Governors include senior personnel within the financial services and educational sectors who 'donate' their expertise, experience and limited time on a voluntary basis to act as Governors.

The primary responsibility of the Board is to oversee our strategic academic and educational direction and monitor the progress through regular, timely reporting, including reports from all of the key Committees and reviews of key performance indicators. The Board also oversees the management of the finances, property and all business affairs.

Statement of Responsibilities of the Board of Governors

The Governors are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Governors to prepare financial statements for each financial year. The Governors have to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of our state of affairs, and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain our transactions, disclose with reasonable accuracy at any time our financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of our Charter and Statutes. They are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



The Board meets at least four times a year and receives regular reports from management on our operational aspects, including a quarterly update against the operational plan and minutes from all of the sub-committees, including the Academic Boards. At least one of the meetings includes a review of the strategy and five-year plan.

Through leadership of the Board, the Chair plays a key role in our business, ensuring that we are well connected with our stakeholders. The Chair promotes the well-being and efficient operation of the Board, and ensures that members work together effectively and have confidence in the procedures laid down for the conduct of business. The Chair ensures that committees play a central role in the proper conduct of the Board's business by exercising delegated powers and reporting back to the Board appropriately. The Chair should not be drawn into the day-to-day executive management.

Day-to-day responsibility is delegated to the Chief Executive leading the senior executive team. The Chief Executive is our academic and executive head and is responsible to the Board of Governors for academic, business and financial affairs, and for advising the Board on strategic direction.

It is management's duty to report on operational matters to the Board, including any variances to plan, and to ensure that the Board is presented with relevant information to support its debate on strategic issues.

Governor Selection and Induction

Board members are selected from the financial services industry, commerce, the educational system, the securities and investment sector, and public services.

When first elected to the Board, members receive a personalised induction programme, which comprises briefing sessions with the Chief Executive. These sessions provide Governors with an insight into our workings, nature and the Board; our strategic objectives; and their personal responsibilities as Governors.

In addition, opportunities are provided to meet other members of staff engaged in our activities, and an information pack is available for new and existing Governors. Governors are required to complete a register of interests and a fit and proper person declaration.

Board of Governors (Trustees)

The Trustees as at 31 July 2022 are as follows:

Steven Haberman (Chair)

Steven is currently Professor of Actuarial Science at Cass Business School, City, University of London. From 2002 to 2012, he was Deputy Dean and Director of Cass Business School, and then Dean for three years to the end of 2015.

Steven graduated in mathematics at the University of Cambridge. He qualified as a Fellow of the Institute of Actuaries in 1975, and obtained his PhD and DSc in actuarial science from City University. He is also a Fellow of the Royal Statistical Society and of the Institute of Mathematics and an Honorary Fellow of the Italian Institute of Actuaries.

Steven has worked at Prudential Assurance and for the Government Actuary's Department, and has been a member of the Council of the Institute and Faculty of Actuaries (for two terms). He has also been a member of TheCityUK Advisory Council, Governor of the City of London Academy Islington, and a member of the External Advisory Panel to the Morris Review of the UK Actuarial Profession, as well as a founder member of the Financial Reporting Council's Board for Actuarial Standards. He has acted as a consultant to Deutsche Bank, Swiss Re, the Financial Services Authority and the National Audit Office, among others.

He is currently a member of Legal & General's Longevity Science Panel.

He has co-authored 5 books and has written over 190 papers on a wide range of topics, including mortality and morbidity models, annuities, insurance pricing and pensions. His papers have won research prizes from the Institute of Actuaries (UK) and Society of Actuaries (US). He has also successfully supervised 33 doctoral students.

Alex Fraser

John Annette

Binta Darboe *Student Representative*

Sabrina Del Prete

Shelley Doorey-Williams

Paul Gordon

David Kennedy

Ali Miraj

Sakhila Mirza

Philip O'Shea

Arjan van den Berkmortel

Damian Ward

Eddie Webb *Student Representative*

The following Trustee served during the year but was not a Board member when this report was signed:

Annabel Todd (resigned November 2021)

Committees of the Board of Governors

Board of Governors			
Academic Board	Audit Committee	Remuneration and Nominations Committee	Executive Committees

Academic Board

The Academic Board is our supreme academic authority and guardian of the academic integrity and quality of our higher education awards.

The membership of the Board comprises a majority of persons with academic knowledge and experience at a senior level. The Board is chaired by the Chief Executive and is attended by all of the relevant academic heads and directors. Appointed members include no more than twelve academics with relevant qualifications and experience, one academic delivering teaching for our academic awards, two representatives of the student body, and one elected member of staff responsible for the delivery of the academic programmes who does not manage other staff engaged in such delivery. The principal functions of the Academic Board include to:

- guide the Board of Governors on educational strategy, legislation relating to educational provision, regulatory requirements affecting the award of degrees and the implications of the development of further or revised academic provision;
- approve courses and programmes of study leading to academic awards and all significant amendments or discontinuance;
- regulate all instruction, teaching and research;
- prescribe the criteria, procedures and guidelines for the assurance and the quality and standards of all courses and programmes of study and research;
- prescribe the requirements concerning all matters of academic sufficiency under which students shall be permitted to pursue their studies.

The Academic Board meets at least four times a year and minutes of its meetings are reported to the Board of Governors.

Board members and external members of the committee are:

Alex Fraser (Chair)

John Annette

Tony Gandy

Cathy Higgs

Claire McCafferty

Gulnur Muradoglu

Osmond Plummer

Mark Shackleton

Hema Tank

Damian Ward

Suellen White

Audit Committee

The basic responsibility of the Audit Committee, which meets at least twice a year, is to satisfy itself as far as it can that the annual accounts follow approved accounting principles and give an accurate account of our affairs in as comprehensible a way as possible. It must satisfy itself that the external auditors have no cause for disquiet about any aspect of the accounts or of our control and audit procedures. The Committee also monitors the risk management and internal control processes and provides the Board of Governors with an annual report of its work. The Audit Committee is chaired by a member of the Board of Governors, who is also a qualified accountant, and comprises at least one other Board member and one external member. It is also attended by a representative from the external and internal auditors.

David Kennedy (Chair)

Hanif Barma

Paul Gordon

Philip O'Shea

The following served during the year but was not a member when this report was signed:

Maria Vetrone (resigned March 2022)



Remuneration and Nominations Committee

The Chair of the Board of Governors chairs the Remuneration and Nominations Committee, which meets at least once a year. It is responsible for making recommendations to the Board of Governors on the appointment of Governors, the Chair of the Board, the Chief Executive and Chairs of Committees.

The Committee determines and approves a framework and consistent policy for us on remuneration and pension arrangements. It is specifically responsible for setting the terms of service of the Chief Executive and Secretary to the Board and considers, where necessary and subject to the legislation and regulations applying to charitable bodies, any remuneration for the Chairs of the Board and the Audit Committee.

Shelley Doorey-Williams (Chair)

Steven Haberman

Sakhila Mirza

Arjan van den Berkmortel

Damian Ward (Chair for discussion on remuneration)

Executive Committees

The Senior Executive Team comprises fortnightly meetings of business heads, which focus on strategy creation, budgets and financial review, and quarterly meetings of the Operating Committee, which oversees the successful management of operational risk, regulatory compliance and project management for shared services.

Senior Staff

Alex Fraser, Chief Executive

Anna Boyce, HR Director

Mark Heaton, Managing Director, Professional Education

Richard Martindale, Company Secretary

Claire McCafferty, Director of Studies

Linden Muirhead, Deputy Chief Operating Officer

Ian Parrett, Chief Operating Officer

Chris Ray, Director of Innovation and Transformation

Kareem Refaay, Managing Director, Gulf & MENA

Angela Sutton, HR Director

Hema Tank, Managing Director, Higher Education

Heather Tilston, Head of Marketing and PR

Suellen White, Registrar, Quality, Policy and Regulation

Catherine Winter, Managing Director, Financial Capability and Community Outreach

Organisation Risk Management

Strategic Risks

Those mainly in the external market and environment over which we have little or no control: we may be able to mitigate the impact, but we will not be able to control the probability of the risk occurring and the risk may have a fundamental impact on our future strategic direction.

Operational Risks

Relate primarily to our day-to-day running. These are more likely to be within our control, in terms of our ability to affect the probability of the risk occurring and to mitigate the impact.

Board of Governors

Ultimate responsibility for the system of risk management and control.

Audit Committee

Monitoring and reviewing the effectiveness of the risk management and control arrangements.

Senior Executive Team

Identification, assessment, management, monitoring and reporting of strategic risk.

Operating Committee

Identification, assessment, management, monitoring and reporting of operational risk.

Reference and administrative details

Charity name

The London Institute of Banking & Finance

Charity number

297107

Incorporated in England by Royal Charter, registered number RC000719.

Registered office

8th Floor
Peninsular House
36 Monument Street
London
EC3R 8LJ

Principal advisers

Bankers

Barclays Bank PLC
9 St George's Street
Canterbury
Kent
CT1 2JX

Solicitors

DAC Beachcroft
25 Walbrook
London
EC4N 8AF

External auditor

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Internal auditor

RSM UK
25 Farringdon Street
London
EC4A 4AB

Investment manager

Rathbones Investment Management Ltd
8 Finsbury Circus
London
EC2M 7AZ

The Report of the Board of Governors was approved by the Board of Governors on 24 November 2022 and signed for and on their behalf by



Steven Haberman

Chair

Disclosure of Information to Auditors

At the date of making this report, each of the Governors, as set out on page 25, confirm the following:

- so far as each Governor is aware, there is no relevant information needed by the Charity's auditors in connection with preparing their report of which the Charity's auditors are unaware; and
- each Governor has taken all the steps that he or she ought to take as a Governor in order to make him or herself aware of any relevant information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

Approved by the Board of Governors on 24 November 2022 and signed for and on their behalf by



Steven Haberman

Chair



Alex Fraser

Chief Executive



Independent Auditor's Report to the Board of Governors of The London Institute of Banking & Finance

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Institute's affairs as at 31 July 2022 and of the Group's and the Institute's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of The London Institute of Banking & Finance ("the Institute") and its subsidiaries ("the Group") for the year ended 31 July 2022 which comprise consolidated and institute statement of comprehensive income and expenditure, consolidated and institute statement of changes in reserves, consolidated and institute balance sheets, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 1b of the financial statements which explains that the Board of Governors have signed an agreement to sell the business and intend to transfer the trade and assets of the Institute. The Board of Governors therefore do not consider the Group to be a going concern.

Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note 1b. Our opinion is not modified in this respect of this matter.

Our responsibilities and the responsibilities of the board members with respect to going concern are described in the relevant sections of this report.

Other information

The board is responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters required by the Office for Students ("OfS") and Education and Skills Funding Agency

In our opinion, in all material respects:

- Funds from whatever source administered by the Institute for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS and Education and Skills Funding Agency have been applied in accordance with the relevant terms and conditions
- The requirements of the OfS's Accounts Direction (OfS 2019/41) have been met.

We have nothing to report in respect of the following matters in relation to which the OfS requires us to report to you if, in our opinion:

- The Institute's grant and fee income, as disclosed in notes 1 and 2 to the accounts, has been materially misstated.
- The Institute's expenditure on access and participation activities for the financial year, as has been disclosed in note 7b to the accounts, has been materially misstated.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information in the Governor's Annual Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the Statement of Responsibilities of the Board of Governors, the board members 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 Board 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 Board are responsible for assessing the Group and the Institute'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 Board either intend to liquidate the Group or the Institute 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.

Extent to which the audit was 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:

Based on our understanding of the Group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations are related to their registration with the Office for Students ("OfS") and their ongoing conditions of registration, and we considered the extent to which non-compliance might have a material effect on the Group Financial Statements or their continued operation.

We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the OfS Accounts Direction, Charities and Higher Education SORP and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The audit procedures to address the risks identified included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, including direct representation from the Accountable Officer.
- Reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and OfS to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility.

- Reviewing items included in the fraud register as well as the results of internal audit's investigation into these matters.
- Challenging assumptions made by management in their significant accounting estimates.
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the University have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the OfS and Education and Skills Funding Agency.

Use of our report

This report is made solely to the governors, as a body, in accordance with paragraph 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the University's board 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 University and the board as a body, for our audit work, for this report, or for the opinions we have formed.

James Aston

James Aston (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick
Date: 14 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



The London Institute of Banking & Finance is a Registered Charity and incorporated by Royal Charter in England and Wales.

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of investments and certain tangible assets. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): accounting for further and higher education 2019, and in accordance with Financial Reporting Standard FRS 102. We are a public benefit entity and have therefore applied the relevant public benefit requirements of FRS 102. The functional currency is pound sterling.

The Institute meets the definition of a qualifying entity under FRS 102 as the results of the Institute are consolidated into the group financial statements, which are publicly available. In accordance with FRS 102 section 1.12, the Institute has taken advantage of the exemptions in respect of the preparation of a cash flow statement, disclosure of the remuneration of key management personnel and the disclosure of financial instruments.

b) Going concern

On 24 November 2022, the Board of Governors signed an agreement with a third-party University Group to sell the business. This includes the trade of the organisation and all assets and liabilities (including the defined benefit pension fund) but excluding the restricted funds. The sale is subject to numerous regulatory approvals including the OfS, FCA and Ofqual and will require final approval of the Privy Council. Whilst the Board are currently unable to confirm an exact date of the transaction, it is expected to be completed sometime in the first quarter of 2023.

In return, the Charity will receive a considerable sum of money to invest in new projects and it is anticipated, subject to Charity Commission consent, that the main Charitable purpose will change from education to grant making. The Board are currently working with a third-party consultancy on a new strategy and business plan to be implemented sometime after the transaction has been completed.

The Board had produced a budget for the 2022/23 financial year which showed growth in activity, a surplus position and sufficient cash to continue trading over this period, or if shorter, to the expected date of sale sometime in the first quarter of 2023.

However, as described above, the objects of the charity will have to be changed and the activities will be fundamentally different. There are currently no alternate plans in place from August 2023 to continue.

For the reasons above, the Board has prepared the financial statements on a basis other than a going concern. No adjustments to the figures have been required as a result of this change in basis of preparation.

c) Basis of consolidation

The consolidated financial statements combine our financial statements and subsidiary undertakings. Further details of the subsidiary undertakings are disclosed in the notes to the accounts.

The subsidiary company, Institute of Financial Services Ltd, has remained dormant throughout the period. Both LIBF Learning Ltd, The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking (APAC) PTE Ltd were trading during the period and have been consolidated into the financial statements.

Overseas centres have not been consolidated on the basis that they operate as separate legal entities governed by their own constitution. The grants made are given on the express undertaking that they will be applied wholly for educational purposes. Grants are included on the basis of amounts payable.

d) Recognition of income

Income from tuition fees and education contracts is recognised over the length of the course being offered.

Investment income is included on a receivable basis.

With no new life subscriptions being received, the balance is being released to income over a 20-year period on a straight-line basis. Other subscriptions and income are included on the basis of amounts receivable and any amounts received in advance included within deferred income.

Donations are included in the financial statements on the basis of amounts received.

All other incoming resources are included in income and expenditure when we are legally entitled to the income and the amount can be quantified with reasonable accuracy. Any amounts received in advance are included within deferred income.

Gift Aid is recognised as a distribution at the point that a specific obligation has been created.

e) Accounting for retirement benefits

We operate a funded defined-benefit scheme, the assets of which are held in a specific trust separately from those of The London Institute of Banking & Finance. Contributions to the scheme are charged to the statement of financial activities so as to spread the cost evenly over employees' working lives with us. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method and discounted using an AA corporate bond rate. The pension scheme assets are valued at market rate. Pension fund deficits are recognised in the balance sheet, but surpluses are not recognised as assets where they cannot be recovered either through a refund from the scheme or reductions in future benefits.

We also operate a money purchase (defined-contribution) pension scheme. Contributions payable to this scheme are charged to the statement of comprehensive income and expenditure in the year to which they relate. These contributions are invested separately from the charity's assets in an independently administered fund.

f) Post-retirement benefits

financial statements on the basis of the net present value of future cash flows, with any gains or losses charged to the income and expenditure account.

g) Operating leases

Rentals paid under operating leases are charged to revenue on a straight-line basis over the terms of the leases. Where incentives are offered at the start of a lease, these are spread over the period of the lease. Transitional arrangements have been applied to those lease incentives already in place at the time of transition.

h) Foreign currency transactions

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the statement of comprehensive income and expenditure as they arise.

i) Fixed assets

Individual assets costing £1,000 or more are capitalised at cost.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated using the following rates:

Leasehold improvements	10% over initial lease term
Computer hardware and software	33% per annum on cost
Furniture and equipment	25% per annum on cost

Computer hardware, software and items of furniture and equipment under £1,000 have been charged in full to revenue in the year of purchase.

The freehold building is stated at cost and depreciated over a period of 50 years.

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use.

j) Investments

All investments are stated at market value, except for the 100% shareholding in the subsidiaries, which is stated at cost. Market values have been determined as follows, with realised and unrealised gains and losses taken to the statement of financial activities:

- quoted investments at mid-market value;
- unit trusts and managed fund investments are stated at the average of the bid and offer prices.

k) Stock and work in progress

Stock and work in progress are valued at the lower of cost or net realisable value.

Work in progress represents expenditure on the production of our publications where the first print is still to take place. Such expenditure will be written off at the first print run.

l) Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand and deposits but excludes cash held as part of the investment portfolio.



m) Taxation

We are an exempt charity within the meaning of the Charities Act 2011 and, as such, are a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988. Accordingly, we are potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. We receive no similar exemption in respect of value added tax.

