

THE LLOYD FOUNDATION

England & Wales · Charity number 314203

Details

Status Registered

Legal form Other

Registered 1972-10-23

Register [View on the Charity Commission register](#)

Contact

Address Milsted Langdon Llp
Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH

Phone 07481932077

Email secretary@thelloydfoundation.org.uk

Website www.thelloydfoundation.org.uk

Activities

Objects: (1) The objects of the charity are to advance the education of beneficiaries in such ways as the trustees think fit, including awarding to beneficiaries scholarships, bursaries, maintenance allowances or otherwise: (a) for study at any school, university or other educational establishment, either overseas or in the United Kingdom, approved by the trustees; or (b) to advance their education, to study music or other arts or to undergo training for any profession, trade or calling; (2) In respect of object (1) above, the trustees will have regard to promoting the education of beneficiaries in accordance with British educational principles and practice.

Activities: Grants for any child over the age of 5 years of a father or mother who is a British Citizen and is in need of financial assistance to obtain British type education either overseas or in the UK whilst the family is living/working overseas.

Classification

- **How:** Makes Grants To Individuals
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** SEE OBJECTS
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£188,614	£121,053	-	-
2023-08-31	£185,734	£115,734	-	-
2022-08-31	£188,921	£122,393	-	-
2021-08-31	£170,698	£169,257	-	-
2020-08-31	£165,734	£234,924	-	-

Trustees

Name	Role	Appointed
David Fitton CMG		2018-10-01
Niaz Shams Alam		2020-12-03
Pamela Rosemary Thomas		2021-06-24
SARAH BROUGHTON		2017-12-07
VALERIE MARIA SMART		2011-09-01

THE LLOYD FOUNDATION

England & Wales - Charity number 314203

Accounts

Charity registration number: 314203

The Lloyd Foundation

Annual Report and Financial Statements

for the Year Ended 31 August 2024

The Lloyd Foundation

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The Lloyd Foundation

Reference and Administrative Details

Chair	Mrs Valerie Smart
Trustees	Ms Sarah Broughton Mrs Lyndsey Kelly-Aberle, resigned 1 September 2024 Mrs Valerie Smart Mr Niaz Alam Mrs Sarah Howard, resigned 23 November 2023 Mrs Pamela Thomas Mr David Fitton
Grants Manager	Dominic Hill
Charity Registration Number	314203
Registered Office	Milsted Langdon LLP Winchester House Deane Gate Avenue Taunton TA1 2UH
Independent Examiner	Milsted Langdon LLP Chartered Accountants Winchester House Deane Gate Avenue Taunton TA1 2UH
Investment Brokers	Redmayne Bentley LLP 9 Bond Court Leeds LS1 2JZ
Bankers	Barclays Bank UK PLC Grange Court Leominster Herefordshire HR6 8NL

The Lloyd Foundation

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2024.

Objectives and activities

Objects and aims

The Trustees shall apply the net income of the Foundation, after the payment of administration expenses, as authorised under the Scheme for:

- a) the award to beneficiaries of scholarships, bursaries or maintenance allowances as set out in the Scheme;
- b) the advancement of the education of beneficiaries in such other ways as the Trustees may from time to time determine;
- c) the award of bursaries for purposes of education to teaching members of the staff of schools outside the United Kingdom which are conducted in accordance with British educational principles and practice.

All persons qualified to be beneficiaries under the Foundation are young persons under the age of 25 who:

- a) are in need of financial assistance, and
- b) have a father or mother who is a British citizen (as defined by relevant nationality legislation) ordinarily living outside the United Kingdom, or, if dead, was such a citizen at the time of death. (In exceptional circumstances, this may be waived at the discretion of the Trustees).

Public benefit

When reviewing the aims and objectives of the charity, and in planning its activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Operational management and policies

The Board meets at least four times a year to exercise strategic direction, fulfil its governance responsibilities, make decisions on the awarding of grants and oversee the affairs of the charity. Day to day administration is delegated to the Administrator, in consultation when necessary with the Chair and Trustees.

Policies

The Trustees wish to manage the Foundation to optimise their ability to support their beneficiaries. Accordingly, the following policies underpin the operational and financial processes of the Foundation. All policies are reviewed annually in December, except for regulatory changes which may occur during the year which are reviewed at the next appropriate meeting.

Risk management

The Trustees regularly review the major risks to The Lloyd Foundation and confirm that systems have been established to mitigate and control such risks.

Data protection

Following a full audit and review of data processing, the Trustees are satisfied that all necessary steps have been taken to ensure compliance with the General Data Protection Regulations 2016 by the time these came into force.

The Lloyd Foundation

Trustees' Report (continued)

Grant making policies

The Trustees consider each application in at least two stages: first, the extent to which it fits within the Foundation's terms of reference; and second, to consider the financial implications both for the family and the charity. All successful applicants must provide the Administrator with copies of all school reports, which allows Trustees to monitor the ongoing academic and social progress of the beneficiaries.

Vulnerable beneficiaries

Trustees consider that the Foundation's approach to individual applications assures a good level of enquiry into each family's circumstances, specifically the needs of the children and the appropriateness of the proposed means of education.

Trustees do not consider that any system can meet every eventuality and take reasonable precautions to ensure that well-being of the children and young people they agree to support is given the highest priority.

Achievements and performance

The Trustees' key objectives in 2023/24 were:

- To move the investment portfolio from Advisory mandate to a fully Discretionary Portfolio Management Service and to dissolve the Finance Committee role. All Trustees will consider the investment portfolio on a quarterly basis with the investment managers.
- To review the most appropriate legal structure for the charity for the future, including the possibility of conversion to a Charitable Incorporated Organisation (CIO).
- To review the process by which Trustees are recruited, their responsibilities and terms of office to facilitate the smooth running of the Foundation.
- Following formal discussions with the Investment Managers during 2023 the Investment Portfolio was successfully moved to a fully Discretionary Portfolio Management Service and the Finance Committee role was dissolved as planned. Regulatory restrictions and the lack of in-depth research made decision making slow and increased investment risk. Subsequently the Trustee completed a Risk Profile Questionnaire and a discretionary Management Agreement was signed by The Finance Committee in November 2023. The objective remains a balanced fund with a requirement for capital preservation in line with inflation and agreed income target. The Trustees continue to obtain an Investment Management Report ahead of each of the quarterly meetings to consider the portfolio performance and risk. The Investment Managers attended a recent meeting of the Trustees to discuss the ongoing management and performance of the funds, and this will take place annually, or at the discretion of the Trustees.
- The legal structure of the charity has been considered at length by the Trustees over the course of the year. A final decision on conversion to a CIO has not been made and remains under review with other changes the Trustees wish to make.
- The review process by which Trustees are recruited, their responsibilities and terms of office to facilitate the smooth running of the Foundation was not completed and will be carried over to 2024/25.

The Lloyd Foundation

Trustees' Report (continued)

Objectives for the coming year

Two of last year's objectives are on-going and have been carried forward. In addition, the following new objectives have been identified for 2024/25:

- To review and make changes where necessary to the Objects of the Charity, to ensure that it is operating as effectively as possible in the contemporary charitable environment.
- To review support to existing and future beneficiaries to ensure that the Foundation's definition of Financial Need is fairly and properly applied when considering new applications and applications for renewals of a grant.
- Appoint a new Trustee and implement new IT and cyber security procedures.
- A charity-legal team from Stone King has been appointed to guide the Foundation to meet the new objects for 2024/25 and, assist with the transition to CIO status should the Trustees decide to proceed with that change.

Financial review

The Trust's principal source of income continues to be derived from its investments. During the year total income amounted to £188,614 (2023: £185,734).

Expenditure during the year totalled £121,053 (2023: £115,734) of which the main component was grants made totalling £63,237 to 39 beneficiaries from 21 families (2023: £90,181 to 41 beneficiaries from 29 families). There were future commitments of £138,013 (2023: £72,400) made to new and existing beneficiaries by the year end. Future investment income is expected to cover existing and future commitments to grants.

At the balance sheet date, the Foundation had total investments of £3,376,761 (2023: £3,096,713), tangible fixed assets of £1,462 (2023: £Nil) and net current assets of £318,409 (2023: £354,417) making the total capital and reserves £3,696,633 (2023: £3,451,130).

The Lloyd Foundation

Trustees' Report (continued)

Investment policy

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed and set annually by the Trustees at each December meeting. The Trustees have appointed Redmayne Bentley to manage the Foundations' investment on a Dealing With Advice (DWA) basis and the Trustees provide the investment managers each year with specific guidelines. The Investment managers provide custody of assets and produce a valuation and performance statements quarterly or when required by the Trustees. The Foundation had a Finance Committee formed from three of the Trustees, which considered suggestions from the Investment Managers and gave instructions as appropriate. Details of the changes adopted may be reviewed under Achievements above.

The Foundation has approximately £3.4 million of investment assets in an investment portfolio and aims to distribute grants in accordance with the available income.

The investment objective for the portfolio is to balance income and capital returns. The assets are managed to maintain at least the real capital value of the Foundation's portfolio, whilst generating a sustainable level of investment income to support the current charitable activities. The targeted income level for the portfolio is set annually by the Trustees.

The Foundation's assets can be invested widely according to the general power of investment and are diversified by asset class, and by security. Asset classes include cash, bonds, equities, property, commodities and any other assets that are deemed suitable for the Foundation by the Trustees.

The Finance Committee formerly set a strategic target for asset allocation for the Investment Portfolio, at medium/low risk to achieve the long-term investment objectives of balancing capital and income returns.

The Foundation does not have an Ethical or ESG policy but Trustees reserve the right to exclude or limit the investments which may present significant conflict with the aims of the Foundation and/or could significantly damage its reputation. The Trustees take the view that strong corporate governance favours all stakeholders, not just shareholders but employees, suppliers and the wider communities that companies operate within. Investments in companies or funds are made with key questions on governance and sustainability of the business practice in mind and the Trustees reserve the right to vote on such matters as they arise.

Policy on reserves

The Foundation's reserves comprise two parts. The first derives from the unrealised gains arising from the excess of the market values of investments over their original costs. The second part represents the accumulated result of realised gains and net surpluses on resources over time, as follows:

	2024	2023
	£	£
Investments at cost	2,559,437	2,462,672
Investments at market value	3,376,761	3,096,713
Unrealised gains from excess of valuation over cost	<u>817,324</u>	<u>634,041</u>
Realised gains and accumulated surpluses	2,879,309	2,817,089
Total reserves, comprising funds shown on the balance sheet	<u>3,696,633</u>	<u>3,451,130</u>

The Lloyd Foundation

Trustees' Report (continued)

The Trustees are of the opinion that it is inappropriate to take account of unrealised gains until such time as they are realised. The minimum level of realised reserves should be sufficient to support investment in approved securities to the extent that the investments produce income adequate, taking one year with another, to absorb the direct charitable expenditure and the costs of the management and administration of the charity.