The subsidiary trading companies operate as commercial organisations and are subject to corporation tax. The profits of these companies are Gift Aided to us and tax is provided for to the extent that trading profits exceed the amounts formally committed to in the year.

n) Reserves

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of our general objectives and which have not been designated for a specific purpose.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donors or which have been raised by us for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Consolidated statement of comprehensive income and expenditure for the year ended 31 July 2022

		Year ended 31 July 2022		Year ended 31 July 2021	
	Notes	Consolidated £000s	Institution £000s	Consolidated £000s	Institution £000s
Income					
Tuition fees and education contracts	1	17,501	13,635	16,607	14,977
Funding Body Grants	2	18	18	127	127
Other income	3	1,593	1,575	1,496	1,494
Investment income	4	70	89	82	85
Donations	5	1	1	3	3
Total income		19,183	15,318	18,315	16,686
Expenditure					
Staff costs	6	9,129	8,250	8,179	7,664
Other operating expenditure	7a	9,965	8,283	9,080	8,200
Depreciation	9	219	219	177	177
Interest and other finance costs	8	24	24	4	4
Total expenditure		19,337	16,776	17,440	16,045
(Deficit)/surplus before other gains and losses		(154)	(1,458)	875	641
(Losses)/gains on investment assets	10	(119)	(119)	743	743
Actuarial gain/(loss) in respect of pension schemes	22	248	248	82	82
(Deficit)/surplus for the financial year		(25)	(1,329)	1,700	1,466
Total comprehensive income for the year		(25)	(1,329)	1,700	1,466
Represented by:					
Restricted comprehensive income for the year		(53)	(53)	58	58
Unrestricted comprehensive income for the year		28	(1,276)	1,642	1,408
		(25)	(1,329)	1,700	1,466

All items of income and expenditure relate to continuing activities.
The accompanying notes on pages 38 to 47 form part of these financial statements.



Consolidated and institute statement of changes in reserves for the year ended 31 July 2022

Consolidated	Unrestricted £000s	Restricted £000s	Total £000s
Balance at 1 August 2020	2,515	426	2,941
Surplus from the income and expenditure account	1,642	58	1,700
Total comprehensive income for the year	1,642	58	1,700
Balance at 1 August 2021	4,157	484	4,641
(Deficit) from the income and expenditure account	28	(53)	(25)
Total comprehensive income for the year	28	(53)	(25)
Balance at 31 July 2022	4,185	431	4,616

Institution	Unrestricted	Restricted	Total
Balance at 1 August 2020	2,761	426	3,187
Surplus from the income and expenditure account	1,408	58	1,466
Total comprehensive income for the year	1,408	58	1,466
Balance at 1 August 2021	4,169	484	4,653
(Deficit) from the income and expenditure account	(1,276)	(53)	(1,329)
Total comprehensive income for the year	(1,276)	(53)	(1,329)
Balance at 31 July 2022	2,893	431	3,324

Consolidated and institute balance sheets as at 31 July 2022

		As at 31 July 2022		As at 31 July 2021	
	Notes	Consolidated £000s	Institute £000s	Consolidated £000s	Institute £000s
Non-current assets					
Fixed assets	9	1,782	1,782	1,848	1,848
Investments	10	1,087	1,087	3,543	3,543
		2,869	2,869	5,391	5,391
Current assets					
Stock and work in progress	11	60	60	30	30
Trade and other receivables	12	4,041	2,669	3,007	3,030
Cash at bank and in hand		3,075	2,721	1,400	1,343
		7,176	5,450	4,437	4,403
Creditors: amounts falling due within one year	13	(5,330)	(4,896)	(4,163)	(4,117)
Net current assets		1,846	554	274	286
Total assets less current liabilities		4,715	3,423	5,665	5,677
Creditors: amounts falling due after more than one year	14	-	-	(680)	(680)
Provisions					
Other provisions	15	(99)	(99)	(99)	(99)
Pension provisions	22	-	-	(245)	(245)
Total net assets		4,616	3,324	4,641	4,653
Restricted funds					
Income and expenditure reserve - restricted	16	431	431	484	484
Unrestricted reserves					
Income and expenditure reserve - unrestricted		4,185	2,893	4,402	4,414
Pension reserve	22	-	-	(245)	(245)
		4,185	2,893	4,157	4,169
Total Reserves		4,616	3,324	4,641	4,653

The financial statements were approved by the Board of Governors on 24 November 2022 and signed on its behalf on that date by:

Steve Haberman

Steven Haberman
Chair

Alex Fraser

Alex Fraser
Chief Executive and Accountable Officer

The accompanying notes on pages 38 to 47 form part of these financial statements.



Consolidated statement of cash flows

for the year ended 31 July 2022

	Notes	2022 £000s	2021 £000s
Cash flow from operating activities			
(Deficit) for the year		(25)	1,700
Adjustment for non-cash items			
Losses/(gains) on investments and property	10	119	(743)
Investment income	4	(70)	(82)
Depreciation, profit on sale and amortisation	9	219	177
(Increase)/decrease in stocks	11	(30)	17
Net (increase) in debtors	12	(1,034)	(1,169)
Net increase/(decrease) in creditors	13	1,337	(811)
(Decrease) in pension provision	22	(245)	(47)
Increase in other provisions	15	-	11
Net inflow/(outflow) from operating activities		271	(947)
Cash flows from investing activities			
Investment income	4	70	82
Payments to acquire tangible fixed assets	9	(153)	(113)
Payments to acquire investments	10	(126)	(1,117)
Receipts from sales of investments	10	2,420	1,704
		2,211	556
Cash flows from financing activities			
New secured loans	14	-	1,500
Repayments of amounts borrowed	14	(850)	(650)
		(850)	850
Increase/(decrease) in cash and cash equivalents in the year	17	1,632	459
Cash and cash equivalents at the beginning of the year	17	1,447	988
Cash and cash equivalents at the end of the year	17	3,079	1,447

The accompanying notes on pages 38 to 47 form part of these financial statements.

Notes to the financial statements

for the year ended 31 July 2022

	2022 Consolidated £000s	2022 Institute £000s	2021 Consolidated £000s	2021 Institute £000s
1. Tuition fees and education contracts				
Higher Education students				
Full-time Home and EU students	2,202	2,202	1,627	1,627
Part-time students	611	611	525	525
Financial Education qualifications	2,449	2,449	2,525	2,351
Professional Education qualifications	12,239	8,373	11,930	10,474
	17,501	13,635	16,607	14,977
2. Funding body grants				
Office for Students recurrent grant	44	44	98	98
Office for Students capital grant	13	13	14	14
Office for Students hardship grant	-	-	15	15
Office for Students prior year overpayment	(39)	(39)	-	-
	18	18	127	127
3. Other income				
Professional and alumni services	1,556	1,556	1,432	1,432
Government grants	-	-	60	60
Rent receivable	37	-	4	-
Management charges	-	19	-	2
	1,593	1,575	1,496	1,494
<i>The government grant represents money received under the UK Government Coronavirus Job Retention Scheme</i>				
4. Investment income				
Investment income on restricted reserves	10	10	10	10
Other investment income	60	60	72	72
Gift aid	-	19	-	3
	70	89	82	85
5. Donations				
Restricted fund donations	1	1	3	3
General donations	-	-	-	-
	1	1	3	3

Note: The source of grant and fee income, included in notes 1 to 3 is as follows:

Grant income from the Office for Students	18	18	127	127
Grant income from other bodies	-	-	60	60
Fee income from non-qualifying courses (exclusive of VAT)	14,688	10,822	14,455	12,825
Fee income for taught awards (exclusive of VAT)	2,813	2,813	2,152	2,152
	17,519	13,653	16,794	15,164



Notes to the financial statements

for the year ended 31 July 2022

6. Staff costs	2022	2022	2021	2021
Group and Institute	Consolidated	Institute	Consolidated	Institute
	£000s	£000s	£000s	£000s
Salaries	7,839	6,980	7,015	6,516
Social security costs	718	711	706	697
Pension costs	572	558	458	451
	9,129	8,249	8,179	7,664
Restructuring costs	-	-	-	-
	9,129	8,249	8,179	7,664

Remuneration of the Chief Executive

Emoluments	215	203
Pension costs	-	5
Benefits - medical insurance	4	3

The Chief Executive's basic salary is 5.9 times (2021 6.2 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by LIBF to its staff.

The Chief Executive's total remuneration is 5.9 times the median total remuneration of colleagues (2021 6.2), where the median pay is calculated on a full-time equivalent basis for the salaries paid by LIBF to its staff.

The Chief Executive's salary is reviewed annually by the Remuneration and Nominations Committee. This takes into account a review of the personal objectives and performance of LIBF by the Chair. The salary of the Chief Executive is determined according to a number of factors including the breadth of responsibilities, accountability, size of organisation and comparative data.

Average monthly number of employees calculated on the basis of full time equivalents was:	2022 Number	2021 Number
Academic departments and support services	104	99
Professional services	23	22
Premises	4	3
Central services	36	36
	167	160

The basic remuneration of higher paid staff, excluding pension contributions in excess of £100,000 was:

£100,000 - £104,999	3	1
£105,000 - £109,999	-	-
£120,000 - £124,999	1	-
£140,000 - £144,999	-	1
£155,000 - £159,999	1	-
£190,000 - £194,999	-	-
£200,000 - £204,999	-	1
£215,000 - £219,999	1	-

Key management personnel listed on page 27 are those persons having authority and responsibility for planning, directing and controlling the activities of the organisation. This includes the Chief Executive and members of the Senior Executive Team. No Board member has received any remuneration/waived payments from the group during the year in respect of their services to the Board.

	2022 £000s	2021 £000s
Key management personnel compensation	1,541	1,490

Severance payments - during the year the Institute did not undertake any restructuring resulting in compensation for loss of office being paid.

Notes to the financial statements

for the year ended 31 July 2022

7a. Other operating expenditure	2022	2022	2021	2021
	Consolidated	Institute	Consolidated	Institute
Other operating expenses included:	£000s	£000s	£000s	£000s
Academic departments and support services	5,078	3,396	4,453	3,573
Professional services	420	420	365	365
Premises	1,573	1,573	1,538	1,538
Central services	2,809	2,809	2,629	2,629
Restricted funds	31	31	45	45
Auditor's remuneration				
External auditor's remuneration in respect of audit services	54	54	50	50
External auditor's remuneration in respect of non-audit services	-	-	-	-
	9,965	8,283	9,080	8,200

7b. Access and participation plan (APP) expenditure	2022	2021
	£000s	£000s
Access investment	55	35
Financial support provided to students	136	82
Support for disabled students	-	-
Research and evaluation expenditure	8	4
	199	121

The total of the approved expenditure in our APP for the year ended 31 July 2022 was **186** 100

Actual expenditure was greater than the APP due to additional expenditure from LIBF restricted funds

All of the expenditure is included in the financial statements and other notes and details of the approved plan can be found at:
https://www.libf.ac.uk/docs/default-source/HE/HE-Policies/access-participation-plan-2020-21-to-2024-25.pdf?sfvrsn=4ddb2a8d_4



Notes to the financial statements

for the year ended 31 July 2022

8. Interest and other finance costs

Consolidated and Institute

	2022 Consolidated £000s	2022 Institute £000s	2021 Consolidated £000s	2021 Institute £000s
Loan Interest	21	21	-	-
Net cost on pension scheme	3	3	4	4
	24	24	4	4

9. Fixed assets

Consolidated and Institute

	Freehold property £000s	Leasehold improvements £000s	Computer installation, furniture and equipment £000s	Total £000s
Cost				
At 1 August 2021	1,664	1,534	1,911	5,109
Additions	-	26	127	153
Disposals	-	-	(263)	(263)
At 31 July 2022	1,664	1,560	1,775	4,999
Depreciation				
At 1 August 2021	175	1,410	1,676	3,261
Charge for the period	27	59	133	219
Disposals	-	-	(263)	(263)
At 31 July 2022	202	1,469	1,546	3,217
Net book value				
At 31 July 2022	1,462	91	229	1,782
At 31 July 2021	1,489	124	235	1,848

Cost of freehold property and net book valued prior to revaluation £833,243.

A valuation, based on existing use value, was carried out by a qualified chartered surveyor, Strutt and Parker, as at 31 July 2016, showing the value at £1.6m. The value of land included within freehold property is £350,000. As this is not significantly different from the net book value there is no indication of impairment of the asset.

Notes to the financial statements

for the year ended 31 July 2022

	General £000s	Restricted £000s	2022 Total £000s	2021 Total £000s
10. Non-current investments (Consolidated & Institute)				
As at 1 August 2021	3,013	483	3,496	3,340
Additions	116	10	126	1,117
Disposals	(2,420)	-	(2,420)	(1,704)
Investment gains	(86)	(33)	(119)	743
As at 31 July 2022	623	460	1,083	3,496
Investments at cost				
Managed funds				
UK equities	191	424	615	1,381
Overseas equities	181	-	181	820
UK fixed interest	64	-	64	267
Alternatives	91	-	91	401
Cash	4	-	4	47
	531	424	955	2,916
Investments at market value				
Managed funds				
UK equities	226	460	686	1,615
Overseas equities	243	-	243	1,198
UK fixed interest	56	-	56	260
Alternatives	98	-	98	423
	623	460	1,083	3,496
Cash	4	-	4	47
	627	460	1,087	3,543

Funds were managed during the year by Rathbones. Fees are charged separately to The London Institute of Banking & Finance and deducted from the investment portfolio.

The Charity controls the following subsidiary undertakings, in which its investment amounts to £6 (2021 £6).

	Holding	Nature of Business	Incorporated
LIBF Learning Limited	100% £1 Ordinary shares	Events, sponsorship	England and Wales
Institute of Financial Services Limited	100% £1 Ordinary shares	Dormant	England and Wales
<i>ifs</i> ProShare Limited	100% £1 Ordinary shares	Dormant	England and Wales
The London Institute of Banking & Finance (MENA) Ltd	100% \$1 Ordinary shares	Education in MENA region	Abu Dhabi
The London Institute of Banking & Finance (APAC) PTE Ltd	100% \$1 Ordinary shares	Education in APAC region	Singapore

The results of the limited companies, which are incorporated into the statement of income and expenditure and balance sheet are:

	LIBF (APAC) Limited		LIBF Learning Limited		LIBF (MENA) Ltd	
	2022 £000s	2021 £000s	2022 £000s	2021 £000s	2022 £000s	2021 £000s
Income	170	118	37	5	3,866	1,630
Expenditure	(280)	(125)	(37)	(2)	(2,562)	(1,365)
Surplus/(deficit) for the year	(110)	(7)	-	3	1,304	265
Current assets	45	60	23	7	2,329	1,424
Creditors	(185)	(90)	(23)	(7)	(1,031)	(1,436)
Total net assets	(140)	(30)	-	-	1,298	(12)



Notes to the financial statements

for the year ended 31 July 2022

	2022 Consolidated £000s	2022 Institute £000s	2021 Consolidated £000s	2021 Institute £000s
11. Stock and work in progress				
Publications and sundry stock	60	60	30	30
	60	60	30	30

12. Trade and other receivables

Due within one year				
Members and trade receivables	3,215	1,214	2,229	860
Amounts owed from group undertakings	-	637	-	1,400
Other debtors	11	11	5	5
Prepayments	773	765	744	736
Due after more than one year				
Members and trade receivables	42	42	29	29
	4,041	2,669	3,007	3,030

13. Creditors: amounts falling due within one year

Secured loans	-	-	170	170
Trade payables	614	603	548	548
Other creditors and accruals	1,352	948	1,393	1,350
Social security and other taxation payable	239	221	159	156
Deferred income (see below)	3,125	3,124	1,893	1,893
	5,330	4,896	4,163	4,117

Included within deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

Subscriptions	350	350	360	360
Qualifications	1,470	1,470	1,469	1,469
Life subscriptions	54	54	64	64
Other fees	1,251	1,250	-	-
	3,125	3,124	1,893	1,893

14. Creditors: amounts falling due after more than one year

Secured Loans				
Due within one year	-	-	170	170
Due between two and five years	-	-	680	680
Due in five years or more	-	-	-	-
Due after more than one year	-	-	680	680
Total secured loans	-	-	850	850

Included in loans are the following

Barclays Bank PLC under the UK Government Coronavirus Business Interruption Loan Scheme

Amount £1.5m

Interest rate 2.44% above base

A one-off repayment of £650k was made in July 2021 with the loan being fully repaid in July 2022

Notes to the financial statements

for the year ended 31 July 2022

15. Provision for liabilities

Consolidated and Institution

	Post-Retirement Healthcare
	£000s
Balance at 1 August 2021	99
Amounts released during the year	(8)
Discount charges for the year	5
Charged to income and expenditure account	3
Balance at 31 July 2022	99

Post-retirement healthcare

The London Institute of Banking & Finance continues to provide post-retirement healthcare benefits to certain retired employees and their spouses, a benefit that ceased to be offered to existing staff some years ago. A provision is made in line with FRS 102 using a discount rate of 5.0% (2021 5.0%) and a rate of increase in medical costs of 9% (2021 7%).

16. Restricted funds

Reserves with restrictions are as follows:

Consolidated and Institution

	Alumni and Scholarship fund £000s	Bursary fund £000s	Grunfeld fund £000s	Strudwick Prize fund £000s	2022 Total £000s	2021 Total £000s
New donations	1	-	-	-	1	3
Investment income	6	3	1	-	10	10
Expenditure	(19)	(12)	-	-	(31)	(45)
	(12)	(9)	1	-	(20)	(32)
Increase in market value of investments	(20)	(11)	(2)	-	(33)	90
	(32)	(20)	(1)	-	(53)	58
Fund balances brought forward at 1 August 2021	296	157	27	4	484	426
Fund balances carried forward at 31 July 2022	264	137	26	4	431	484
Represented by:						
Investments	282	153	25	-	460	484
Net current assets	(18)	(16)	1	4	(29)	-
	264	137	26	4	431	484

The Alumni and Scholarship fund gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals. The primary purpose of the fund is to provide support for students undertaking The London Institute of Banking & Finance's full-time undergraduate degree programmes. The Bursary fund provides means-tested assistance to both full and part-time students.

The Grunfeld fund was received by The London Institute of Banking & Finance from the Henry Grunfeld Foundation in March 1999 on the undertaking that it would fulfil the foundation's existing obligations and hold the balance of the fund for the purposes of the education of persons working in banking and financial services in London.

The Strudwick Prize fund was received as bequest under the will of Mr HEH Strudwick, FCIB on the undertaking that the £30,000 be used to support a prize in his name.



Notes to the financial statements for the year ended 31 July 2022

17. Reconciliation of cash flow to balance sheet

	Balance at 1 Aug 21 £000s	Cash flows £000s	Balance at 31 Jul 22 £000s
Cash at bank and in hand	1,400	1,675	3,075
Cash held with investments	47	(43)	4
	1,447	1,632	3,079

18. Consolidated reconciliation of net debt

	2022 Total £000s	2021 Total £000s
Net debt as at 1 August 2021	850	
Movement in cash and cash equivalents	1,675	
Other non cash changes	(3,375)	
Change in net debt	(850)	
	2022 Total £000s	2021 Total £000s
Borrowings: amounts falling due within one year	-	170
Secured Loans	-	170
Borrowings: amounts falling due after more than one year	-	680
Secured Loans	-	680
Net Debt	-	850

19. Lease obligations

Total rentals payable under operating leases

	2022		2021	
	Land & Buildings £000s	Other £000s	Land & Buildings £000s	Other £000s
Future minimum lease payments due				
Not later than 1 year	925	18	1,075	29
Later than 1 year and not later than 5 years	2,788	2	2,896	21
Later than 5 years	854	-	1,671	-
Total lease payments due	4,567	20	5,642	50

20. Related party transactions

The London Institute of Banking & Finance has taken advantage of the exemption available under FRS 102 Related Party Transactions not to disclose transactions included within the group.