A review of the Reserve Policy has been undertaken to ensure its relevance to recent changes in legislation, strategy, and clarity. The foundation does not commit funds in any one trustee meeting for the entire span of a child's educational life. We review each potential beneficiary and typically grant funds for no more than two years at a time. Renewals are then reviewed annually by the Trustees. Approximately three years' reserves are held to cover all beneficiaries, bursaries, transitional grants, and operating costs. The Foundation does not undertake any form of fundraising and relies solely on investment income and potential legacies. The Lloyd Foundation undertakes an 'Away Day' to review the long-term strategy and direction of the Foundation at least every two years, or as necessary if legislation requires such a review.

Free reserves at 31 August 2024 stood at £1,959,421 (2023: £1,789,828) and consist of unrestricted funds less tangible fixed assets. They are considered to be at an appropriate level to maintain the investment portfolio.

Structure, governance and management

Recruitment and appointment of trustees

The Foundation may have up to ten Trustees, four nominated (1 by the Secretary of State for Foreign, Commonwealth and Development Affairs, 2 by the British Council and 1 by Churches Together in Britain and Ireland) and up to a further six co-opted.

Trustees are appointed for a four-year period after which the nominating body and/or the Trustee is asked whether they wish to serve for another term. There is no limit to the number of terms which may be served.

Induction and training of trustees

An online 'induction pack' is provided to ensure that new Trustees understand their role and responsibilities to the Foundation as a Trustee. The pack also includes the Scheme and latest schedule, current policy documents, most recent Annual Report and Financial Statements, and minutes from the three latest Trustee meetings.

Trustees are encouraged to keep abreast of relevant charity legislation as it pertains to the Foundation and to attend briefing/training sessions where appropriate.

Organisational structure

The Lloyd Foundation (the Foundation) is an unincorporated grant making charity, established by a Scheme of arrangement and first registered with the Charity Commission on 23 October 1972 (registered charity number 314203) and governed under the scheme dated 1 October 2001 (amended 2015 and 2020).

The Lloyd Foundation
Trustees' Report (continued)

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks. The charity's policies are reviewed and approved by the board of trustees, who also set out written principles explaining how these policies contribute to effective risk management. The charity does not use derivative financial instruments for speculative purposes.

Major risks and management of those risks

The trustees have a duty to identify and review the risks to which the trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees regularly conduct a review of the major risks to which the trust is exposed and systems have been established to mitigate these risks. Internal risks are minimised by the implementation of procedures for the authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the trust's objectives. These procedures are periodically reviewed to ensure that they continue to meet the needs of the trust.

The charity's investment portfolio is exposed to market risk, which is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. This includes exposure to interest rate movements, equity price volatility, and broader economic conditions. The trustees manage this risk by maintaining a diversified portfolio and reviewing investment performance regularly with the support of professional investment managers.

The annual report was approved by the trustees of the charity on 19 June 2025 and signed on its behalf by:

.....
Mrs Valerie Smart
Chairman and trustee

The Lloyd Foundation

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 19 June 2025 and signed on its behalf by:

.....
Mrs Valerie Smart
Chairman and trustee

The Lloyd Foundation

Independent Examiner's Report to the trustees of The Lloyd Foundation

I report to the trustees on my examination of the accounts of The Lloyd Foundation for the year ended 31 August 2024.

Responsibilities and basis of report

As the charity's trustees of The Lloyd Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of the The Lloyd Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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

.....
Robert Cadwallader FCA

Milsted Langdon LLP
Chartered Accountants
Winchester House
Deane Gate Avenue
Taunton
TA1 2UH

23 June 2025

The Lloyd Foundation

Statement of Financial Activities for the Year Ended 31 August 2024

	Note	Unrestricted funds £	Endowment funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	5,000	-	5,000	-
Investment income	3	183,614	-	183,614	185,734
Total income		<u>188,614</u>	<u>-</u>	<u>188,614</u>	<u>185,734</u>
Expenditure on:					
Raising funds	4	(18,307)	-	(18,307)	(428)
Charitable activities	5	(102,746)	-	(102,746)	(115,306)
Total expenditure		<u>(121,053)</u>	<u>-</u>	<u>(121,053)</u>	<u>(115,734)</u>
Gains/losses on investment assets		99,075	78,867	177,942	(133,582)
Net income/(expenditure)		<u>166,636</u>	<u>78,867</u>	<u>245,503</u>	<u>(63,582)</u>
Net movement in funds		166,636	78,867	245,503	(63,582)
Reconciliation of funds					
Total funds brought forward		<u>1,789,828</u>	<u>1,661,302</u>	<u>3,451,130</u>	<u>3,514,712</u>
Total funds carried forward	15	<u>1,956,464</u>	<u>1,740,169</u>	<u>3,696,633</u>	<u>3,451,130</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 15.

The Lloyd Foundation
(Registration number: 314203)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	1,463	-
Investments	11	<u>3,376,761</u>	<u>3,096,713</u>
		<u>3,378,224</u>	<u>3,096,713</u>
Current assets			
Debtors	12	383	25,256
Cash at bank and in hand	13	<u>343,600</u>	<u>419,779</u>
		343,983	445,035
Creditors: Amounts falling due within one year	14	<u>(25,574)</u>	<u>(90,618)</u>
Net current assets		<u>318,409</u>	<u>354,417</u>
Net assets		<u>3,696,633</u>	<u>3,451,130</u>
Funds of the charity:			
Endowment funds		1,740,169	1,661,302
Unrestricted income funds			
Unrestricted funds		<u>1,956,464</u>	<u>1,789,828</u>
Total funds	15	<u>3,696,633</u>	<u>3,451,130</u>

The financial statements on pages 10 to 21 were approved by the trustees, and authorised for issue on 19 June 2025 and signed on their behalf by:

.....
Mrs Valerie Smart
Chairman and trustee

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Lloyd Foundation meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Exemption from preparing a cash flow statement

As allowed by the Charities SORP (FRS 102) the trustees have opted not to include a statement of cash flows due to the size of the charity.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Furniture and equipment

Depreciation method and rate

5 year straight line

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents

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

Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Endowment Funds are those investments that the Trustees have no power to convert into distributable funds but have the authority to apply the income derived as they see fit within the rules of the scheme.