The Institute's Board of Governors are the trustees for charitable law purposes.
No trustees were paid (2021 one trustee was paid £1,740).

21. Contingent liabilities

There are no contingent liabilities as at 31 July 2022 (2021 nil).

Notes to the financial statements

for the year ended 31 July 2022

22. Pension scheme

The London Institute of Banking & Finance operates two schemes, a defined contribution scheme that is available to new employees and a defined benefit scheme that closed to future accrual on 31 March 2009. Contributions to the defined benefit scheme for the year ending 31 July 2022 are expected to be £nil.

A full actuarial valuation was completed as at 31 December 2019 and the results from this valuation have been updated to 31 July 2022 by a qualified independent actuary as follows:

				2022	2021
Discount rate				3.5%	1.6%
Price inflation (CPI)				2.8%	2.8%
Pension increases pre 2006 excess over GMP				2.8%	2.8%
Pension increases post 2006 pension				2.0%	2.0%
Assumed life expectancies on retirement at age 60 are:					
Retiring today	Males			27.1	27.1
	Females			29.7	29.6
Retiring in 20 years' time	Males			28.6	28.6
	Females			31.1	31.1
The assets in the scheme were:					
	Value at	Value at	Value at	Value at	Value at
	31 Jul 22	31 Jul 21	31 Jul 20	31 Jul 19	31 Jul 18
	£000s	£000s	£000s	£000s	£000s
Investment fund	14,062	17,402	15,828	20,217	21,399
Matching fund	25,267	30,842	31,386	26,232	21,455
Fair value of scheme assets	39,329	48,244	47,214	46,449	42,854
The actual return on assets over the period was:					
	(7,779)	2,378	5,146	705	2,267
				2022	2021
				£000s	£000s
Present value of funded obligations				(36,904)	(48,489)
Fair value of scheme assets				39,329	48,244
Surplus in funded scheme				2,425	(245)
Irrecoverable surplus				(2,425)	-
Net liability in balance sheet				-	(245)



Notes to the financial statements

for the year ended 31 July 2022

	2022 £000s	2021 £000s
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Benefit obligation at the beginning of the year	48,489	47,506
Interest cost	766	609
Actuarial gain/(loss)	(11,115)	1,691
Past service cost	-	-
Benefits paid	(1,236)	(1,317)
Liabilities at the end of year	36,904	48,489
Analysis of movement in the present value of scheme assets		
Fair value of scheme assets at beginning of year	48,244	47,214
Expected return on scheme assets	763	605
Actuarial gain/(loss)	(8,542)	1,773
Benefits paid	(1,236)	(1,317)
Contribution by employer	100	-
Fund administrative costs	-	(31)
Fair value of scheme assets at end of year	39,329	48,244
Analysis of amount recognised in the comprehensive income and expenditure account		
Service cost - including current service cost, past service cost and settlements	-	-
Service cost - administrative cost	-	31
Net interest cost on net defined benefit liability	3	4
Total expense	3	31
Remeasurement of the net defined benefit liability/(asset) to be shown in other comprehensive income		
Actuarial gains/(losses) on the liabilities	(11,115)	1,691
Return on assets, excluding interest income	8,542	(1,773)
Change in the amount of surplus that is not recoverable, excluding interest income	2,425	-
The measurement of the net defined benefit liability/(asset) to be shown in other comprehensive income	(148)	(82)

23. Accounting estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Defined benefit scheme – management's estimate of the scheme is based on a number of critical underlying assumptions such as rates of inflation, mortality and the investment returns of the scheme. The assumptions are reviewed annually with a qualified actuary. Variation in these assumptions may significantly impact the net valuation which is currently showing a surplus of £2.4m. If the discount rate assumption is increased by 0.1%, then it is estimated this will reduce the liabilities (present value of funded obligations) as at 31 July 2022 by approximately £0.5m (from £36.9m to £36.4m) which would result in a surplus of around £2.9m.

Useful lives of depreciable assets – management reviews its estimate of the useful lives of depreciable assets at each reporting date. Uncertainties in these estimates relate to changes in the useful lives of certain software and IT hardware as well as the useful life and value of the building the Institute own. The value of the building is deemed cost as at 1 August 2015.

Post-retirement healthcare – management's estimate of the liability is based on assumptions about the discount rate, the rate of inflation as well as mortality. The assumptions are reviewed annually based on the prevailing marketing conditions with the current obligation valued at £99,000.

Annual Report & Accounts 2021 – 2022



We exist for a very simple reason – to advance banking and finance by providing outstanding education and thinking, tailored to the needs of business, individuals, and society.

Our focus is on lifelong learning; equipping individuals with the knowledge, skills and qualifications to achieve what they want throughout their career and life.

We provide a balance of experience, insight and thought leadership into today's financial world, delivered by industry leaders, thinkers and members of our community.

And because we've been at the heart of the sector since 1879, we create connections and build partnerships between people and business that make banking and finance more accessible and understood, and enhance social inclusion through better financial capability.

We are The London Institute of Banking & Finance, **lifelong partners for financial education.**

Accounts

**The London Institute
of Banking & Finance**

Annual Report & Accounts 2020 – 2021



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Contents

The London Institute of Banking & Finance

	Page
Welcome from the Chief Executive	3
Organisation Overview	4
Professional Education	6
Higher Education	9
Financial Education & Community Outreach	11
Global Learning/MENA	14
Human Resources/People	16
Equality and Diversity Policy Statement	17
Centre for Digital Banking & Finance	18
Centre for Sustainable Finance	18
Centre for Governance, Risk and Regulation	18
Sustainability	20
Financial Review	21
Statement of Corporate Governance	24
Statement of Responsibilities of the Board of Governors	24
Board of Governors (Trustees)	25
Committees of the Board of Governors	26
Risk Management	27
Reference and Administrative Details	28
Disclosure of Information to Auditors	28
Auditor's Report	29
Statement of Principal Accounting Policies	31
Consolidated Statement of Comprehensive Income and Expenditure	34
Consolidated and Institute Statement of Changes in Reserves	35
Consolidated and Institute Balance Sheets	36
Consolidated Statement of Cash Flows	37
Notes to the Financial Statements	38



Welcome



Alex Fraser
Chief Executive

It is pleasing to be able to reflect on a very successful year across the range of our different activities, both in the UK and internationally, despite the continuing impact and uncertainty of Covid-19. The results are a great testimony to the hard work of my colleagues and to the resilience and commitment of the many thousands of students who have sat for one of our qualifications this year.

Our two full-time undergraduate degrees have for the first time attracted over 500 applicants and we will welcome the largest ever first-year cohort to our campus this year. For the 2021 academic year, given the increased enrolments, we plan to devote more of our London estate to our full-time students and to enhance the support we provide for them in areas such as careers and employability. We have increased the number of degree apprenticeship schemes and are currently running programmes for major financial institutions based in the UK, North America and Japan.

Despite continued Covid-related disruption, over 650 schools and colleges have registered students for our Financial Education qualifications this year and we were particularly pleased with the increase in registrations for our Level 3 qualifications. This clearly demonstrates the importance educational professionals attach to ensuring that young people leave secondary education with a good grasp of financial matters.

In Professional Education, the various government schemes to support the property market have helped drive the highest numbers of registrations for our suite of Mortgage Advice qualifications since the financial crisis. We have also enjoyed success with our other regulated advice qualifications.

Internationally, we have seen a strong recovery in our Trade and Transaction Banking qualifications as Covid-related restrictions were eased in key South East Asian markets and as more students took advantage of the flexible assessment options that we introduced during the year.

Our partnership with Abu Dhabi Global Market (ADGM) Academy has entered its fourth year of operation and this year 100 young Emiratis studied for the Institute's International Banking qualifications prior to embarking on a career in banking as part of the government's Emiratisation programme. Outside of Abu Dhabi, we have continued to work with partners and financial institutions in Saudi Arabia, Bahrain and Egypt. We have continued to invest in our MENA operation with a view to building more teaching and business development capacity in the region and broadening the range of programmes we offer.

We had a successful year in South East Asia, winning mandates in Singapore and forging new relationships in other parts of the region.

In May we launched a Centre for Governance, Risk and Regulation to sit alongside our existing Centres for Digital Banking and Sustainable Finance. These Centres bring together leading practitioners and educators in the disciplines, who collaborate on the rapidly growing number of programmes the Institute runs and contribute to our thought leadership.

Finally, I would like to take this opportunity to thank all those who give of their time so generously in support of the Institute and our work. Through their insightful contributions at our various Boards and Committees and through their participation at the many virtual events we have staged this year, they have played an important part in our success.

Organisation Overview

We are The London Institute of Banking & Finance, **lifelong partners for financial education.**

We have a rich heritage of providing education in banking and finance that stretches back over 140 years. Founded in 1879 as the Institute of Bankers, we have evolved in line with the financial services and banking industries. We gained our Royal Charter in 1987 and in 1996 developed the first professional award linked to a university degree. We gained Taught Degree Awarding Powers (TDAP) in 2010 and were granted University College title in 2013.

We exist for a very simple reason – to advance banking and finance by providing outstanding education and thinking, tailored to the needs of business, individuals and society. Our focus is on lifelong learning; equipping individuals with the knowledge, skills and qualifications to achieve what they want throughout their career and life. We provide a balance of experience, insight and thought leadership into today's financial world, delivered by industry leaders, thinkers and members of our community.

And because we've been at the heart of the sector since 1879, we create connections and build partnerships between people and business that make banking and finance more accessible and understood, and enhance social inclusion through better financial capability.

The organisation's strategic plan, LIBF 2023, outlines the key objectives we aim to achieve.

- We will deliver highly regarded and distinctive degrees, professional qualifications and other educational programmes.
- We will support the career aspirations of those who work or seek to work in the financial services industry and equip them with the skills needed to succeed in the digital economy.
- We will enhance financial skills and capability and broaden our outreach to improve financial inclusion.
- We will produce thought leadership that informs and inspires our community and the wider industry.
- We will increase our international footprint across all our activities.

We focus on lifelong learning; equipping you with the knowledge, skills and qualifications to achieve what you want throughout your career and life.

Financial Education & Community Outreach

We are the only specialist provider of dedicated personal finance qualifications for children and young people and play a leading role in the development of financial understanding in the wider community. We have over 50,000 students studying our qualifications in over 800 institutions.



over **40,000**
young people taking our financial
education qualifications each year



100%
of full-time students in
employment or further study
within 6 months of graduating



Higher Education

Our undergraduate and postgraduate degrees provide the knowledge and skills you need for a successful career in banking and finance. We place employability at the heart of everything we do, ensuring you graduate with the insight and understanding to perform effectively.



Delivery of the strategy is through four core areas:

Financial Education & Community Outreach

We help schools instil the knowledge and confidence their pupils need to make good financial decisions, as well as inspiring the next generation of finance and banking professionals. Our learning programmes, qualifications and wider community-based initiatives focus on everyday financial skills and essential skills employers say are missing. And through financial champions in schools, membership and higher education qualifications, we make the banking and finance sector more accessible.

Higher Education

Delivered by respected academics, practitioners and industry thinkers, we provide the skills and knowledge that the sector expects from you early in your career. Our learning is based on contemporary real life, using a combination of practice and theory which means you graduate better prepared to advance in the industry. All of our graduates are eligible to apply for Chartered status, a mark of professional standing in the sector.

Professional Education

Developed by respected industry practitioners, our qualifications follow the FCA guidelines to ensure you have a thorough understanding of their regulations. This gives you the insights required to perform effectively and responsibly and, where required, the authorisation to practise in diverging roles.

International

Our trade finance qualifications are recognised internationally and studied in over 90 countries. They help you to enhance your knowledge and skills, demonstrate technical competence and take your career to the next level. In Abu Dhabi, we are very proud of our partnership with the ADGM Academy and are working with them to build programmes that are locally relevant but firmly set in a global context.

Professional Education

Enabling you to advance your career and help organisations to deliver great performance. We provide clear pathways to match competency with career development in banking and finance. In regulated advice, there is a range of specialist certificates and diplomas for those working in Mortgages, Financial Advice, Pensions and Trade Finance. We ensure that professional recognition can be attained by everyone at all levels, from the award of a certificate through to the grant of our highly regarded Chartered Associate status.



*A global community of
students and alumni in over*

120 countries



over 140 years

*Providing industry leading
education and thought leadership*



Community

We are a focal point for the sector. We have an active global community of like-minded individuals and professionals so you can continue your development and grow your networks. We share insight and generate thought leadership through events, training programmes and publications.



Mark Heaton
Managing Director,
Professional Education

Key Strategic Priorities

- **Maintain our leading position in a competitive market by continuing to invest in our qualification portfolio and other learning solutions to meet the needs of learners, their sponsors and recruiters.**
- **Focus on making digital enhancements, modernising and updating qualifications.**
- **In consultation with the market, expand our service to the financial advice and mortgage advice community.**
- **Increase presence in the Asia Pacific region to support our training and education development strategy.**
- **In response to the Covid-19 pandemic, implement changes to the assessment models for our Trade qualifications.**

Measuring Success

Professional Education was created in August 2020 as a merger of our UK and most of our International Business areas. It is pleasing to note that our overall year end revenue figure was £11.9m and 33% ahead of last year's figure. This has been influenced by a burgeoning growth in Mortgage Advice and supported further by our other areas faring well in what has been a difficult business landscape. We have made positive strides forward in the training sector, securing a small number of sizeable training mandates; this success has heightened our desire to further develop our offering within this space.

Progress During the Year

Financial Services

Mortgage Advice: Our Mortgage Advice area generated £5.03m in revenue at year end – the highest total for many years. While we have been helped by the buoyant property market and various government support schemes, we have also introduced a new qualification for protection advisers (CertPro), which has been very well received, created new and improved support materials, and in June launched a new designation, Certified Mortgage Adviser (CMA), which has proved popular.

Following what was a turbulent year for the housing market, our flagship qualification CeMAP® has benefited greatly from the significant increase in house purchases propelled by the government incentive schemes. Although registration figures stabilised towards the end of the year, CeMAP® continued to perform significantly ahead of last year and, as a result of the increased registrations for mortgages, our expanded support packages have also seen an increase in demand, showing an uplift of 60.7% on 2019/20 figures.

The launch of the Certificate in Protection (CertPro) has exceeded expectations, achieving its first year's business plan 3 months ahead of schedule, securing an impressive 452 registrations at year end. We have forged strong corporate links with three significant advice networks who are using CertPro as a standard of professionalism for their protection advisers. The process for granting a unit exemption into CeMAP® has also been completed.

Financial Advice: Our Diploma for Financial Advisers (DipFA®) remains one of the leading regulated FCA-approved financial advice qualifications, with income generated up 10.3% on last year. The Level 6 Diploma in Financial Advice (Adv DipFA®) remains strong, with the introduction of a new enhanced unit of study, Financial Planning in Retirement (FPIR). Within the first registration period, 50 students applied and have completed the first phase of the qualification. The innovation incorporated into FPIR has further enhanced our reputation for practicality, utilising forum contribution, video presentation and a timed open-book assessment.

Later-life planning continues to grow with an ageing population wishing to pass on their wealth to their families within their lifetime. As a result, more advisers are moving into this area, both for financial advice and equity release advice. With increased focus on this segment of the industry, we have worked with our corporate partners to introduce a set of webinars in partnership with UK Finance and have consulted with the Equity Release Council and other corporates to take forward plans to produce an industry standard CPD proposition that is recognised by the Institute.

Banking

It has been a challenging year for banking, with registrations and revenue down across the majority of qualifications due to Covid-19, the impact of bank restructures and the associated effects on student capacity to study. The pandemic resulted in many students pausing programmes or deferring their exams by up to 12 months, although in recent months we have noticed a positive trend of students re-engaging with their studies and moving through to completion.

This year has seen the addition of two new programmes to enhance our offering in the banking arena, the Level 3 Certificate in Retail and Digital Banking (CertRDB) and the Professional Experiential Route (PER) to chartered status. CertRDB's target market is frontline staff working in retail banking and/or digital roles. We have already received significant interest from several key banking relationships and we are anticipating this to be very popular with the banks in the next financial year. PER provides a route to chartered status for banking professionals with a minimum of ten years' industry experience. Achievement is gained through self-reflective learning rather than the traditional professional qualification route.



CeMAP
revenue
35%
ahead of last year

Trade
Finance income
increased by
27%

452
CertPro registrations
achieved since launch

Trade and Transaction Banking

Despite ongoing market challenges, we have made significant progress over the last 12 months with our Trade and Transaction Banking qualifications and have substantially broadened our international reach. Revenue increased by 27% when compared to last year, taking us to £2.9m, which was no doubt influenced by our increased network, the introduction of remote invigilation, the conversion to on-demand for certain qualifications and the significant number of deferred registrations from last year.

Covid-19 has had a profound transformative impact across the whole global banking and finance sector, including significant reductions in headcount and L&D spend, but as predicted last year it has also given rise to a range of new opportunities, as banks that may have resisted in the past look to go fully digital. This digital movement has also paved the way for conversion to a learner-led 'on-demand' exam system, allowing students to tailor their exam booking, providing flexibility with date, time and location of the sitting.

The pandemic also prompted an expected and significant rise in the number of deferrals and a reduction of new registrations in the Asia market for session-based examinations. We responded swiftly and positively to this challenge, moving forward with the digitisation of our Trade Finance learning materials, enhancing the learning experience with the usage of Brightspace and converting CDCS and CSDG to on-demand, resulting in our qualifications becoming easily accessible to students wherever they are. With the extensive Pearson VUE exam centres' presence globally, the test centre footprint has been widened considerably from what was previously capitals and second cities. With test centre availability even in the most remote parts of the world, an on-demand approach to exams will also dramatically reduce the need for travel and associated costs at a time when movement might be restricted due to subsequent Covid outbreaks.

Our third annual trade finance conference held in May was a great success, this year hosted as a virtual event, which allowed it to be more inclusive, attracting a much higher number of participants. By way of example, our corporate partner in Egypt registered 40 candidates from a number of Egyptian banks that would not have been able to make the journey to London when it was held as a live event. This conference continues to keep the Institute relevant in the trade and transaction banking arena and allows us to promote the Certificate in Trade Finance Compliance (CTFC) to a far wider audience.

Singapore Office

The Singapore office was opened mid-2019 to offer bespoke training for local and international banks along with a selection of LIBF's professional qualifications in the Asia Pacific region. The Singapore entity provides LIBF with a 'stepping stone' from which to service the wider APAC community through long standing corporate relationships. Our key focus for the coming year will be to strengthen partnerships and continue to build our profile within five key ASEAN countries: Singapore, Malaysia, Thailand, Vietnam and Indonesia. Following the successful delivery of multiple training programmes and to support our plans to develop in this region, we have also appointed a new Business Development Director to spearhead our growth in these target markets.

This year we have established a number of new partnerships and collaborations in the region. In Singapore, the Institute of Banking & Finance have been accrediting each of our new programmes, enabling students to take advantage of the enhanced course subsidies that are currently being offered.

In the wider APAC region, our partnership with the Asian Banking School is going from strength to strength. Having delivered a selection of bespoke Professional Education programmes to students in Malaysia and beyond, we are now looking to expand the offering into other specialist areas. Most recently, in Thailand, we have initiated a collaboration with the University of the Thai Chamber of Commerce.

Programme Partners and Accreditation

A new Level 6 qualification delivered by Practical Financial Exams has been accredited by LIBF. We were impressed with their innovative ways of assessing students and their programme complements our own Level 6 proposition for investment advice.

Gold-standard Trusted Partner status has been awarded this year to Simply Academy, a long-standing provider of CeMAP® learning support. In addition to this, we are now working with them to provide a Financial Adviser Academy focusing on adviser skills training; this is scheduled for launch in the autumn.

Despite a challenging year within the leasing industry, registrations for our Level 5 DipAF have remained buoyant due to the quality of the programme and the strong relationship we hold with our long-standing partner, the Finance & Leasing Association (FLA).

This period has also seen us develop new relationships with the Institute of Banking Studies in Yemen, International Chamber of Commerce Vietnam and Institute of Banking and Finance in Cambodia, as well as enhancing our existing partnerships. In conjunction with this, we have also developed more meaningful direct relationships with a number of banks in Asia, the Middle East, Africa and Europe. All were developed using video calls with people who had previously been reluctant to engage using that tool.



Regulatory Bodies and Stakeholder Engagement

We continue to be proactive in building our relationships with standard-setting bodies, policymakers and regulators. Being an active member of the accredited bodies forum of the Financial Conduct Authority (FCA) supports our work to ensure our members fulfil regulatory obligations. Work also continues with our own forum, the Regulatory Education Advisory Panel (REAP), bringing together representatives from mortgage and financial advice firms. REAP provides us with an informed sounding board to aid our understanding of the needs of the sector with regards to professional education and development.

We continue to work closely with the FCA to support the inclusion of membership of professional bodies in the new FCA Directory of Certified and Assessed Persons, which launched earlier this year.

Looking Ahead

A key part of our growth strategy this year is to increase brand awareness and reach in Asia Pacific through our Singapore office. Successful growth in this market is pivotal to support the expansion of our three centres both in the UK and internationally.

Additional focus will also be given to our UK regulated advice business with more programmes added when appropriate opportunities arise. Alongside this, we will be working to enhance our CPD and membership proposition in order to aid our students and members with their career development and client support needs.

We constantly review our qualification portfolios to ensure that our product offer remains relevant and up to date with an emphasis on digital enhancements and learner support facilitated by the migration to our new online learning platform.

In August we launched the new Certificate in Business Banking, which replaced the existing CertBB&C qualification and has been enhanced to include valuable content on managing problem loans, social and technological influences, the role of banks in a digital environment and open banking, APIs, fintech, AI and blockchain.

Key Risks

- **Further, global waves of the Covid-19 pandemic affecting the delivery of qualifications and training in the UK and international locations.**
- **The ability to have competitive timelines to market for the creation of engaging training programmes.**
- **Concentration risk in key parts of our qualification portfolio.**
- **The threat from competitive challenge to our regulated advice qualification product offer.**
- **Continued instability in the banking sector due to internal restructures.**
- **A rebalancing of the current housing market 'bubble'.**



Hema Tank
Managing Director,
Higher Education

Delivered by academics, practitioners and industry thinkers, we provide the skills and knowledge that the sector expects from students early in their career. Our learning is based on contemporary real life, using a combination of practice and theory, which means students graduate better prepared to advance in the industry.

Right from the beginning, all of our students become members with the associated benefits that brings. On graduation they are eligible to apply for chartered status, a mark of professional standing in the sector.

Key Strategic Priorities

- **Secure our position to be internationally recognised as market leaders for banking and finance programmes by key stakeholders.**
- **Provide outstanding teaching and innovative and inclusive education to prepare our students for a rapidly changing world.**
- **Recruit, develop and retain the best staff and provide them with a high-performing supportive environment and culture.**
- **Be selective and strategic in choices, and align planning, evaluation and budgeting processes with strategic aspirations in the most efficient way.**

Measuring Success

We have continued to see revenue growth in Higher Education due to an increase in the number of students on both our undergraduate and apprenticeship programmes. Our degree-level apprenticeships programmes now comprise both early career and senior professionals. Our first cohort of degree-level apprentices graduated during 2020. The graduation ceremony, while held virtually, gave them a unique opportunity to celebrate their success.

We continue to work on enhancing our portfolio of programmes through international partnerships specifically through our MENA regional office and the development of our postgraduate offer through our Research Centres.

Progress During the Year

Employer connections and employability: In 2020/21 we built upon our work, achievements and strategic focus for careers and employability. There were 113 new registrations in the Careers Centre and over 280 one-to-one career coaching sessions. We hosted over 18 companies (digitally), including HSBC, Columbia Threadneedle Investments, Bloomberg, BDO, Commerzbank and Lloyds Banking Group. We have worked with other universities and the Office for Students (OfS) to promote the new Graduate

Employment and Skills Guide. This is a comprehensive document containing lots of useful advice and guidance for students impacted by the pandemic. Our employment statistics continue to remain high, with 100% of those working doing so in high- or medium-skilled roles.

Student experience: Our focus is always on listening to student feedback and acting on that to improve their experience. This year, in the light of the pandemic, we continued to deliver classes virtually. When allowed, in line with government guidance, we gave students the opportunity to attend campus, although many chose to still study online. We adapted our assessment strategy to allow students to sit examinations at home and this was well received. Following guidance from both OfS and the Quality Assurance Agency for Higher Education (QAA) we continued with our 'No Detriment' policy which provided students with a safety net for their grade mark average.

Student support: We moved to digital delivery of library resources more than 15 years ago when we invested in transferring all our books, journals and other resources online. This has meant that students have been able to access all their learning resources, including access to the Bloomberg terminal, from home during the pandemic, while still having access to library support. The Library Services Team have seen a 19% increase in students' use of their services over the last year. Alongside this, they have increased the amount and range of training and teaching that they do. Most of that has, necessarily, moved online during the last year.

Health and well-being: Our Professional Counsellor saw an uptick in those seeking support during the year. Students were looking for help in coping with anxiety relating to the ongoing pandemic. Counselling sessions were able to continue online, and students engaged with these sessions to benefit from the support on offer. In addition to the work of our Professional Counsellor, all Programme Officers are trained mental health first-aiders providing support to HE students. We have had several initiatives throughout the year to support well-being, including the launch of a new webpage with numerous resources for mental well-being and a new publication called Mind Matters that focuses on different mental health issues each month.

Student recruitment: As face-to-face events continued to be restricted, we moved our open days, widening participation sessions, offer-holder activity and school engagement to virtual events. We also created new relationships with organisations such as Whatuni and TARGETcareers, who will help us reach out to students virtually in the continued absence of face-to-face recruitment fairs.

Regulatory oversight: We were pleased to learn that our application to the QAA for indefinite taught degree awarding powers was successful. The review took place in the spring of 2021 following which we



received notification that we had successfully met all the assessment criteria. From April 2021 our degree apprenticeship provision was overseen by Ofsted. They have announced that those offering degree apprenticeship provision can expect a monitoring visit in the near future.

100%
*of those working
doing so in high- or
medium-skilled roles*

Looking Ahead

We will continue to develop a diverse range of programmes that will enable us to further increase our revenue. We are making progress in this area and are seeing an increase in the number of apprentice partners we are working with. We will support our current apprentices through both their studies with us and their end-point assessment during the next academic year.

Though our current undergraduate programmes are delivered face to face, we will continue to focus on enhancing our digital capacity to deliver, teach and support students through virtual learning platforms. We will review our online assessment strategy, introduced to support students through the pandemic, to ensure it continues to be fit for purpose. We will invest in the tools, training and technology to develop an e-learning environment to enable us to be flexible to adapt to a rapidly changing environment. This is becoming increasingly important for our apprentices who will undoubtedly continue to study in a hybrid mode going forward to align with the direction of financial services organisations.

Through our strong networks and connections in the sector, we will continue to work with employers in developing content, as guest lectures and as members on our deliberative committees so that our students have the knowledge, skills and competencies to be successful in their careers.

Key Risks

- **The financial services sector is a rapidly changing environment. We must keep our curriculum current to provide our students with the necessary knowledge and skills to compete in this challenging environment.**
- **Loss of brand and profiling in the sector is a key risk, especially in relation to the student experience, where a negative experience could have a significant impact on future recruitment.**
- **2021 saw the world continue to respond to Covid-19. We must keep pace with technological advancements in learning, teaching and assessment as the sector moves to further enhance remote provision in the wake of the pandemic.**





Catherine Winter
Managing Director,
Financial Capability &
Community Outreach

Strategic Objective

Provide lifelong learning through impactful financial education in UK schools and colleges.

Strategic Priorities

- **Create highly regarded market-leading qualifications and study programmes.**
- **Expand our provision beyond the traditional classroom environment, targeting the most vulnerable children and young people in society.**
- **Continue to collaborate with both external and internal stakeholders to improve financial capability levels across the UK.**
- **Improve the progression of students to higher education and the world of work.**
- **Develop a stronger international presence for Financial Education programmes and qualifications.**
- **Retain and develop staff while creating a culture of empowerment and collaboration within the team.**

Measuring Success

Despite a challenging year, we have finished the year with income above expectations.

Our qualifications and learning programmes ensure schools and colleges instil the knowledge, confidence and resilience children and young people need in order to be confident and competent financial consumers. They also provide the essential skills employers say young people are lacking as they enter the workplace.

This year's performance is set against a complex backdrop of issues. We continue to deal with the implications of the removal of our Level 2 qualifications from performance tables. National school closures have led to an issue of differentiated learning outcomes and led the government to cancel summer exams as well as implement a further year of teacher-assessed grades. We have been unable to deal with our customers face-to-face, and our biggest challenge has been supporting our centres to continue to deliver meaningful financial education in an already squeezed curriculum where schools have needed to focus on core subjects.

However, these challenges have not adversely impacted our income in this financial year. We finished the year strongly and reported an income of just over £2.54m, slightly above our budget and a 14% increase on last year. All our programmes continue to perform well. We have seen an increase in income from our LiFE programme (19%) and Level 3 (16%).

Our focus continued to be on four key areas: outstanding customer service, business development, meeting our regulatory requirements and the development of new qualifications.

Firstly, we succeeded in continuing to provide outstanding customer service and retaining as many existing centres as possible. We achieved an 89% retention rate, set against a 2019/20 rate of 67%. We also exceeded our target for new centres by 20%. We have delivered to over 30,000 children and young people in over 650 mainstream schools, colleges, pupil referral units (PRUs) and special educational (SEND) institutions. This has all been made possible due to detailed strategic planning, collaborative work and the agility and determination of the Financial Capability team.

Secondly, we continued to focus on business generation activities. Heading towards the end of the school academic year, we continued to receive many registrations for our qualifications; many of these were received from our centres based in Wales. Internationally, we were successful in securing a bid to provide a financial education programme in Abu Dhabi. We provided a full programme of learning materials derived from our LiFE programme, ahead of schedule, to support this exciting partnership. In March, we saw the first cohort of students graduating from this programme.

In addition to our UK success, we have also expanded our international network of delivery centres to include Hong Kong and Germany; our delivery to schools in China continues. We are currently working with an intermediary on a potential option to expand the provision of our Level 3 qualification in China on a more substantive level. We continue to explore options to increase the uptake of our programmes internationally.

Progress During the Year

Our qualifications continue to feature in Department for Education (DfE) performance tables, to be fully funded and offer maximum UCAS points for those students progressing to university.

Due to Covid-19, schools in the UK were closed in January 2021. Schools have continued to deliver virtual learning and the LiFE programme has enabled schools and colleges to continue to deliver financial education outside of the classroom. The LiFE programme was enhanced with the inclusion of a unit that develops skills for employment. This is proving very popular with schools and colleges who are now looking to meet the Gatsby benchmarks (government guidelines on school/college career advice) and, as a result, are more focused on ensuring students can make informed choices about post-18 options.

Strategic Objective

Provide lifelong learning through impactful financial education in UK

We have responded to the closure of schools in January and the cancellation of summer 2021 exams in two ways. First, although we were working with reduced capacity, we continued to provide first-class support and customer service to our delivering centres. Adapting to new working environments, we have completed over 950 virtual school visits. These included annual reviews, teacher CPD, career talks, scholarship presentations to encourage our university applications, open evenings and student engagement sessions.

Second, we have worked collaboratively with Ofqual on their Extraordinary and Extended Extraordinary Regulatory Framework. These frameworks consult on the operational processes required to maintain the robustness of our qualifications and the assessment of grades for students for summer 2021 and autumn resit assessment. We have also started consultation regarding potential plans for summer 2022 assessment. Ofqual have continued to monitor all our procedures for the teacher-assessed grades (TAG) process.

New processes have been developed to create a robust system to collect and quality-assure the TAGs received from schools and colleges, and by the end of July 2021 the TAG process was complete. All centres who have sent in predictions for their students have been awarded a grade. We have awarded grades to over 31,000 students via more than 900 centres. Additionally, new appeals processes have been developed along with the planning for delivery of resit opportunities for students in the autumn.

We also continue the long-term strategy of reviewing and creating new programmes. Our priority is, in line with Ofqual guidance, to provide robust and reliable qualifications that schools, colleges and employers can trust and respect. We have identified key development areas for our qualifications.

Having received notification in March 2020 from the DfE of the lifting of the moratorium on Level 2 technical qualifications, we started working on developing a new Level 2 technical qualification for inclusion in performance tables. This qualification was submitted for approval in January 2021. The outcome of this submission is due in September 2021 for delivery to centres starting September 2022. This qualification will be a replacement for the Level 2 CeFE qualification, which was removed from the performance tables at the end of the 2018/19 academic year.

On 14 July, the DfE published outcomes for the second phase of the government's consultation on the future shape of the post-16 Level 3 qualification landscape. We contributed to this consultation and garnered significant support for our Financial Education qualification.

However, the government have made few concessions to awarding bodies. T Levels will be the centrepiece of the technical offering. Funding for qualifications (such as ours) that overlap with T Levels will be withdrawn over the next few years, in our case from 2024.

This means that we will continue to see some registrations for our two-year Level 3 programme in 2021/22 and in 2022/23. Although we are confident of achieving the budgeted revenues for 2021/22, the likelihood is that we will see more significant reductions in 2022/23.

We could reform and resubmit our qualification, but the chances of success appear remote as we do not meet the criteria set out by the government. However, we are nonetheless pursuing this. Additionally, there is currently a moratorium on submission of new Level 3 qualifications.

The Level 3 registrations account for £1.5m out of a total school's income of £2.5m in 2020/21. We are, of course, looking at ways in which we can diversify into different areas, including adult education.

Community Outreach

We have continued to expand our reach further than the traditional classroom environment, targeting the most vulnerable children and young people in the community. We have worked with national charities to support individuals at risk of financial exclusion to help them gain invaluable financial awareness and increase their digital, literacy and numeracy skills. Our work for this period has continued to focus on the homeless and children and young people with special educational needs (SEND).

Five years on from the launch of our LiFE programme, we are delighted to see that we are gradually removing barriers to accessible financial capability education. Many special schools, PRUs and hospital schools are now offering the LiFE programme and benefiting from the SEND guide that supports it. As members of the National Association for Special Educational Needs (Nasen), we have continued to attend various events and gained valuable feedback from SEND professionals around the country.

We continue to focus on building strong external stakeholder relationships. We are particularly pleased that we continue to grow our footprint in Wales, thanks in part to the support of Principality Building Society. By the end of this academic year, Principality will have donated a further £36,500 to support the delivery of FE qualifications to over 20 schools and 800 learners in Wales in 2021.

Earlier in the year we started working with the Worshipful Company of International Bankers on an initial project to provide our LiFE programme to a group of young people studying at the London Academy of Excellence in Stratford, London. This sixth form academy was set up with the objective of improving social mobility. This



Our qualifications and programmes have been delivered to over

40,000

children and young people

Over

950

virtual school visits during Covid-19

Awarded grades to over

31,000

students

is our first project with them and to date we have seen over 50 students enrol on the programme. We have had feedback about the positive impact this has already had on these young people.

Our Young Financial Journalist competition was again sponsored by the Financial Times. This competition helps us to engage with a wider audience on the issues facing young people and their relationship with money. In March we launched the findings from our Young Persons' Money Index and were subsequently asked to give evidence to an All-Party Parliamentary Group on young people and their relationship with money. We are currently in discussion with the Bank of England on how we can work collaboratively on creating a framework for a financial education quality standard for schools and colleges.

Policy Engagement

We continue to work closely with policymakers – the DfE, Institute for Apprenticeships and Technical Education, and Money and Pensions Service (MaPS) – and other organisations that are passionate about financial education. On behalf of MaPS, we continue to chair the children and young people (CYP) steering committee, which includes other charities, Ofsted, and key financial services organisations. The key objectives are:

- All CYP will get the financial education they need by 2025.
- Improved knowledge and skills.
- Increase in positive attitudes and motivations.
- Increased connection and access to products/risk.
- Increase in financially capable behaviours of young people.
- Leading to a future generation of adults who make good financial decisions.