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Financial instruments

Recognition and measurement

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

Fixed asset investments - initially recognised at cost and subsequently measured at fair value at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities. Realised gains and losses are calculated based on disposal proceeds compared to original cost. These investments are classified as other financial instruments under FRS 102 Section 12, as they do not meet the criteria for basic financial instruments.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

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

2 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Legacies	<u>5,000</u>	<u>5,000</u>	<u>-</u>
	<u>5,000</u>	<u>5,000</u>	<u>-</u>

£5,000 (2023 - £Nil) of the income above was attributable to unrestricted funds and £Nil (2023 - £Nil) attributable to restricted funds.

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

3 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	6,006	6,006	558
Other income from fixed asset investments	177,608	177,608	185,176
	183,614	183,614	185,734

£183,614 (2023 - £185,734) of the income above was attributable to unrestricted funds and £Nil (2023 - £Nil) attributable to restricted funds.

4 Expenditure on raising funds

a) Investment management costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Other investment management costs;			
Amounts payable to investment managers	18,307	18,307	428
	18,307	18,307	428

£18,307 (2023 - £428) of the expenditure above was attributable to unrestricted funds and £Nil (2023 - £Nil) attributable to restricted funds.

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Grant funding of activities		63,237	63,237	90,630
Allocated support costs	6	27,585	27,585	20,189
Governance costs	6	11,924	11,924	4,487
		102,746	102,746	115,306

£102,746 (2023 - £115,306) of the expenditure above was attributable to unrestricted funds and £Nil (2023 - £Nil) attributable to restricted funds.

£63,237 (2023 - £90,630) of the grant funding of activities related to grants made to individuals. During the year there were £Nil (2023 - £Nil) grants made to institutions.

6 Analysis of governance and support costs

Charitable activities expenditure

	Basis of allocation	Unrestricted funds General £	Total 2024 £	Total 2023 £
Secretary's services	As per activity	18,755	18,755	16,131
Secretary's travel expenses	As per activity	3,685	3,685	512
Bank charges	As per activity	1,015	1,015	589
Insurance	As per activity	870	870	1,103
Telephone and broadband	As per activity	1,391	1,391	326
Sundry expenses	As per activity	719	719	538
IT software and consumables	As per activity	527	527	621
Printing, postage and stationery	As per activity	-	-	44
Membership fees and subscriptions	As per activity	257	257	325
Depreciation of office equipment	As per activity	366	366	-
		27,585	27,585	20,189

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	2,844	2,844	2,544
Other fees paid to examiners	4,915	4,915	-
Other governance costs	4,165	4,165	1,943
	11,924	11,924	4,487

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	366	-
Independent examiner's fees	2,844	2,544
Other fees paid to examiners	4,915	-

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Two trustees received reimbursement of travel, stationery and telephone expenses amounting to £5,594 (2023: two, £835).

During the year, there were no gifts purchased for retired trustees (2023: £371 purchased for 3 retired trustees)

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
Additions	1,829	1,829
At 31 August 2024	1,829	1,829
Depreciation		
Charge for the year	366	366
At 31 August 2024	366	366
Net book value		
At 31 August 2024	1,463	1,463

11 Fixed asset investments

	2024 £	2023 £
Other investments	3,376,761	3,096,713
	3,376,761	3,096,713

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 September 2023	3,096,713	3,096,713
Revaluation	141,052	141,052
Additions	727,550	727,550
Disposals	(588,554)	(588,554)
At 31 August 2024	3,376,761	3,376,761
Net book value		
At 31 August 2024	3,376,761	3,376,761
At 31 August 2023	3,096,713	3,096,713

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

12 Debtors

	2024 £	2023 £
Trade debtors	-	21,054
Prepayments	383	-
Other debtors	-	4,202
	383	25,256

13 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	343,600	419,779

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	19,154	88,398
Accruals	6,420	2,220
	25,574	90,618

15 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2024 £
Unrestricted funds					
General	1,789,828	188,614	(121,053)	99,075	1,956,464
Endowment funds					
Permanent	1,661,302	-	-	78,867	1,740,169
Total funds	3,451,130	188,614	(121,053)	177,942	3,696,633

The Lloyd Foundation

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2023 £
Unrestricted funds					
General	1,792,690	185,734	(115,734)	(72,862)	1,789,828
Endowment funds					
Permanent	1,722,022	-	-	(60,720)	1,661,302
Total funds	<u>3,514,712</u>	<u>185,734</u>	<u>(115,734)</u>	<u>(133,582)</u>	<u>3,451,130</u>

The specific purposes for which the funds are to be applied are as follows:

Unrestricted funds are available to be spent for any of the purposes of the Charity.

Endowment funds are part of the Charity's investment portfolio. Income derived from these investments can be spent on any of the Charity's charitable objectives.

16 Analysis of net assets between funds

	Unrestricted funds General £	Endowment funds Permanent £	Total funds at 31 August 2024 £
Tangible fixed assets	1,463	-	1,463
Fixed asset investments	1,776,896	1,599,865	3,376,761
Current assets	203,679	140,304	343,983
Current liabilities	(25,574)	-	(25,574)
Total net assets	<u>1,956,464</u>	<u>1,740,169</u>	<u>3,696,633</u>
	Unrestricted funds General £	Endowment funds Permanent £	Total funds at 31 August 2023 £
Fixed asset investments	1,559,461	1,537,252	3,096,713
Current assets	320,985	124,050	445,035
Current liabilities	(90,618)	-	(90,618)
Total net assets	<u>1,789,828</u>	<u>1,661,302</u>	<u>3,451,130</u>

17 Related party transactions

Other than those disclosed in note 8, there were no related party transactions in the year.