Looking Ahead

The Covid-19 pandemic will continue to cause challenges for schools and colleges. Most schools face the challenge of dealing with a substantial loss of learning over the past 18 months and will need to prioritise students' knowledge in core subjects. As financial education is not a compulsory subject, we will face our biggest challenge in keeping our programmes and qualifications on the agenda for school leaders. We will continue to engage and support centres to the best of our ability and build on the outstanding relationships we have with our customers.

We will also continue to contribute to the various DfE consultations that are ongoing, in particular the post-16 consultation and the Post Qualification Admissions consultation. The government proposal is to change the admission system to university to allow students to receive their grades before they apply. If this proposal is successful, this would create operational issues for our assessment teams who will need to turn around grades in half the current time. We have planned for this possibility and are well placed to manage this change effectively.

We continue to support our HE colleagues through the work on our scholarship programme, which recognises and rewards high academic achievement by students who have taken the Certificate and Diploma in Financial Studies (CeFS and DipFS). Scholarships have continued to raise the profile of both FC and our university. The Financial Capability team have co-ordinated the delivery of over 1,000 scholarship certificates. This year over 30% of the undergraduates on our HE courses came from our school qualifications and nearly 20% of students joined our university taking advantage of the scholarship scheme.

Key Risks

- **Regional or national restrictions will continue to affect assessment viability both throughout the year and in year-end assessment (summer 2022), and thus create additional Ofqual regulation.**
- **Schools focus on catching up on missed learning on key subjects. This will potentially push out their ability to deliver financial education qualifications.**
- **Government moves ahead with the removal of funding for all vocational and technical qualifications (VTQs), including our Level 3 qualification.**
- **Failure to gain approval for the new Level 2 Technical qualification for P8 inclusion qualifications.**
- **DfE leaves moratoriums in place to block the submission of new qualifications at Level 3.**
- **Lack of appropriate stakeholder and policy engagement with key stakeholders and the financial community ceasing to engage in the financial education agenda.**



Kareem Refaay
Managing Director,
Gulf & MENA

Key Strategic Priorities

- **Diversify business through the delivery of a broader range of qualifications and programmes across professional education, higher education, financial capability, bespoke training, and other services such as endorsement and accreditation.**
- **Develop major relationships with key regional governmental bodies to support national economic visions and diversity agendas, through the upskilling and reskilling of regional and national new graduates into critical job roles in banking and finance.**
- **Create community impact through financial inclusion, employability and gender diversity initiatives.**
- **Support the banking and finance sector in the region to approach challenging and disruptive trends, including sustainable finance and digital transformation.**
- **Expand our cross-regional business in key financial hubs in the MENA and GCC region.**

Measuring Success

The MENA Regional office measures success through sustainable growth.

This year was LIBF MENA's third year of operation and saw growth of over 200% with revenues of £1.67m, which included £1.456m from corporate, professional qualifications and training. Significantly, it demonstrates LIBF's future growth potential.

LIBF MENA measures success through the impact created in the community. This extends not only to professionals in the banking and finance sector but to the citizens and residents within the region. Our financial inclusion education programme, Ghaya, in collaboration with the Department of Community Development in Abu Dhabi is considered as the first of its kind in the UAE. This programme has supported over 150 beneficiaries to improve their financial literacy and take practical steps to improve their financial situation.

We are very proud of empowering young UAE nationals, especially young females, through our Bankers Programme in which 80% of the participants are females below the age of 25.

Progress During the Year

In Abu Dhabi we have developed a strong relationship with the Human Resources Authority, which has enabled us to launch a flagship National Development Programme. The Bankers Programme was launched with cohorts from two leading banks in Abu Dhabi.

Building on key relationships with partners across the MENA and GCC region, we have expanded our cross-regional business in Bahrain, Kuwait, Egypt and Saudi Arabia through the delivery of short courses, accreditation arrangements and international banking certificates.

Within MENA, interest in our core banking qualifications – the International Banking and Finance Certificates – was received from banks in countries including Egypt, demonstrating the potential to offer the qualifications across the GCC and MENA region.

Within Professional Education, our bespoke training offer has seen growing interest, especially in the areas of digital banking and sustainable finance, as well other bespoke programmes with the largest bank in Abu Dhabi, covering cloud banking, fintech and AI.

The second cohort of the Executive Postgraduate Certificate in Sustainable Finance commenced in January. The first cohort of the Executive Postgraduate Certificate in FinTech launched in May – this is the inaugural cohort for the programme and marks a historic first for the organisation.

In Financial Capability, the first cohort of the Ghaya financial capability programme concluded with a virtual graduation event in March. The second cohort of the programme, open to Arabic-speaking residents and citizens, started in June with almost 100 beneficiaries taking part. Additional Abu Dhabi government departments have partnered for cohort two of Ghaya to provide a wider range of beneficiaries. Cohort three is scheduled for October 2021.

Leveraging the expertise within our Research Centres, we supported the banking and finance sector in the region to approach challenging and disruptive trends through an array of qualifications, bespoke training and board-level sessions covering sustainable finance, digital and fintech, and governance, risk and compliance. We saw a growing level of interest and maintained a strong pipeline of proposals throughout the year.



Growth of over
200%

Our accreditation services, Technical Banking Diagnostics Assessment Centre and Career Development Centre continue to support new accreditation arrangements, including our strengthening relationship with the Bahrain Institute of Banking and Finance (BIBF). We supported the launch of the BIBF Sustainable Development Academy with a representative from our Centre for Sustainable Finance joining their Open House event in July ahead of delivering our suite of sustainable finance short courses during 2021.

Reflecting the opportunities for growth, a new Business Development Manager has been recruited. In addition, we appointed a Senior Faculty Lead for MENA, recognising the importance of growing our regional faculty to support qualification and programme delivery across the MENA and GCC region.

Looking Ahead

LIBF MENA will focus on sustainable growth through the continued provision of innovative and customised programmes that respond to the needs of the banking and finance industry in the MENA and GCC region. We will launch the Certified FinTech Practitioner MENA programme in September 2021, demonstrating our commitment to offer regionally oriented programmes.

We will continue to diversify our geographic coverage through the introduction of successful programmes into other countries in the region, most notably our flagship National Development Programme format, financial inclusion, and International Banking and Finance Certificates. This will support strategic government initiatives around employability, upskilling and economic development, and evidence our commitment to financial inclusion and diversity.

We will work with ADGM Academy and other strategic partners on themed programme series in sustainable finance, digital banking, and governance and risk, which leverage the expertise within the LIBF Research Centres and provide further opportunities for bespoke programmes, short courses and qualifications.

We will engage with the banking and finance community across the region through an extensive thought leadership agenda that reflects the specific challenges and experiences of the MENA and GCC region.

We will keep working with our partners in Abu Dhabi toward the full local accreditation of our Higher Education programmes in the year 2021/22.

Key Risks

- **LIBF MENA current and future growth plans are contingent on growing the local and regional manpower of both direct hires and regional and local faculty members.**
- **As we have been successful in delivering remote and digital classrooms, we will need to make sure of our readiness to go back to in-person classrooms.**

Key Strategic Priorities

During the year, we revised our People Strategy to support our aim of keeping people engaged in the ever-changing world of work and to enable our move to hybrid working. Our revised strategic priorities are:

- To develop a culture that supports the next stage of our business transformation to enable us to deliver an effective service to our customers.
- To recruit, successfully onboard and retain the right people to continue our journey to become an employer of choice.
- To develop and upskill our people to be able to encourage high levels of performance.
- To ensure our reward mechanisms are fair and transparent and that we recognise our people for their efforts and achievements.
- To create a working environment that considers the needs of all stakeholders and ensures equality, diversity and inclusion for all.
- To create a working environment where our employee's health and wellbeing is integral to the success of the business.

Measuring Success

Developing our people: in 2020 the average number of development days per employee was 785 hours; as expected this figure has decreased compared to previous years due to the Covid-19 pandemic.

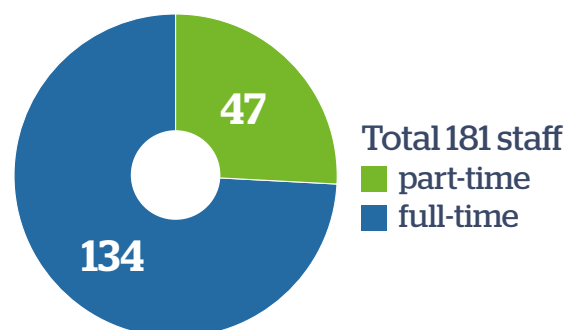
Retaining our people: the voluntary turnover rate in 2020/21 reduced further to 10% from 12% in 2019/20.

Maintaining our employer brand: our rating on Glassdoor over the last 12 months to July 2021 has been maintained at 3.8.

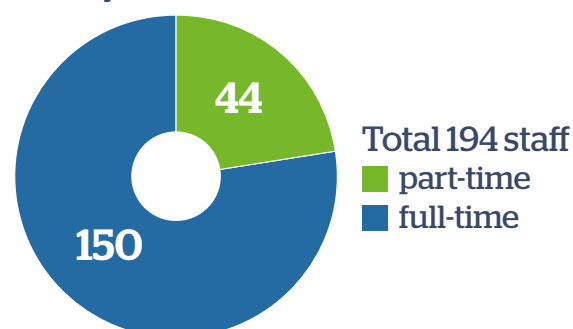
Maintaining our sickness absence rate below the national average: in 2020 the UK sickness absence rate fell to 1.8% (Personnel Today). Our sickness absence reduced significantly to 1.25% so was under the national average.

Update increasing flexible working: the proportion of part-time workers has increased by 3.5% from the same time last year as shown opposite. This is a result of our continuing drive to increase flexibility in our workforce and could be influenced by individuals' life choices during the pandemic.

31 July 2021



31 July 2020



Learning and Development

During the year we:

- transferred our learning activities to being online and virtual;
- developed and launched our Leadership Principles across the organisation;
- reviewed and simplified our competency framework;
- have continued to use our performance management system and made adjustments to allow for working from home;
- have supported more of our staff to study further qualifications.

Reward

We have made some progress in the area of reward in the last year by updating one of our recognition schemes to the virtual environment. We are continuing to recognise our employees' length of service and to market rate all of our roles to ensure that we are rewarding our staff at the appropriate level. In the last 12 months our Pension Governance Committee has reviewed the performance of our pension provider, committed to increasing our employees' knowledge of pensions and surveyed our employees to identify what information they would appreciate.



Recruitment and Retention

We continue to strive to be an employer of choice and have focused on how we recruit and retain particularly working in a virtual environment. We have also developed our onboarding process, from interview to job offer and induction. Engaging our workforce is key to our success. We have developed an onboarding promise for our new starters with the aim of making our process as smooth as possible so that their move to LIBF is a success.

We continue to make vacancies available to all internal applicants and to provide feedback after interviewing along with suitable development where appropriate. This work has resulted in our voluntary turnover rate remaining low.

Engagement

Employee engagement activity has increased during the year with more frequent Town Hall meetings, sessions to involve our employees in evolving our Values and revising our People Strategy.

We have continued to undertake some 'temperature check' surveys and have been pleased by how well our employees have managed to transition to home working.

Our staff representation group, Your Voice, and other collaborative project groups have helped to move the organisation towards hybrid working.

Well-being

Our success as an organisation is very much dependent on the well-being of our staff. We have created a well-being commitment with the overall aim being that we take a people-centred approach and create a company culture which recognises that well-being is high on the agenda and part of our people strategy going forward. Our vision is to promote and embed positive physical, mental and social health and well-being behaviours, which are underpinned by our values.

During this period, our Wellbeing Group have continued to provide various activities remotely, for example mindfulness sessions and remote buddy groups, where staff have been able to share their feelings and experiences through a Teams discussion. We have also supported events such as Diabetes Week, Stress Awareness Month, World Sleep Day and Mental Health Awareness Week. We have increased our qualified mental health first-aiders to a total of eight. Further activities have included a nature photo competition and a virtual pets corner. We have also continued to promote our employee assistance scheme, where staff can obtain a 24-hour counselling service.

We have a regular programme of learning and development around health and well-being, eg mental health, and we have repeated our resilience training courses for staff throughout the organisation.

Looking Ahead

In the coming year we are planning to continue to work on the key HR strategic themes aiming to support the business areas to achieve their objectives.

Our focus will be on developing our leadership talent, implementing our evolved values and the competency framework, and revising associated processes and developing our staff for the future. We will review the strong engagement practices that we already have with our employees to support engagement within a hybrid way of working.

We will also continue our journey to become an employer of choice to be able to recruit and retain staff to meet our business objectives. Fair and transparent reward systems will also support this, recognising people for their efforts and achievements.

Key Risks

- **We will continue to face risks in the recruitment market, with many more applicants available for a single post. This has widened our pool of talent but causes potential difficulties in shortlisting.**
- **We will continue to face the situation where employees may want to develop themselves and progress by being promoted to a role with more responsibility within the organisation; however, due to the small size of the organisation, sometimes this is not always possible. We will continue to monitor any possible development opportunities and our turnover rate.**

Equality and Diversity Policy Statement

We are committed to creating a culture in which diversity and equality of opportunity are promoted and in which unlawful discrimination is not tolerated. We recognise the real educational and business benefits of having a diverse community of staff, students, members and subscribers to any services and therefore work towards building and maintaining an environment that values such diversity. To meet this commitment, we aim to ensure that:

- individuals are treated solely on the basis of their abilities and skills;
- nobody is discriminated against on grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation;
- it affords its students, members, subscribers and employees the opportunity to fulfil their potential;
- it promotes a supportive environment for staff, students and visitors.

We will aim to create a working environment that considers the needs of all stakeholders and ensures equality, diversity and inclusion for all.

Some of the big issues affecting society have a direct impact on how the finance sector operates. Fintech, sustainable finance and managing risk are top of the agenda for many working in finance today.

To help share knowledge and expertise in these areas, we've developed three specialist centres. The centres seek to bring together expertise, highlight best practice and disseminate thought-provoking and impactful insights.

They also offer bespoke training and qualifications in key areas.



CENTRE FOR **DIGITAL BANKING AND FINANCE**

The Centre for Digital Banking and Finance offers executive education, advisory services and thought leadership to the UK and international banking and finance sector.

Our network of subject matter experts, practitioners and associates have years of experience growing digital businesses, deploying digital solutions and leading fintech organisations.

Our work looks beyond the hype of digital technology and examines the current and future implications for banks and their employees. That helps us ensure we provide banking professionals and organisations with the skills, knowledge and insights they need to thrive in a rapidly changing environment.

digital.libf.ac.uk



CENTRE FOR **GOVERNANCE, RISK AND REGULATION**

The Centre for Governance, Risk and Regulation brings together an international network of subject matter experts, practitioners and associates with years of experience in risk, regulation, governance and compliance.

We have a long history of working globally, so we understand that each region has its own distinct risks and opportunities.

Through our unique approach, we can help you prepare for the risks and uncertainties of a constantly changing environment – no matter where you are in the world.

risk.libf.ac.uk



CENTRE FOR **SUSTAINABLE FINANCE**

The Centre for Sustainable Finance was founded in response to the growing need for the financial sector to adapt to sustainable development and environmental change. We champion thought leadership, research and education to address the emerging trends and practices that have an impact on the sector.

The Centre seeks to address the interests and concerns of market participants around the world – including commercial and development banks, investors, governments, corporations or regulators.

libf.ac.uk/csf



DIGITAL BANKING AND FINANCE

In the summer and autumn of 2020, we developed and launched the Certified Fintech Practitioner programme (CFP) in partnership with media and events company LendIt Fintech. CFP is an open enrolment fully online course combining live virtual lectures with self-paced study and reflection over a period of 6 – 8 weeks. The pilot was a great success and we have subsequently delivered two further sessions (March and June).

Overall the programme has generated circa £40,000 of revenue and attracted over 80 students from across Europe, Asia, Africa and North and South America who have now gained Certified Fintech Practitioner status. We have also partnered with the Findexable Fintech Diversity Radar to provide a number of Women in Fintech Scholarships in the form of a waiver of the CFP course fee.

We have also successfully bid for a series of bespoke corporate training programmes, including the delivery of a virtual course on digital transformation for a US based development bank, large scale courses on cloud computing and digital transformation/fintech for banks in the MENA region and fintech awareness programmes for a national financial services regulator in South East Asia.

We have held seven webinars over the period attracting over 2,000 delegates, including a session on Central Bank Digital Currencies, delivered in partnership with the Whitechapel Think Tank, and very well received panel sessions on future careers and digital identity.

We have continued to publish articles, blogs and insight pieces on the digital centre microsite (digital.libf.ac.uk) authored by our content team, members of our faculty and by participants in some of our programmes. Members of the faculty have also regularly featured in content produced by others. Most notably, Helene Panzarino, The Director of the Centre has contributed to various national and international online events and podcasts and once again been recognised as a key influencer in the sector - for example being shortlisted by ComputerWeekly for their 'Most Influential Woman in UK Tech' award.

GOVERNANCE, RISK AND REGULATION

The Centre for Governance, Risk and Regulation (CGRR) was launched in early 2021 to support the organisation's need to enhance its visibility, develop its capabilities in the Executive training area and support its existing programmes in the traditional but evolving fields of Governance, Risk and Regulation.

We focus on corporate rather than open programmes, except when these are run by partner organisations. We have developed a range of short course outlines and content to support sales and relationship building efforts. In the past year, members of the Centre's faculty of experts were deployed on programmes in Malaysia and Bahrain. Being largely focused on delivery of executive courses to international clients, training opportunities and revenue opportunities are impacted by the pandemic, but all our expected deliveries going forward can be online as well as face to face.

The Centre's content output takes place through events in live but virtual delivery; our launch event in collaboration with the CSFI attracted over 200 participants. We also produce content in the form of videos, podcasts, and articles/blogs on relevant themes which dovetail with our strategic intents.

In May, the Centre launched its own microsite risk.libf.ac.uk to help raise its profile, create a more visible home for LIBF content and programmes related to governance, risk and regulation, and project a brand in keeping with the expectations of the target audience. The Centre is also establishing its own social media channels, predominantly LinkedIn and Twitter, and have taken a proactive approach to sharing content and engaging with relevant influencers. Members of the faculty have also been active participants in a range of both physical and virtual events run by third parties. Events have been hosted with ORX, the Operational Risk Association in May, the Risk Coalition in July and have been planned in the Middle East for the summer of 2021.