THE LLOYD FOUNDATION

England & Wales - Charity number 314203

Accounts

Registered charity number: 314203

THE LLOYD FOUNDATION

Report of the Managing Trustees and Financial Statements
for the year ended 31 August 2023

THE LLOYD FOUNDATION

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THE LLOYD FOUNDATION

Trustees' Report for the year ended 31 August 2023

The Trustees present their report and independently examined financial statements for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 11-13 and comply with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2019 (SORP).

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity name:	The Lloyd Foundation	
Registered charity number:	314203	
Trustees:	Mrs Valerie Smart	Chair
	Mr Niaz Alam	Vice-chair
	Mr John Baxter-Brown	resigned 22 June 2023
	Ms Sarah Broughton, OBE	
	Mr David Fitton, CMG	
	Mrs Sarah Howard	resigned 23 November 2023
	Mrs Lyndsey Kelly-Aberle	
	Mrs Pamela Thomas	
Secretary:	Mrs Rachel Boggs	resigned 29 February 2024
	Mr Dominic Hill	appointed 1 January 2024
Registered Office:	Flat 2, Pool House Main Street Pool in Wharfedale Otley LS21 1LH	
Bankers:	Barclays Bank UK PLC Leominster Herefordshire	
Investment Brokers:	Redmayne Bentley LLP 9 Bond Court Leeds LS1 2JZ	
Independent Examiner:	Robert Cadwallader Milsted Langdon LLP Winchester House Deane Gate Avenue Taunton Somerset TA1 2UH	

THE LLOYD FOUNDATION

Structure, Governance and Management

Structure

The Lloyd Foundation (the Foundation) is an unincorporated grant making charity, established by a Scheme of arrangement and first registered with the Charity Commission on 23 October 1972 (registered charity number 314203) and governed under the scheme dated 1 October 2001 (amended 2015 and 2020).

Trustees

The Foundation may have up to ten Trustees, four nominated (1 by the Secretary of State for Foreign, Commonwealth and Development Affairs, 2 by the British Council and 1 by Churches Together in Britain and Ireland) and up to a further six co-opted.

Trustees are appointed for a four-year period after which the nominating body and/or the Trustee is asked whether they wish to serve for another term. There is no limit to the number of terms which may be served.

Induction and training

An online 'induction pack' is provided to ensure that new Trustees understand their role and responsibilities to the Foundation as a Trustee. The pack also includes the Scheme and latest schedule, current policy documents, most recent Annual Report and Financial Statements, and minutes from the three latest Trustee meetings.

Trustees are encouraged to keep abreast of relevant charity legislation as it pertains to the Foundation and to attend briefing/training sessions where appropriate.

Charitable Objectives and Activities

The Trustees shall apply the net income of the Foundation, after the payment of administration expenses, as authorised under the Scheme for: -

- a) the award to beneficiaries of scholarships, bursaries or maintenance allowances as set out in the Scheme;
- b) the advancement of the education of beneficiaries in such other ways as the Trustees may from time to time determine;
- c) the award of bursaries for purposes of education to teaching members of the staff of schools outside the United Kingdom which are conducted in accordance with British educational principles and practice.

All persons qualified to be beneficiaries under the Foundation are young persons under the age of 25 who:

- a) are in need of financial assistance, and
- b) have a father or mother who is a British citizen (as defined by relevant nationality legislation) ordinarily living outside the United Kingdom, or, if dead, was such a citizen at the time of death. (In exceptional circumstances, this may be waived at the discretion of the Trustees).

Operational Management and Policies

The Board meets at least four times a year to exercise strategic direction, fulfil its governance responsibilities, make decisions on the awarding of grants and oversee the affairs of the charity. Day to day administration is delegated to the Administrator, in consultation when necessary with the Chair and Trustees.

THE LLOYD FOUNDATION

Policies

The Trustees wish to manage the Foundation to optimise their ability to support their beneficiaries. Accordingly, the following policies underpin the operational and financial processes of the Foundation. All policies are reviewed annually in December, except for regulatory changes which may occur during the year which are reviewed at the next appropriate meeting.

Risk Management

The Trustees regularly review the major risks to The Lloyd Foundation and confirm that systems have been established to mitigate and control such risks governing all operational and financial risks.

Data Protection

Following a full audit and review of data processing, the Trustees are satisfied that all necessary steps have been taken to ensure compliance with the General Data Protection Regulations 2016 by the time these came into force.

Public benefit

When reviewing the aims and objectives of the charity, and in planning its activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grant-making policy

The Trustees consider each application in at least two stages: first, the extent to which it fits within the Foundation's terms of reference; and second, to consider the financial implications both for the family and the charity. All successful applicants must provide the Administrator with copies of all school reports, which allows Trustees to monitor the ongoing academic and social progress of the beneficiaries.

Vulnerable Beneficiaries

Trustees consider that the Foundation's approach to individual applications assures a good level of enquiry into each family's circumstances, specifically the needs of the children and the appropriateness of the proposed means of education.

Trustees do not consider that any system can meet every eventuality and take reasonable precautions to ensure that well-being of the children and young people they agree to support is given the highest priority.

Financial Review

The Trust's principal source of income continues to be derived from its investments. During the year total income amounted to £185,734 (2022: £188,921).

Expenditure during the year totalled £115,734 (2022: £122,393) of which the main component was grants made totalling £90,630 to 41 beneficiaries from 29 families (2022: £98,346 to 50 beneficiaries from 34 families).

Included in this were new grant awards totalling £18,230 (2022: £13,255) agreed by the Trustees during the year for immediate payment.

Future commitments of £72,400 (2022: £85,090) made by the year-end include continuing assistance to 24 existing beneficiaries together with grants to 7 new applicants. Future investment income is expected to cover existing and future commitments to grants.

THE LLOYD FOUNDATION

At the balance sheet date, the Foundation had total investments of £3,096,713 (2022: £3,343,598) and net current assets of £354,417 (2022: £171,114) making the total capital and reserves £3,451,130 (2022: £3,514,712).

Investment Policy

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed and set annually by the Trustees at each December meeting. The Trustees have appointed Redmayne Bentley to manage the Foundations' investment on an advisory basis and the Trustees provide the investment managers each year with specific guidelines. The Investment managers provide custody of assets and produce a valuation and performance statements quarterly or when required by the Trustees. The Foundation has a Finance Committee currently formed from three of the Trustees, which considers suggestions from the Investment Managers and gives instructions as appropriate.

The Foundation has approximately £3.1 Million of investment assets in an investment portfolio and aims to distribute grants in accordance with the available income.

The investment objective for the portfolio is to balance income and capital returns. The assets are managed to maintain at least the real capital value of the Foundation's portfolio, whilst generating a sustainable level of investment income to support the current charitable activities. The targeted income level for the portfolio is set annually by the Trustees.

The Foundation's assets can be invested widely according to the general power of investment and are diversified by asset class, and by security. Asset classes include cash, bonds, equities, property, commodities and any other assets that are deemed suitable for the Foundation by the Trustees.

The Finance Committee sets a strategic target for asset allocation for the Investment Portfolio, which is set currently as medium/low risk to achieve the long-term investment objectives of balancing capital and income returns.

The Foundation does not have an Ethical or ESG policy but Trustees reserve the right to exclude or limit the investments which may present significant conflict with the aims of the Foundation and/or could significantly damage its reputation. The Trustees take the view that strong corporate governance favours all stakeholders, not just shareholders but employees, suppliers and the wider communities that companies operate within. Investments in companies or funds are made with key questions on governance and sustainability of the business practice in mind and the Trustees reserve the right to vote on such matters as they arise.

Reserves policy

The Foundation's reserves comprise two parts. The first derives from the unrealised gains arising from the excess of the market values of investments over their original costs. The second part represents the accumulated result of realised gains and net surpluses on resources over time, as follows:

	2023	2022
	£	£
Investments at cost (Note 4 to the accounts)	2,462,672	2,598,996
Investments at market value (Note 4 to the accounts)	<u>3,096,713</u>	<u>3,343,598</u>
Unrealised gains from excess of valuation over cost	634,041	744,602
Realised gains and accumulated surpluses	2,817,089	2,770,110
Total reserves, comprising Funds shown on the balance sheet	<u>3,451,130</u>	<u>3,514,712</u>

THE LLOYD FOUNDATION

The Trustees are of the opinion that it is inappropriate to take account of unrealised gains until such time as they are realised. The minimum level of realised reserves should be sufficient to support investment in approved securities to the extent that the investments produce income adequate, taking one year with another, to absorb the direct charitable expenditure and the costs of the management and administration of the charity.

Free reserves at 31 August 2023 stood at £1,789,828 (2022: £1,792,690) and consist of unrestricted funds. They are considered to be at an appropriate level to maintain the investment portfolio.

Achievements and Performance

The Trustees' key objectives in 2022/23 were:

- To revise the application form to improve the accuracy of information sought from applicants and to move towards implementing a fully online application, assessment and renewal process and, to use the data gathered to widen Trustees' understanding of the scope of the Foundation's work.
- To continue to strengthen the presence and reach of the Foundation through
 - Further development of the website to include online application
 - Outreach to similar charitable organisations.
- To move the investment portfolio from Advisory mandate to a fully Discretionary Portfolio Management Service and to dissolve the Finance Committee role. All Trustees will consider the investment portfolio on a quarterly basis with the investment managers.
- To review the most appropriate legal structure for the charity for the future, and to consider converting the Foundation to a Charitable Incorporated Organisation (CIO).
- To review the process by which Trustees are recruited, their responsibilities and terms of office to facilitate the smooth running of the Foundation.

Objectives for the Coming Year 2023/24

Last year's objectives are on-going and have been carried forward. In addition, the following new objectives have been identified for 2023/24:

- In reviewing the Foundation's policies, to allocate each policy to the responsibility of one or more trustees who would monitor any legislative changes and where necessary, bring proposed amendments to the board for approval.
- To carry out a review of the Lloyd Foundation Scheme to ensure it is fit for purpose and the realities of the world at present and with a view to streamlining the process towards becoming a CIO if so decided.