SUSTAINABLE FINANCE

The strategic priorities were supported during the year by various online events and activities to facilitate the growth and progress of the Centre:

- Engaging with other institutions (such as financial institutions, companies, governments, international development institutions, NGOs and other universities) to raise the profile of LIBF and create new connectivity.
- Generating research content for consumption by clients, including publication of white papers and an aspiration to produce quality academic research. It also includes other media content such as podcasts, interviews, publication in the media.
- Commercial activity that generates revenue for LIBF. This includes any consultancy work, projects, or contributions to courses that relate to sustainable finance that are run by LIBF which could be in the form of course design or delivery.

We achieved our objective to produce relevant content by working with external institutions and also to publish quality academic research. We have also collaborated on the P4G-funded project, FLAWLESS, which aims to halve food loss and waste (FLW) in alignment with Sustainable Development Goal (SDG) 12.3. We are providing technical input to develop financial products that will align the interests and incentives of banks and investors with companies working to reduce FLW.

In July 2020, LIBF signed the Green Finance Education Charter and we participated in a series of meetings and webinars during the year promoting the importance of education in achieving the transition to a greener economy.

The Centre contributed to the re-design of the Certificate in Sustainable Finance that was delivered to a second cohort during the year in partnership with the ADGMA.



Working to Address UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) are 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. We continue to focus on the SDGs where we believe we can make the most impact through our operations.



Goal 5: Achieve gender equality and empower all women and girls



Targets seek to:

- end all forms of discrimination against all women and girls everywhere;
- ensure women's full and effective participation and equal opportunities for leadership.

LIBF actions

- We have set up an Equality, Diversity and Inclusivity (EDI) Committee to oversee and advise our EDI activities, which address the UN Goal 'Gender Equality' (Goal 5) alongside 'Reduced Inequalities' (Goal 10).
- We awarded five Women into Finance scholarships to HE students in 2020/21 (alongside five for Mature Learners).
- We have established a partnership with findexable in supporting them with their development of a global platform gathering progressive data on women in fintech. They have co-sponsored several women in finance scholarships for our PG Fintech Practitioner programme.
- Our REACH programme encourages people from underrepresented groups to sign up to our degree programmes and begin their careers in banking and finance. Our Women in Finance event had 60 attendees. We also hosted BAME and Mature Learners events.
- We have initiated Lean In Circles where staff and students can connect and support each other.
- We celebrated both International Women's Day and International Men's Day with our staff and students.
- We support and encourage our Women in Finance student society.
- We have published and promoted five blogs on diversity.
- We hosted a webinar with Nationwide on Gender Equality in Banking and Finance, which specifically addressed the pay gap. We had 271 attendees.
- Our leadership team is gender equal.

Goal 12: Responsible consumption and production



Targets aim to:

- increase sustainable management and efficient use of natural resources;
- halve food waste;
- ensure environmentally sound management of chemicals and all wastes;

- reduce waste generation through prevention, reduction, recycling and reuse;
- adopt sustainable practices;
- ensure people have the relevant information and awareness for sustainable development.

LIBF actions

- Our staff Environment group meet regularly to discuss key environmental issues.
- We produce and share environment-focused newsletters with staff to promote responsible consumption and production (Goal 12) and climate action (Goal 13) awareness.
- Carbon Literacy Standard achieved by two group members.
- 13 blogs on sustainable finance have been published and promoted.
- Education for employees and students to reduce waste and energy use.
- Recycling carried out on all sites and encouraged for home workers.
- Premises fitted with energy-reducing sensor lights and water-saving dual-flush toilets.
- Redundant electronic equipment recycled using WEEE 2 (Directive 2012/19/EU) compliant disposal companies.
- Waste removal contractors hold correct waste transfer notes.
- Printer toners and used light tubes are disposed of correctly.
- National Living Wage is a requirement for contractors.
- Due diligence carried out on all suppliers.
- COSHH risk assessments are in place.

Financial Review – Results for the Year Ended 31 July 2021



Ian Parrett
Chief Operating Officer

Introduction

As an educational charity incorporated under Royal Charter, The London Institute of Banking & Finance uses all its income to advance banking and finance by providing outstanding education and thinking, tailored to the needs of individuals, business and society.

We receive a variety of tax exemptions on our educational activities and on our investment income and gains. We are also entitled to an 80% reduction in business rates on the property occupied for our charitable purposes. The financial benefits received from these tax exemptions are all used for educational purposes.

The fees, kept as low as possible to ensure affordability and wider access, are sufficient to cover the cost of running current programmes and investing in new ones. Funding comes from a variety of sources both public and private. Employers fund many students and some students, studying for qualifications that are in Ofqual's Qualifications and Credit Framework (QCF), have indirect access to public funding. Full-time students studying for a degree on an appropriate 'designated' course are eligible to borrow their fees from the Student Loans Company.

The Institute is supported in its activities by its wholly owned subsidiary, LIBF Learning Ltd, whose main activities encompass sponsorship and events, The London Institute of Banking & Finance (MENA) Ltd, which covers all activities within Abu Dhabi and The London Institute of Banking & Finance (APAC) PTE Ltd which supports all activities within the APAC region.

The surplus of £875,000, shown in the consolidated statement of comprehensive income and expenditure on page 34, is broken down as follows:

	Income £000	Expenditure £000	Surplus £000
General fund	18,302	-17,066	1,236
Restricted funds	13	-45	-32
Pension fund		-35	-35
Strategic investment		-117	-117
Depreciation		-177	-177
	18,315	-17,440	875

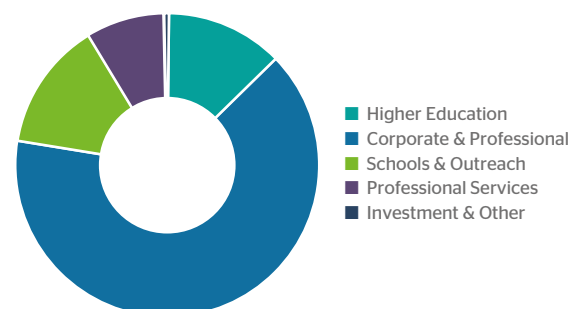
The general fund is the primary fund against which underlying financial performance is measured. We look to generate a surplus to produce sufficient cash to support strategic objectives and long-term sustainability, targeting an annual surplus as a

percentage of revenue of between 5-10%. Depreciation, investment performance and funds allocated to strategic projects are excluded from this calculation so we can focus on the ability to generate cash flow. Restricted funds include the Alumni Fund, which gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals through funding and scholarships; the Bursary fund, which provides means-tested assistance to both full and part-time students, and The Grunfeld Foundation, which supports the education of people working in banking and financial services in London.

Strategic funds are those that have been designated by the Board separately from the general fund for major projects.

Income

Total income from continuing operations for 2020/21 was £18.315m, an increase of 14.3% over the previous year's total of £16.025m, with the key revenue analysis as follows:



Within Higher Education, revenue from full-time degree programmes increased by 33% to £1.63m, following much larger intakes for the previous three years, which has significantly increased the overall number of students. Demand for part-time courses has increased with the introduction of degree apprenticeships.

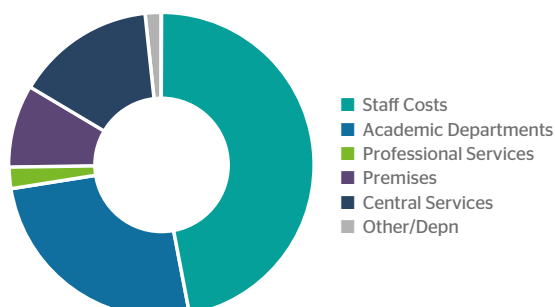
Corporate and Professional qualifications revenue grew by 23% to £11.93m, with demand for mortgage advice, financial advice and trade finance qualifications all recovering from the previous Covid-19 impacted year.

Registrations for Level 3 Financial Education qualifications grew by 16.3%, but the withdrawal of Level 2 from league tables continued to affect overall revenue and the number of schools delivering our qualifications in this area.

Professional services revenue fell 8%, with a reduction in revenue from events combined with a drop in membership revenue.

Expenditure

Total expenditure for 2020/21 was £17.44m, a decrease of 5% over the previous year's total from continuing operations of £18.267m, with the key analysis as follows:



As a result of various changes due to the Covid-19 pandemic, staff costs fell by 10% to £8.179m. This represents 45% of income (2019/20 50%). Costs for academic departments increased by 6% to £4.453m, reflecting the increased volumes delivered during the year. Premises costs remained broadly in line with the previous year while the costs of professional services reduced, and central services increased following an increase in the running costs of the pension scheme during Covid-19.

Working Capital

To shore up working capital, the Institute applied for a £1.5m Coronavirus Business Interruption Loan (CBIL), which was received at the end of August 2020. The loan is secured on the Canterbury premises with a loan term of six years and no interest or repayment in the first year. Thereafter it is at a margin of 2.44% above base rate, with a covenant requirement to maintain general fund EBITDA above 1.5 times debt service. In July 2021, due to an increase in the market value of investments, £650k was withdrawn from the investment fund and used to pay off part of the balance of the loan, leaving £850k outstanding at the year end.

Investments

At 31 July 2021, following a withdrawal of £650k, we held fixed-asset investments with a market value of £3.543m (compared with £3.455m in 2020).

The Trustees, through the Senior Executive Team, delegate the discretionary powers of management of our fixed-asset investments to investment manager Rathbones.

The investment objective is to maximise long-term total return and it is measured against an agreed target. There is no specific direction given to the investment manager regarding social, environmental and ethical considerations.

Our bank balances are held in cash funds managed by BlackRock, which aims to reflect London Interbank Bid (LIBID) seven-day rates, and in a range of fixed-term deposits with Barclays.

Pensions

The London Institute of Banking & Finance operates two schemes: a defined-contribution scheme, which is available to all employees, and a defined-benefit scheme that closed to future accrual on 31 March 2009.

The most recent triennial valuation of the defined-benefit scheme was 31 December 2019, and this showed a technical provisions surplus of £2.42m (106% funded). No contributions were made to the fund during the year but, from 1 August 2021, LIBF has agreed to pay £100,000 per annum to the fund as a voluntary employer contribution as it aims to reach a fully funded position on a low-dependency basis. As at 31 December 2020, the surplus had fallen to £1.723m.

Financial Outlook and the Impact of Covid-19 on Going Concern

To ensure we have a sound financial base and are well resourced to meet the challenges and opportunities we face, the long-term strategic plan contains key performance indicators (KPIs) on the level of operating surplus (excluding strategic investments) that we should generate each year – broadly 5-10% of revenue.

The strategy also outlines provision for building reserves and cash so they fall within the boundaries of our reserves policy. We aim to maintain a level of reserves that would enable us to fulfil our future commitment to existing alumni and students, notwithstanding unforeseen adverse events. The KPI, a target range for the appropriate quantum of reserves, is currently estimated to be one year's operating costs in respect of alumni services, plus between one and two years' operating expenditure relevant to the provision of qualification services. This equates to a target level of between £6m and £12m.



Reserves for this purpose are defined as consolidated unrestricted income and expenditure reserves less tangible fixed assets. The overall value of those reserves increased by £1.659m to £2.554m as follows:

	2020/21 £000	2019/20 £000
General reserves brought forward	895	2,933
Surplus/(deficit) in general funds	1,236	-1,208
Strategic investments and capital	-230	-261
Restructuring costs	-	-350
Investment gains	653	-219
General reserves carried forward	2,554	895
Represented by: unrestricted income and expenditure reserve	4,402	2,807
Less: tangible fixed assets	-1,848	-1,912
	2,554	895

Covid-19 began to impact international revenue early in 2020 as examinations were cancelled or deferred and in the UK during the initial period of lockdown from March to June 2020. During the second lockdown in autumn of 2020, revenues were largely unaffected as many of the examinations were able to be studied online. In addition, a restructuring programme was completed early in the financial year reducing staff and other operational costs.

The forecasts and budget for 2021/22 indicate a surplus with enough margin to meet covenant requirements and which will grow in the next four years within the targets set by the financial strategy. Early trading for 2021/22 indicates we have exceeded our intakes for full-time students and other qualification revenue is in line with projections.

Structure, Governance and Management

The governing body of The London Institute of Banking & Finance is the Board of Governors, which comprises the Chair, the Chief Executive and up to 15 appointed members, including a representative from the student body and a representative of the academic community. As Governors, members of the Board have a single overarching responsibility, which is to ensure that we fulfil our object as stated below. In addition, the members of the Board are the Trustees of the charity.

Corporate Governance

We have adopted the Charity Governance Code published by the Charity Governance Code Steering Group (a cross-sector collaboration with an independent chair). The code is not mandatory, but we have decided to adopt it. We also take into account the Guide for Members of Higher Education Governing Bodies in the UK and the HE Senior Staff Remuneration Code, both published by the Committee of University Chairs.

Constitution

The London Institute of Banking & Finance was established in 1879 as the Institute of Bankers and has latterly used the working names Institute of Financial Services, *ifs* School of Finance and *ifs* University College. It was incorporated by Royal Charter in February 1987 and registered as a charity in June 1987. Amendments to the Charter followed in February 2000, December 2003, July 2006, May 2008, July 2010 and September 2016. These included formally changing the name and changes to the governance.

Charter

The Charter sets out our objects and powers. It requires us to establish a Board of Governors, who are the Trustees, and an Academic Board.

The object for which we are constituted is the advancement of knowledge of, and education in, financial services as the Board of Governors may determine from time to time, and to carry out research and publish the useful results of such research for the benefit of the public.

The Trustees are cognisant of the Charity Commission guidance on public benefit and, in particular, guidance for fee-charging charities. The Trustees are satisfied with the steps they have taken in this regard.

Board of Governors

Members of the Board of Governors include senior personnel within the financial services and educational sectors who 'donate' their expertise, experience and limited time on a voluntary basis to act as Governors.

The primary responsibility of the Board is to oversee our strategic academic and educational direction and monitor the progress through regular, timely reporting, including reports from all of the key Committees and reviews of key performance indicators. The Board also oversees the management of the finances, property and all business affairs.

Statement of Responsibilities of the Board of Governors

The Governors are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the Governors to prepare financial statements for each financial year. The Governors have to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of our state of affairs, and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting for Further and Higher Education;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain our transactions, disclose with reasonable accuracy at any time our financial position and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of our Charter and Statutes. They are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on our website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



The Board meets at least four times a year and receives regular reports from management on our operational aspects, including a quarterly update against the operational plan and minutes from all of the sub-committees, including the Academic Boards. At least one of the meetings includes a review of the strategy and five-year plan.

Through leadership of the Board, the Chair plays a key role in our business, ensuring that we are well connected with our stakeholders. The Chair promotes the well-being and efficient operation of the Board, and ensures that members work together effectively and have confidence in the procedures laid down for the conduct of business. The Chair ensures that committees play a central role in the proper conduct of the Board's business by exercising delegated powers and reporting back to the Board appropriately. The Chair should not be drawn into the day-to-day executive management.

Day-to-day responsibility is delegated to the Chief Executive leading the senior executive team. The Chief Executive is our academic and executive head and is responsible to the Board for academic, business and financial affairs, and for advising the Board on strategic direction.

It is management's duty to report on operational matters to the Board, including any variances to plan, and to ensure that the Board is presented with relevant information to support its debate on strategic issues.

Governor Selection and Induction

Board members are selected from the financial services industry, commerce, the educational system, the securities and investment sector, and public services.

When first elected to the Board, members receive a personalised induction programme, which comprises briefing sessions with the Chief Executive. These sessions provide Governors with an insight into our workings, nature and the Board; our strategic objectives; and their personal responsibilities as Governors.

In addition, opportunities are provided to meet other members of staff engaged in our activities, and an information pack is available for new and existing Governors. Governors are required to complete a register of interests and a fit and proper person declaration.

Board of Governors (Trustees)

The Trustees as at 31 July 2021 are as follows:

Steven Haberman (Chair)

Steven is currently Professor of Actuarial Science at Cass Business School, City, University of London. From 2002 to 2012, he was Deputy Dean and Director of Cass Business School, and then Dean for 3 years to the end of 2015.

Steven graduated in mathematics at the University of Cambridge. He qualified as a Fellow of the Institute of Actuaries in 1975, and obtained his PhD and DSc in actuarial science from City University. He is also a Fellow of the Royal Statistical Society and an Honorary Fellow of the Italian Institute of Actuaries.

Steven has worked at Prudential Assurance and for the Government Actuary's Department, and has been a member of the Council of the Institute and Faculty of Actuaries (for two terms). He has also been a member of TheCityUK Advisory Council, Governor of the City of London Academy Islington, and a member of the External Advisory Panel to the Morris Review of the UK Actuarial Profession, as well as a founder member of the Financial Reporting Council's Board for Actuarial Standards. He has acted as a consultant to Deutsche Bank, Swiss Re, the Financial Services Authority and the National Audit Office among others.

He is currently a member of Legal & General's Longevity Science Panel.

He has co-authored 5 books and has written over 190 papers on a wide range of topics, including mortality and morbidity models, annuities, insurance pricing and pensions. His papers have won research prizes from the Institute of Actuaries (UK) and Society of Actuaries (US). He has also successfully supervised 33 doctoral students.

John Annette

Binta Darboe *Student Representative* (appointed November 2020)

Sabrina Del Prete

Shelley Doorey-Williams

Alex Fraser

Paul Gordon

David Kennedy

Ali Miraj

Sakhila Mirza

Philip O'Shea

Annabel Todd

Arjan van den Berkmortel

Damian Ward

Eddie Webb *Student Representative* (appointed November 2020)

The following Trustees served during the year but were not Board members when this report was signed:

Harry Crossley *Student Representative* (resigned August 2020)

Elona Gega *Student Representative* (resigned September 2020)

Committees of the Board of Governors

Board of Governors			
Academic Board	Audit Committee	Remuneration and Nominations Committee	Executive Committees

Academic Board

The Academic Board is our supreme academic authority and guardian of the academic integrity and quality of our higher education awards.

The membership of the Board comprises a majority of persons with academic knowledge and experience at a senior level. The Board is chaired by the Chief Executive and is attended by all of the relevant academic heads and directors. Appointed members include no more than 12 academics with relevant qualifications and experience, 1 academic delivering teaching for our academic awards, 2 representatives of the student body, and 1 elected member of staff responsible for the delivery of the academic programmes who does not manage other staff engaged in such delivery. The principal functions of the Academic Board include to:

- guide the Board of Governors on educational strategy, legislation relating to educational provision, regulatory requirements affecting the award of degrees and the implications of the development of further or revised academic provision;
- approve courses and programmes of study leading to academic awards and all significant amendments or discontinuance;
- regulate all instruction, teaching and research;
- prescribe the criteria, procedures and guidelines for the assurance and the quality and standards of all courses and programmes of study and research;
- prescribe the requirements concerning all matters of academic sufficiency under which students shall be permitted to pursue their studies.