THE LLOYD FOUNDATION

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements the Trustees are required to:

- act in accordance with the scheme and the rules of the charity, within the framework of trust law.
- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- state whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by the Trustees under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Trustees have a general responsibility for taking such steps as are reasonably open to the Trustees to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

By order of the board of Trustees on 16 July 2024 signed:

Mrs Valerie Smart

Chair of Trustees

THE LLOYD FOUNDATION

Independent Examiner's Report to the Trustees of The Lloyd Foundation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2023 which are set out on pages 9 - 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Lloyd Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of The Lloyd Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Lloyd Foundation as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

R J Cadwallader
Chartered Accountant
Milsted Langdon LLP
Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH
Date: 16 July 2024

THE LLOYD FOUNDATION

Statement of Financial Activities for the year ended 31 August 2023

	Unrestricted Funds 2023 £	Endowment Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £
Income and endowments:						
Investment Income	185,176	-	185,176	188,919	-	188,919
Other Income						
Interest Income	558	-	558	2	-	2
Total Income and endowments:	185,734	-	185,734	188,921	-	188,921
Expenditure:						
Charitable activities	115,306	-	115,306	121,913	-	121,913
Raising Funds	428	-	428	480	-	480
Total Expenditure:	115,734	-	115,734	122,393	-	122,393
Net Income/(Expenditure)	70,000	-	70,000	66,528	-	66,528
Other recognised gains:						
Net Gain/(Loss) on Investments	(72,862)	(60,720)	(133,582)	(141,949)	(127,417)	(269,366)
Net Movement in Funds	(2,862)	(60,720)	(63,582)	(75,421)	(127,417)	(202,838)
Fund Balances brought forward	1,792,690	1,722,022	3,514,712	1,868,111	1,849,439	3,717,550
Fund Balances carried forward	1,789,828	1,661,302	3,451,130	1,792,690	1,722,022	3,514,712

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 13 on page 16.

THE LLOYD FOUNDATION

Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed Assets:			
Investments	4	3,096,713	3,343,598
Current Assets			
Debtors	5	21,054	17,665
Redmayne Bentley Deposit Account		184,765	71,376
Redmayne Bentley Income Account		4,202	4,398
Barclays Current Account		224,403	181,408
Barclays Deposit Account		<u>10,611</u>	<u>10,567</u>
Total Current Assets		445,035	285,414
Creditors:			
amounts falling due within one year	6	<u>(90,618)</u>	<u>(114,300)</u>
Net Current Assets		354,417	171,114
Total Assets less Current Liabilities		<u>3,451,130</u>	<u>3,514,712</u>
Capital and Reserves			
Unrestricted Funds	7	1,789,828	1,792,690
Endowment Funds	7	<u>1,661,302</u>	<u>1,722,022</u>
Total Capital and Reserves		<u>3,451,130</u>	<u>3,514,712</u>

Approved by the Trustees on 16 July 2024 and signed on their behalf by

Mrs Valerie Smart
Chair of Trustees

The Accounting Policies and Notes on pages 11-17 form an integral part of these Financial Statements.

THE LLOYD FOUNDATION

Notes to the Financial Statements for the year ended 31 August 2023

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Lloyd Foundation 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 note(s).

b. Going concern

The Trustees have prepared financial projections taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the Foundation to continue in operational existence for the foreseeable future and have adequate contingency plans if income streams are reduced. The financial statements have therefore been prepared on the basis that the Foundation is a going concern.

c. Income

Income is recognised when the Foundation has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations, grants, gifts and lettings income are recognised when receivable.

Dividends are recognized once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Foundation has been notified of the executor's intention to make a distribution.

d. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. All expenditure is accounted for on an accruals basis.

e. Administration and support costs

Expenditure on administration and support costs includes staff costs of the administrator, equipment and the supply of services.

f. Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustees' meetings and reimbursed expenses. These costs are included under costs of charitable activities.

g. Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

Principal accounting policies (continued)

h. Grants payable

Grants payable are donations to individuals to further the charitable purposes of the Foundation. Grants are considered carefully when the budget is prepared. There is no certainty that any grant will be paid in future years, or that the amount will remain the same.

i. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k. Cash and deposits

Cash at bank and in hand includes cash in hand and deposits repayable within 24 hours without penalty at the balance sheet date. Short term deposits include deposits with a short maturity of three months or less from the date of acquisition or opening of the deposit account.

l. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Foundation.

Designated funds are unrestricted funds which the Trustees have decided at their discretion to set aside for a particular purpose.

Endowment Funds are those investments that the Trustees have no power to convert into distributable funds but have the authority to apply the income derived as they see fit within the rules of the Scheme.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

Principal accounting policies (continued)

m. Taxation

As a registered charity the Lloyd Foundation is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes. The Foundation receives no similar exemption for VAT.

n. Current asset measurement

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Tax recoverable is included at the amount receivable at the balance sheet date.

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

o. Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expenses for which it was incurred.

p. Exemption from preparing a cash flow statement

As allowed by the Charities SORP (FRS 102) the trustees have opted not to include a statement of cash flows due to the size of the charity.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

2. Charitable activities

	Note	Unrestricted funds	Restricted funds	Total 2023 £	Unrestricted funds	Restricted funds	Total 2022 £
Grants awarded (current)		18,230	-	18,230	13,256	-	13,256
Grants committed (future)	11	72,400	-	72,400	85,090	-	85,090
Governance costs	8	4,487	-	4,487	4,757	-	4,757
Support costs	9	20,189	-	20,189	18,810	-	18,810
		115,306	-	115,306	121,913	-	121,913

During the year, grants to individuals totalled £90,630 (2022: £98,346).

As allowed by the Charities SORP (FRS 102), the trustees have taken the exemption to not include the names of grant recipients.