The Academic Board meets at least four times a year and minutes of its meetings are reported to the Board of Governors.

Board members and external members of the committee are:

Alex Fraser (Chair)
John Annette
Tony Gandy
Alexander Gleave
Cathy Higgs
Claire McCafferty
Heather McLaughlin
Gulnur Muradoglu
Osy Plummer
Mark Shackleton
Hema Tank
Damian Ward
Suellen White
Simon Wolfe

Audit Committee

The basic responsibility of the Audit Committee, which meets at least twice a year, is to satisfy itself as far as it can that the annual accounts follow approved accounting principles and give an accurate account of our affairs in as comprehensible a way as possible. It must satisfy itself that the external auditors have no cause for disquiet about any aspect of the accounts or of our control and audit procedures. The Committee also monitors the risk management and internal control processes and provides the Board of Governors with an annual report of its work. The Audit Committee is chaired by a member of the Board of Governors and comprises at least one other Board member and one external member. It is also attended by a representative from the external and internal auditors.

David Kennedy (Chair)
Hanif Barma
Paul Gordon
Philip O'Shea (appointed March 2021)
Maria Vetrone



Remuneration and Nominations Committee

The Chair of the Board of Governors chairs the Remuneration and Nominations Committee, which meets at least once a year. It is responsible for making recommendations to the Board of Governors on the appointment of Governors, the Chair of the Board, the Chief Executive and Chairs of Committees.

The Committee determines and approves a framework and consistent policy for us on remuneration and pension arrangements. It is specifically responsible for setting the terms of service of the Chief Executive and Secretary to the Board and considers, where necessary and subject to the legislation and regulations applying to charitable bodies, any remuneration for the Chairs of the Board and the Audit Committee.

Steven Haberman (Chair)
Shelley Doorey-Williams
Sakhila Mirza
Arjan van den Berkmortel
Damian Ward (Chair for discussion on remuneration)

The following served during the year but was not a member when this report was signed:

Harry Crossley (resigned August 2020)

Executive Committees

The Senior Executive Team comprises fortnightly meetings of business heads, which focus on strategy creation, budgets and financial review, and quarterly meetings of the Operating Committee, which oversees the successful management of operational risk, regulatory compliance and project management for shared services.

Senior Executive Team

Alex Fraser, Chief Executive
Anna Boyce, HR Director
Mark Heaton, Managing Director, Professional Education
Richard Martindale, Company Secretary
Linden Muirhead, Deputy Chief Operating Officer
Ian Parrett, Chief Operating Officer
Chris Ray, Director of Innovation and Transformation
Kareem Refaay, Managing Director, Gulf & MENA
Angela Sutton, HR Director
Hema Tank, Managing Director, Higher Education
Heather Tilston, Head of Marketing and PR
Suellen White, Registrar, Quality, Policy and Regulation
Catherine Winter, Managing Director, Financial Capability and Community Outreach

Organisation Risk Management

Strategic Risks

Those mainly in the external market and environment over which we have little or no control: we may be able to mitigate the impact, but we will not be able to control the probability of the risk occurring and the risk may have a fundamental impact on our future strategic direction.

Operational Risks

Relate primarily to our day-to-day running. These are more likely to be within our control, in terms of our ability to affect the probability of the risk occurring and to mitigate the impact.

Board of Governors

Ultimate responsibility for the system of risk management and control.

Audit Committee

Monitoring and reviewing the effectiveness of the risk management and control arrangements.

Senior Executive Team

Identification, assessment, management, monitoring and reporting of strategic risk.

Operating Committee

Identification, assessment, management, monitoring and reporting of operational risk.

Reference and administrative details

Charity name

The London Institute of Banking & Finance

Charity number

297107

Incorporated in England by Royal Charter, registered number RC000719.

Registered office

8th Floor
Peninsular House
36 Monument Street
London
EC3R 8LJ

Principal advisers

Bankers

Barclays Bank PLC
9 St George's Street
Canterbury
Kent
CT1 2JX

Solicitors

DAC Beachcroft
25 Walbrook
London
EC4N 8AF

External auditor

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Internal auditor

RSM UK
25 Farringdon Street
London
EC4A 4AB

Investment manager

Rathbones Investment Management Ltd
8 Finsbury Circus
London
EC2M 7AZ

The Report of the Board of Governors was approved by the Board of Governors on 25 November 2021 and signed for and on their behalf by



Steven Haberman

Chair

Disclosure of Information to Auditors

At the date of making this report, each of the Governors, as set out on page 25, confirm the following:

- so far as each Governor is aware, there is no relevant information needed by the Charity's auditors in connection with preparing their report of which the Charity's auditors are unaware; and
- each Governor has taken all the steps that he or she ought to take as a Governor in order to make him or herself aware of any relevant information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

The external auditor, BDO LLP, was re-appointed in the year.

Approved by the Board of Governors on 25 November 2021 and signed for and on their behalf by



Steven Haberman

Chair



Alex Fraser

Chief Executive



Independent Auditor's Report to the Board of Governors of The London Institute of Banking & Finance

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Institute's affairs as at 31 July 2021 and of the Group's and the Institute's income and expenditure, gains and losses, changes in reserves and of the Group's and Institute's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of The London Institute of Banking & Finance ("the Institute") and its subsidiaries ("the Group") for the year ended 31 July 2021 which comprise the consolidated and institute statement of comprehensive income and expenditure, consolidated and institute statement of changes in reserves, consolidated and institute balance sheets, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board members' 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 Group and Institute's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The Board is responsible for the other information. Other information comprises the information included in the annual report and accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information including the Report to the Board of Governors and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters required by the Office for Students ("OfS")

In our opinion, in all material respects:

- Funds from whatever source administered by the Institute for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019:41) have been met.

We have nothing to report in respect of the following matters in relation to which the OfS requires us to report to you if, in our opinion:

- The Institute's grant and fee income, as disclosed in the note to the accounts, has been materially misstated.
- The Institute's expenditure on access and participation activities for the financial year has been materially misstated.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information in the Governors' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the Statement of Responsibilities of the Board of Governors set out on page 24, the Board is 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 Board 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 Board is responsible for assessing the Group and the Institute'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 Board either intend to liquidate the Group or the Institute 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.

Extent to which the audit was 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:

Based on our understanding of the Group and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations are related to their registration with the Office for Students ("OfS") and their ongoing conditions of registration, and we considered the extent to which non-compliance might have a material effect on the Group Financial Statements or their continued operation.

We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the OfS Accounts Direction, Charities and Higher Education SORP and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The audit procedures to address the risks identified included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, including direct representation from the Accountable Officer.
- Reviewing minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and OfS to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility.
- Reviewing items included in the fraud register as well as the results of internal audit's investigation into these matters.
- Challenging assumptions made by management in their significant accounting estimates.
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

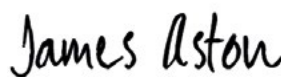
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

In addition, we also report to you whether income from funding bodies, grants and income for specific purposes and from other restricted funds administered by the Institute have been properly applied only for the purposes for which they were received and whether income has been applied in accordance with the Statutes and, where appropriate, with the Terms and Conditions of Funding with the OfS.

Use of our report

This report is made solely to the governors, as a body, in accordance with paragraph 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Board 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 Institute and the Board as a body, for our audit work, for this report, or for the opinions we have formed.



James Aston (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor, Gatwick
Date: 14 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



The London Institute of Banking & Finance is a Registered Charity and incorporated by Royal Charter in England and Wales.

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of investments and certain tangible assets. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): accounting for further and higher education 2019, and in accordance with Financial Reporting Standard FRS 102. We are a public benefit entity and have therefore applied the relevant public benefit requirements of FRS 102. The functional currency is pound sterling.

The Institute meets the definition of a qualifying entity under FRS 102 as the results of the Institute are consolidated into the group financial statements, which are publicly available. In accordance with FRS 102 section 1.12, the Institute has taken advantage of the exemptions in respect of the preparation of a cash flow statement, disclosure of the remuneration of key management personnel and the disclosure of financial instruments.

b) Going concern

We have considered the principal risks on the business for the next 12 months. The situation is more stable than the previous year, but we do consider how we may respond to the variety of challenges.

Within higher education, our 2021/22 intake exceeded expectations and we have the ability to deliver our programmes using a blend of face-to-face and online teaching or entirely online if required. We see no reason why there would be a decline in our intake for the next academic year starting in 2022.

There is no current plan to close schools again, but we have shown our ability to adapt our assessments to the changes in guidelines, and registrations are in line with our forecasts.

Our corporate and professional qualifications saw the largest impact from the Covid-19 lockdown, but primarily they were impacted by the ability to deliver assessments rather than a shrinking market and these areas have since recovered to pre-Covid levels. We were already assessing many qualifications using electronic testing and have introduced a range of alternatives to enable this to be completed without attending a centre. A number of our international qualifications in trade finance have been adapted to enable them to be examined by electronic testing. To boost liquidity, we arranged for a £1.5m government-backed Coronavirus loan, which was received during August 2020, and we also have the investment fund

of around £3m, which can be drawn at relatively short notice.

Management will review the financial performance of the organisation on a monthly basis, including an evaluation of actual results compared to budgets and forecasts, and will report regularly to the Board.

The Board has a reasonable expectation that we have sufficient resources to continue in operation for at least 12 months from the signing date of these financial statements and therefore considers it appropriate to adopt the going-concern basis of accounting in preparing these financial statements.

c) Basis of consolidation

The consolidated financial statements combine our financial statements and subsidiary undertakings. Further details of the subsidiary undertakings are disclosed in the notes to the accounts.

The subsidiary company, Institute of Financial Services Ltd, has remained dormant throughout the period. Both LIBF Learning Ltd, The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking (APAC) PTE Ltd were trading during the period and have been consolidated into the financial statements.

Overseas centres have not been consolidated on the basis that they operate as separate legal entities governed by their own constitution. The grants made are given on the express undertaking that they will be applied wholly for educational purposes. Grants are included on the basis of amounts payable.

d) Recognition of income

Income from tuition fees and education contracts is recognised over the length of the course being offered.

Investment income is included on a receivable basis.

With no new life subscriptions being received, the balance is being released to income over a 20-year period on a straight-line basis. Other subscriptions and income are included on the basis of amounts receivable and any amounts received in advance included within deferred income.

Donations are included in the financial statements on the basis of amounts received.

All other incoming resources are included in income and expenditure when we are legally entitled to the income and the amount can be quantified with reasonable accuracy. Any amounts received in advance are included within deferred income.

Gift Aid is recognised as a distribution at the point that a specific obligation has been created.

e) Accounting for retirement benefits

We operate a funded defined-benefit scheme, the assets of which are held in a specific trust separately from those of The London Institute of Banking & Finance. Contributions to the scheme are charged to the statement of financial activities so as to spread the cost evenly over employees' working lives with us. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method and discounted using an AA corporate bond rate. The pension scheme assets are valued at market rate. Pension fund deficits are recognised in the balance sheet, but surpluses are not recognised as assets where they cannot be recovered either through a refund from the scheme or reductions in future benefits.

We also operate a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the statement of comprehensive income and expenditure in the year to which they relate. These contributions are invested separately from the charity's assets in an independently administered fund.

f) Post-retirement benefits

Post-retirement benefits are included within the financial statements on the basis of the net present value of future cash flows, with any gains or losses charged to the income and expenditure account.

g) Operating leases

Rentals paid under operating leases are charged to revenue on a straight-line basis over the terms of the leases. Where incentives are offered at the start of a lease, these are spread over the period of the lease. Transitional arrangements have been applied to those lease incentives already in place at the time of transition.

h) Foreign currency transactions

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the statement of comprehensive income and expenditure as they arise.

i) Fixed assets

Individual assets costing £1,000 or more are capitalised at cost.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated using the following rates:

Leasehold improvements	10% over initial lease term
Computer hardware and software	33% per annum on cost
Furniture and equipment	25% per annum on cost

Computer hardware, software and items of furniture and equipment under £1,000 have been charged in full to revenue in the year of purchase.

The freehold building is stated at cost and depreciated over a period of 50 years.

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use.

j) Investments

All investments are stated at market value, except for the 100% shareholding in the subsidiaries, which is stated at cost. Market values have been determined as follows, with realised and unrealised gains and losses taken to the statement of financial activities:

- quoted investments at mid-market value;
- unit trusts and managed fund investments are stated at the average of the bid and offer prices.

k) Stock and work in progress

Stock and work in progress are valued at the lower of cost or net realisable value.

Work in progress represents expenditure on the production of our publications where the first print is still to take place. Such expenditure will be written off at the first print run.

l) Cash and cash equivalents

Cash flows comprise increases or decreases in cash. Cash includes cash in hand and deposits but excludes cash held as part of the investment portfolio.



m) Taxation

We are an exempt charity within the meaning of the Charities Act 2011 and, as such, are a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988. Accordingly, we are potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. We receive no similar exemption in respect of value added tax.

The subsidiary trading companies operate as commercial organisations and are subject to corporation tax. The profits of these companies are Gift Aided to us and tax is provided for to the extent that trading profits exceed the amounts formally committed to in the year.

n) Reserves

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of our general objectives and which have not been designated for a specific purpose.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose. The aim of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donors or which have been raised by us for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Consolidated statement of comprehensive income and expenditure for the year ended 31 July 2021

		Year ended 31 July 2021		Year ended 31 July 2020	
	Notes	Consolidated £000s	Institution £000s	Consolidated £000s	Institution £000s
Income					
Tuition fees and education contracts	1	16,607	14,977	13,663	13,101
Funding Body Grants	2	127	127	94	94
Other income	3	1,496	1,494	2,063	2,060
Investment income	4	82	85	95	98
Donations	5	3	3	110	110
Total income		18,315	16,686	16,025	15,463
Expenditure					
Staff costs	6	8,179	7,664	9,103	8,777
Other operating expenditure	7a	9,080	8,200	8,972	8,188
Depreciation	9	177	177	192	192
Interest and other finance costs	8	4	4	-	-
Total expenditure		17,440	16,045	18,267	17,157
Surplus/(deficit) before other gains and losses		875	641	(2,242)	(1,694)
Gains/(losses) on investment assets	10	743	743	(237)	(237)
Actuarial gain/(loss) in respect of pension schemes	21	82	82	(192)	(192)
Surplus/(deficit) for the financial year		1,700	1,466	(2,671)	(2,123)
Total comprehensive income for the year		1,700	1,466	(2,671)	(2,123)
Represented by:					
Restricted comprehensive income for the year		58	58	(225)	(225)
Unrestricted comprehensive income for the year		1,642	1,408	(2,446)	(1,898)
		1,700	1,466	(2,671)	(2,123)

All items of income and expenditure relate to continuing activities.
The accompanying notes on pages 38 to 47 form part of these financial statements.



Consolidated and institute statement of changes in reserves for the year ended 31 July 2021

Consolidated	Unrestricted £000s	Restricted £000s	Total £000s
Balance at 1 August 2019	4,961	651	5,612
(Deficit) from the income and expenditure account	(2,446)	(225)	(2,671)
Total comprehensive income for the year	(2,446)	(225)	(2,671)
Balance at 1 August 2020	2,515	426	2,941
Surplus from the income and expenditure account	1,642	58	1,700
Total comprehensive income for the year	1,642	58	1,700
Balance at 31 July 2021	4,157	484	4,641

Institution	Unrestricted	Restricted	Total
Balance at 1 August 2019	4,985	651	5,636
(Deficit) from the income and expenditure account	(2,224)	(225)	(2,449)
Total comprehensive income for the year	(2,224)	(225)	(2,449)
Balance at 1 August 2020	2,761	426	3,187
Surplus from the income and expenditure account	1,408	58	1,466
Total comprehensive income for the year	1,408	58	1,466
Balance at 31 July 2021	4,169	484	4,653

Consolidated and institute balance sheets

as at 31 July 2021

		As at 31 July 2021		As at 31 July 2020	
	Notes	Consolidated £000s	Institute £000s	Consolidated £000s	Institute £000s
Non-current assets					
Fixed assets	9	1,848	1,848	1,912	1,912
Investments	10	3,543	3,543	3,455	3,455
		5,391	5,391	5,367	5,367
Current assets					
Stock and work in progress	11	30	30	47	47
Trade and other receivables	12	3,007	3,030	1,838	2,195
Cash at bank and in hand		1,400	1,343	873	750
		4,437	4,403	2,758	2,992
Creditors: amounts falling due within one year	13	(4,163)	(4,117)	(4,804)	(4,792)
Net current assets/(liabilities)		274	286	(2,046)	(1,800)
Total assets less current liabilities		5,665	5,677	3,321	3,567
Creditors: amounts falling due after more than one year	14	(680)	(680)	-	-
Provisions					
Other provisions	15	(99)	(99)	(88)	(88)
Pension provisions	22	(245)	(245)	(292)	(292)
Total net assets		4,641	4,653	2,941	3,187
Restricted funds					
Income and expenditure reserve - restricted	16	484	484	426	426
Unrestricted reserves					
Income and expenditure reserve - unrestricted		4,402	4,414	2,807	3,053
Pension reserve	21	(245)	(245)	(292)	(292)
		4,157	4,169	2,515	2,761
Total Reserves		4,641	4,653	2,941	3,187

The financial statements were approved by the Board of Governors on 25 November 2021 and signed on its behalf on that date by:

Steve Haberman

Steven Haberman
Chair

Alex Fraser

Alex Fraser
Chief Executive and Accountable Officer

The accompanying notes on pages 38 to 47 form part of these financial statements.



Consolidated statement of cash flows

for the year ended 31 July 2021

	Notes	2021 £000s	2020 £000s
Cash flow from operating activities			
Surplus/(deficit) for the year		1,700	(2,671)
Adjustment for non-cash items			
(Gains)/losses on investments and property	10	(743)	237
Investment income	4	(82)	(95)
Depreciation, profit on sale and amortisation	9	177	192
Decrease in stocks	11	17	8
Net (increase)/decrease in debtors	12	(1,169)	1,027
Net (decrease)/increase in creditors	13	(811)	(135)
(Decrease)/increase in pension provision	21	(47)	192
Increase in other provisions	15	11	8
Net (outflow) from operating activities		(947)	(1,237)
Cash flows from investing activities			
Investment income	4	82	95
Payments to acquire tangible fixed assets	9	(113)	(76)
Payments to acquire investments	10	(1,117)	(990)
Receipts from sales of investments	10	1,704	966
		556	(5)
Cash flows from financing activities			
New secured loans	14	1,500	-
Repayments of amounts borrowed	14	(650)	-
		850	-
Increase/(decrease) in cash and cash equivalents in the year	17	459	(1,242)
Cash and cash equivalents at the beginning of the year	17	988	2,230
Cash and cash equivalents at the end of the year	17	1,447	988

The accompanying notes on pages 38 to 47 form part of these financial statements.

Notes to the financial statements

for the year ended 31 July 2021

	2021 Consolidated £000s	2021 Institute £000s	2020 Consolidated £000s	2020 Institute £000s
1. Tuition fees and education contracts				
Higher Education students				
Full-time Home and EU students	1,627	1,627	1,222	1,222
Part-time students	525	525	522	522
Financial Education qualifications	2,525	2,351	2,217	2,217
Professional Education qualifications	11,930	10,474	9,702	9,140
	16,607	14,977	13,663	13,101
2. Funding body grants				
Office for Students recurrent grant	98	98	94	94
Office for Students capital grant	14	14	-	-
Office for Students hardship grant	15	15	-	-
	127	127	94	94
3. Other income				
Professional and alumni services	1,432	1,432	1,550	1,484
Government grants	60	60	416	416
Rent receivable	4	-	97	-
Management charges	-	2	-	160
	1,496	1,494	2,063	2,060
<i>The government grant represents money received under the UK Government Coronavirus Job Retention Scheme</i>				
4. Investment income				
Investment income on restricted reserves	10	10	8	8
Other investment income	72	72	87	87
Gift aid	-	3	-	3
	82	85	95	98
5. Donations				
Restricted fund donations	3	3	110	110
General donations	-	-	-	-
	3	3	110	110

Note: The source of grant and fee income, included in notes 1 to 3 is as follows:

Grant income from the OfS	127	127	94	94
Grant income from other bodies	60	60	416	416
Fee income from non-qualifying courses (exclusive of VAT)	14,455	12,825	11,919	11,357
Fee income for taught awards (exclusive of VAT)	2,152	2,152	1,744	1,744
	16,794	15,164	14,173	13,611



Notes to the financial statements

for the year ended 31 July 2021

6. Staff costs	2021	2021	2020	2020
Group and Institute	Consolidated	Institute	Consolidated	Institute
	£000s	£000s	£000s	£000s
Salaries	7,015	6,516	7,541	7,215
Social security costs	706	697	723	723
Pension costs	458	451	489	489
	8,179	7,664	8,753	8,427
Restructuring costs	-	-	350	350
	8,179	7,664	9,103	8,777

Remuneration of the Chief Executive

Emoluments	203	193
Pension costs	5	15
Benefits - medical insurance	3	2

The Chief Executive's basic salary is 6.2 times (2020 6.3 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by LIBF to its staff.

The Chief Executive's total remuneration is 6.2 times the median total remuneration of colleagues (2020 6.3), where the median pay is calculated on a full-time equivalent basis for the salaries paid by LIBF to its staff.

The Chief Executive's salary is reviewed annually by the Remuneration and Nominations Committee. This takes into account a review of the personal objectives and performance of LIBF by the Chair. The salary of the Chief Executive is determined according to a number of factors including the breadth of responsibilities, accountability, size of organisation and comparative data.

Average monthly number of employees calculated on the basis of full time equivalents was:	2021 Number	2020 Number
Academic departments and support services	99	100
Professional services	22	26
Premises	3	8
Central services	36	37
	160	171

The basic remuneration of higher paid staff, excluding pension contributions in excess of £100,000 was:

£100,000 - £104,999	1	-
£105,000 - £109,999	-	2
£120,000 - £124,999	-	1
£140,000 - £144,999	1	-
£155,000 - £159,999	-	-
£190,000 - £194,999	-	1
£200,000 - £204,999	1	-

Key management personnel listed on page 27 are those persons having authority and responsibility for planning, directing and controlling the activities of the organisation. This includes the Chief Executive and members of the Senior Executive Team. No Board member has received any remuneration/waived payments from the group during the year in respect of their services to the Board.

	2021 £000s	2020 £000s
Key management personnel compensation	1,490	1,639

Notes to the financial statements

for the year ended 31 July 2021

6. Staff costs (continued)

Severance payments - during the year the Institute did not undertake any restructuring resulting in compensation for loss of office being paid. (2019/20: £54k to 3 employees). Shortly before the start of the financial year the Institute undertook a significant restructure which resulted in £350k in compensation for loss of office being paid to 21 employees for which a provision was made in the previous year's accounts.

All severance payments including compensation for loss of office in respect of higher paid staff are approved by the Institution's Remuneration Committee. Amounts for compensation for loss of office and redundancy for all other staff are approved by Institution management in accordance with delegated authority.

7a. Other operating expenditure	2021	2021	2020	2020
	Consolidated	Institute	Consolidated	Institute
Other operating expenses included:	£000s	£000s	£000s	£000s
Academic departments and support services	4,453	3,573	4,187	3,404
Professional services	365	365	544	544
Premises	1,538	1,538	1,578	1,578
Central services	2,629	2,629	2,387	2,386
Restricted funds	45	45	221	221
Auditor's remuneration				
External auditor's remuneration in respect of audit services	50	50	55	55
External auditor's remuneration in respect of non-audit services	-	-	-	-
	9,080	8,200	8,972	8,188

7b. Access and participation plan (APP) expenditure	2021	2020
	£000s	£000s
Access investment	35	10
Financial support provided to students	82	25
Support for disabled students	-	-
Research and evaluation expenditure	4	5
	121	40

The total of the approved expenditure in our APP for the year ended 31 July 2021 was **100** **40**

Actual expenditure was greater than the approved plan due to hardship payments of £20k, these were funded by the OfS £15k and LIBF donations of £5k.

Details of the approved plan can be found at:

https://www.libf.ac.uk/docs/default-source/HE/HE-Policies/access-participation-plan-2019-20.pdf?sfvrsn=9910508d_9



Notes to the financial statements

for the year ended 31 July 2021

8. Interest and other finance costs

Consolidated and Institute

	2021 Consolidated £000s	2021 Institute £000s	2020 Consolidated £000s	2020 Institute £000s
Net cost on pension scheme	4	4	-	-
	4	4	-	-

9. Fixed assets

Consolidated and Institute

	Freehold property £000s	Leasehold improvements £000s	Computer installation, furniture and equipment £000s	Total £000s
Cost				
At 1 August 2020	1,664	1,534	1,896	5,094
Additions	-	-	113	113
Disposals	-	-	(98)	(98)
At 31 July 2021	1,664	1,534	1,911	5,109
Depreciation				
At 1 August 2020	149	1,354	1,679	3,182
Charge for the period	26	56	95	177
Disposals	-	-	(98)	(98)
At 31 July 2021	175	1,410	1,676	3,261
Net book value				
At 31 July 2021	1,489	124	235	1,848
At 31 July 2020	1,515	180	217	1,912

Cost of freehold property and net book valued prior to revaluation £833,243.

A valuation, based on existing use value, was carried out by a qualified chartered surveyor, Strutt and Parker, as at 31 July 2016, showing the value at £1.6m. The value of land included within freehold property is £350,000. As this is not significantly different from the net book value there is no indication of impairment of the asset.

Notes to the financial statements

for the year ended 31 July 2021

	General £000s	Restricted £000s	2021 Total £000s	2020 Total £000s
10. Non-current investments (Consolidated & Institute)				
As at 1 August 2020	2,897	443	3,340	3,553
Additions	1,106	11	1,117	990
Disposals	(1,643)	(61)	(1,704)	(966)
Investment gains	653	90	743	(237)
As at 31 July 2021	3,013	483	3,496	3,340
Investments at cost				
Managed funds				
UK equities	967	414	1,381	1,559
Overseas equities	820	-	820	879
UK fixed interest	267	-	267	261
Alternatives	401	-	401	451
Cash	46	1	47	115
	2,501	415	2,916	3,265
Investments at market value				
Managed funds				
UK equities	1,132	483	1,615	1,481
Overseas equities	1,198	-	1,198	1,129
UK fixed interest	260	-	260	255
Alternatives	423	-	423	475
	3,013	483	3,496	3,340
Cash	46	1	47	115
	3,059	484	3,543	3,455

Funds were managed during the year by Rathbones. Fees are charged separately to The London Institute of Banking & Finance and deducted from the investment portfolio.

The Charity controls the following subsidiary undertakings, in which its investment amounts to £6 (2020 £5).

	Holding	Nature of Business	Incorporated
LIBF Learning Limited	100% £1 Ordinary shares	Events, sponsorship	England and Wales
Institute of Financial Services Limited	100% £1 Ordinary shares	Dormant	England and Wales
<i>ifs</i> ProShare Limited	100% £1 Ordinary shares	Dormant	England and Wales
The London Institute of Banking & Finance (MENA) Ltd	100% \$1 Ordinary shares	Education in MENA region	Abu Dhabi
The London Institute of Banking & Finance (APAC) PTE Ltd	100% \$1 Ordinary shares	Education in APAC region	Singapore

The results of the limited companies, which are incorporated into the statement of income and expenditure and balance sheet are:

	LIBF Learning Limited		LIBF (MENA) Ltd	
	2021 £000s	2020 £000s	2021 £000s	2020 £000s
Income	5	163	1,630	562
Expenditure	(2)	(160)	(1,365)	(784)
Surplus/(deficit) for the year	3	3	265	(222)
Current assets	7	6	1,424	389
Creditors	(7)	(6)	(1,436)	(635)
Total net assets	-	-	(12)	(246)



Notes to the financial statements for the year ended 31 July 2021

11. Stock and work in progress

Publications and sundry stock

2021 Consolidated £000s	2021 Institute £000s	2020 Consolidated £000s	2020 Institute £000s
30	30	47	47
30	30	47	47

12. Trade and other receivables

Due within one year

Members and trade receivables

Amounts owed from group undertakings

Other debtors

Prepayments

Due after more than one year

Members and trade receivables

2,229	860	1,275	1,022
-	1,400	-	630
5	5	2	2
744	736	484	464
29	29	77	77
3,007	3,030	1,838	2,195

13. Creditors: amounts falling due within one year

Secured loans

Trade payables

Other creditors and accruals

Social security and other taxation payable

Deferred income (see below)

170	170	-	-
548	548	795	795
1,393	1,350	1,572	1,564
159	156	150	150
1,893	1,893	2,287	2,283
4,163	4,117	4,804	4,792

Included within deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

Subscriptions

Qualifications

Life subscriptions

Grants

360	360	377	377
1,469	1,469	1,834	1,830
64	64	74	74
-	-	2	2
1,893	1,893	2,287	2,283

14. Creditors: amounts falling due after more than one year

Secured Loans

Due within one year

Due between two and five years

Due in five years or more

Due after more than one year

Total secured loans

170	170	-	-
680	680	-	-
-	-	-	-
680	680	-	-
850	850	-	-

Included in loans are the following

Barclays Bank PLC under the UK Government Coronavirus Business Interruption Loan Scheme

Amount £1.5m

Interest rate 2.44% above base

Repayment Date: 6 years after the date of first drawdown 25/8/2026

A one-off repayment of £650k was made in July 2021

Notes to the financial statements

for the year ended 31 July 2021

15. Provision for liabilities

Consolidated and Institution

	Post-Retirement Healthcare £000s
Balance at 1 August 2020	88
Amounts released during the year	(8)
Discount charges for the year	4
Charged to income and expenditure account	15
Balance at 31 July 2021	99

Post-retirement healthcare

The London Institute of Banking & Finance continues to provide post-retirement healthcare benefits to certain retired employees and their spouses, a benefit that ceased to be offered to existing staff some years ago. A provision is made in line with FRS 102 using a discount rate of 5.0% (2020 5.0%) and a rate of increase in medical costs of 7% (2020 7%).

16. Restricted funds

Reserves with restrictions are as follows:
Consolidated and Institution

	Alumni and Scholarship fund £000s	Bursary fund £000s	Grunfeld fund £000s	Strudwick Prize fund £000s	2021 Total £000s	2020 Total £000s
New donations	3	-	-	-	3	110
Investment income	6	3	1	-	10	8
Expenditure	(11)	(23)	(11)	-	(45)	(325)
	(2)	(20)	(10)	-	(32)	(207)
Increase in market value of investments	50	30	10	-	90	(18)
	48	10	-	-	58	(225)
Fund balances brought forward at 1 August 2020	248	147	27	4	426	651
Fund balances carried forward at 31 July 2021	296	157	27	4	484	426
Represented by:						
Investments	296	161	27	-	484	445
Net current assets	-	(4)	-	4	-	(19)
	296	157	27	4	484	426

The Alumni and Scholarship fund gives past students the opportunity to participate in this vision and support diverse future generations of financial services professionals. The primary purpose of the fund is to provide support for students undertaking The London Institute of Banking & Finance's full-time undergraduate degree programmes. The Bursary fund provides means-tested assistance to both full and part-time students.

The Grunfeld fund was received by The London Institute of Banking & Finance from the Henry Grunfeld Foundation in March 1999 on the undertaking that it would fulfil the foundation's existing obligations and hold the balance of the fund for the purposes of the education of persons working in banking and financial services in London.

The Strudwick Prize fund was received as bequest under the will of Mr HEH Strudwick, FCIB on the undertaking that the £30,000 be used to support a prize in his name.



Notes to the financial statements for the year ended 31 July 2021

17. Reconciliation of cash flow to balance sheet

	Balance at 1 Aug 20 £000s	Cash flows £000s	Balance at 31 Jul 21 £000s
Cash at bank and in hand	873	527	1,400
Cash held with investments	115	(68)	47
	988	459	1,447

18. Lease obligations

Total rentals payable under operating leases

	2021		2020	
	Land & Buildings £000s	Other £000s	Land & Buildings £000s	Other £000s
Future minimum lease payments due				
Not later than 1 year	1,075	29	1,075	29
Later than 1 year and not later than 5 years	2,896	21	3,169	33
Later than 5 years	1,671	-	2,556	-
Total lease payments due	5,642	50	6,800	62

19. Related party transactions

The London Institute of Banking & Finance has taken advantage of the exemption available under FRS102 Related Party Transactions not to disclose transactions included within the group.

The Institute's Board of Governors are the trustees for charitable law purposes.

One trustee was paid £1,740 for Chief Examiner, assessment setting and marking activities (2020 £1,860).

20. Contingent liabilities

There are no contingent liabilities as at 31 July 2021 (2020 nil).

Notes to the financial statements

for the year ended 31 July 2021

21. Pension scheme

The London Institute of Banking & Finance operates two schemes, a defined contribution scheme that is available to new employees and a defined benefit scheme that closed to future accrual on 31 March 2009. Contributions to the defined benefit scheme for the year ending 31 July 2020 are expected to be £nil.

A full actuarial valuation was completed as at 31 December 2019 and the results from this valuation have been updated to 31 July 2021 by a qualified independent actuary as follows:

			2021	2020
Discount rate			1.6%	1.3%
Price inflation (CPI)			2.8%	2.1%
Pension increases pre 2006 excess over GMP			2.8%	2.1%
Pension increases post 2006 pension			2.0%	1.7%
Assumed life expectancies on retirement at age 60 are:				
Retiring today	Males		27.1	27.1
	Females		29.6	29.5
Retiring in 20 years' time	Males		28.6	28.5
	Females		31.1	31
The assets in the scheme were:				
	Value at	Value at	Value at	Value at
	31 Jul 21	31 Jul 20	31 Jul 19	31 Jul 18
	£000s	£000s	£000s	£000s
Investment fund	17,402	15,828	20,217	21,399
Matching fund	30,842	31,386	26,232	21,455
Fair value of scheme assets	48,244	47,214	46,449	42,854
The actual return on assets over the period was:				
	2,378	5,146	705	2,267
			2021	2020
			£000s	£000s
Present value of funded obligations			(48,489)	(47,506)
Fair value of scheme assets			48,244	47,214
Surplus in funded scheme			(245)	(292)
Irrecoverable surplus			-	-
Net liability in balance sheet			(245)	(292)



Notes to the financial statements

for the year ended 31 July 2021

	2021 £000s	2020 £000s
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Benefit obligation at the beginning of the year	47,506	45,983
Interest cost	609	907
Actuarial gain/(loss)	1,691	1,893
Past service cost	-	-
Benefits paid	(1,317)	(1,277)
Liabilities at the end of year	48,489	47,506
Analysis of movement in the present value of scheme assets		
Fair value of scheme assets at beginning of year	47,214	46,449
Expected return on scheme assets	605	915
Actuarial gain/(loss)	1,773	1,227
Benefits paid	(1,317)	(1,277)
Fund administrative costs	(31)	(100)
Fair value of scheme assets at end of year	48,244	47,214
Analysis of amount recognised in the comprehensive income and expenditure account		
Service cost - including current service cost, past service cost and settlements	-	-
Service cost - administrative cost	31	100
Net interest cost on net defined benefit liability	4	-
Total expense	35	100
Remeasurement of the net defined benefit liability/(asset) to be shown in other comprehensive income		
Actuarial gains/(losses) on the liabilities	1,691	1,893
Return on assets, excluding interest income	(1,773)	(1,227)
Change in the amount of surplus that is not recoverable, excluding interest income	-	(474)
The measurement of the net defined benefit liability/(asset) to be shown in other comprehensive income	(82)	192

22. Accounting estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Defined benefit scheme – management's estimate of the scheme is based on a number of critical underlying assumptions such as rates of inflation, mortality and the investment returns of the scheme. The assumptions are reviewed annually with a qualified actuary. Variation in these assumptions may significantly impact the net valuation which is currently showing deficit of £0.3m. If the discount rate assumption is increased by 0.1% a year, then it is estimated this will reduce the liabilities (present value of funded obligations) as at 31 July 2021 by approximately £0.9m (from £48.5m to £47.6m) which would result in a surplus of around £0.6m

Useful lives of depreciable assets – management reviews its estimate of the useful lives of depreciable assets at each reporting date. Uncertainties in these estimates relate to changes in the useful lives of certain software and IT hardware as well as the useful life and value of the building the Institute own. The value of the building is deemed cost as at 1 August 2015.

Post-retirement healthcare – management's estimate of the liability is based on assumptions about the discount rate, the rate of inflation as well as mortality. The assumptions are reviewed annually based on the prevailing marketing conditions with the current obligation valued at £99,000.

Annual Report & Accounts 2020 – 2021



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