3. Costs of raising funds

	Unrestricted funds	Restricted funds	Total 2023 £	Unrestricted funds	Restricted funds	Total 2022 £
Broker's Fees	428	-	428	480	-	480
	428	-	428	480	-	480

4. Fixed Assets Investments

	2023 £	2022 £
Quoted Investments		
Market Value at 1 September	3,343,598	3,621,760
Additions	116,697	12,825
Disposals	(230,000)	(21,621)
Realised & Unrealised Investment Losses	(133,582)	(269,366)
Market value at 31 August	<u>3,096,713</u>	<u>3,343,598</u>
Historical Cost at 31 August	<u>2,462,672</u>	<u>2,598,996</u>
	2023 £	2022 £
Analysis of Quoted Investments		
Fixed Interest	566,216	599,780
Equities	2,206,641	2,411,753
Unit Trusts	<u>323,856</u>	<u>332,065</u>
	<u>3,096,713</u>	<u>3,343,598</u>
	2023 %	2022 %
Investments comprising more than 5% of the portfolio		
M&G Securities	7.9	7.6
RSA Insurance Group	5.4	5.5

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

5. Debtors

	2023	2022
	£	£
Accounts Receivable	<u>21,054</u>	<u>17,665</u>
	<u>21,054</u>	<u>17,665</u>

6. Creditors

	2023	2022
	£	£
Accounts Payable	88,398	112,324
Accruals	<u>2,220</u>	<u>1,976</u>
	<u>90,618</u>	<u>114,300</u>

7. Governance costs

	Note	Unrestricted funds	Restricted funds	Total 2023 £	Unrestricted funds	Restricted funds	Total 2022 £
Accountancy Fees	10	2,544	-	2,544	2,359	-	2,359
Meeting Costs		1,108	-	1,108	1,360	-	1,360
Trustees' Travel Expenses		414	-	414	444	-	444
Trustees' Other Expenses		421	-	421	595	-	595
		<u>4,487</u>	-	<u>4,487</u>	4,757	-	4,757

8. Support costs

	Unrestricted funds	Restricted funds	Total 2023 £	Unrestricted funds	Restricted funds	Total 2022 £
Secretary's Services	16,131	-	16,131	15,355	-	15,355
Secretary's Travel Expenses	512	-	512	764	-	764
Bank Charges	589	-	589	384	-	384
Insurance	1,103	-	1,103	1,073	-	1,073
Telephone & Broadband	326	-	326	309	-	309
Sundries	538	-	538	56	-	56
IT Software and Consumables	621	-	621	556	-	556
Printing, postage and stationery	44	-	44	-	-	-
Membership Fees and Subscriptions	325	-	325	313	-	313
	<u>20,189</u>	-	<u>20,189</u>	18,810	-	18,810

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

9. Net Surplus for the Year

	2023 £	2022 £
This is stated after charging:		
Independent examiner's fee	2,544	1,976
Other fees	<u>-</u>	<u>383</u>
Total	<u>2,544</u>	<u>2,359</u>

10. Supplementary Information – Grants

The grants approved by the Trustees to 31 August 2023 that relate to future academic years were £72,400 and are included in the accounts payable (2022: £85,090).

11. Staff costs

There were no employees during 2023 (2022: none).

12. Trustee remuneration

Two trustees received reimbursement of travel, stationery and postage expenses amounting to £835 (2022: four, £1,038). During the year, gifts totalling £371 (2022: £Nil) were purchased for 3 retired trustees (2022: Nil). No trustees received any remuneration or any other benefits during the year.

13. Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2023 £
Unrestricted General Funds	1,792,690	185,734	(115,734)	(72,862)	1,789,828
Endowment Funds	1,722,022	-	-	(60,720)	1,661,302
Total Funds	<u>3,514,712</u>	<u>185,734</u>	<u>(115,734)</u>	<u>(133,582)</u>	<u>3,451,130</u>

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
Unrestricted General Funds	1,868,111	188,921	(122,393)	(141,949)	1,792,690
Endowment Funds	1,849,439	-	-	(127,417)	1,722,022
Total Funds	<u>3,717,550</u>	<u>188,921</u>	<u>(122,393)</u>	<u>(202,838)</u>	<u>3,514,712</u>

Unrestricted funds are available to be spent for any of the purposes of the Charity.

Endowment funds are part of the Charity's investment portfolio. Income derived from these investments can be spent on any of the Charity's charitable objectives.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2023 continued

14. Analysis of net assets between Funds

	Investments	Net Current Assets	Total Net Assets 2023	Investments	Net Current Assets	Total Net Assets 2022
	£	£	£	£	£	£
Unrestricted Funds	1,435,411	354,417	1,789,828	1,650,401	142,289	1,792,690
Endowment Funds	1,661,302	-	1,661,302	1,693,197	28,825	1,722,022
Total Funds	3,096,713	354,417	3,451,130	3,343,598	171,114	3,514,712

15. Related party transactions

Other than the transactions disclosed in note 12, there were no related party transactions during the year.

16. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

THE LLOYD FOUNDATION

England & Wales - Charity number 314203

Accounts

Registered charity number: 314203

THE LLOYD FOUNDATION

Report of the Managing Trustees and Financial Statements
for the year ended 31 August 2022

THE LLOYD FOUNDATION

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THE LLOYD FOUNDATION

Trustees' Report for the year ended 31 August 2022

The Trustees present their report and independently examined financial statements for the year ended 31 August 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 11-13 and comply with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005 (SORP).

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity name:	The Lloyd Foundation	
Registered charity number:	314203	
Trustees:	Mrs Valerie Smart	Chair
	Mr Niaz Alam	Vice-chair
	Mrs Hilary Dibble	retired 23 September 2022
	Mr David Taylor	retired 24 March 2022
	Mr David Martin	retired 23 June 2022
	Mrs Lyndsey Kelly-Aberle	
	Ms Sarah Broughton, OBE	
	Mr David Fitton, CMG	
	Mr John Baxter-Brown	
	Mrs Pamela Thomas	
	Ms Sarah Howard	nominated by the British Council appointed 23 June 2022
Secretary:	Mrs Rachel Boggs	
Registered Office:	Flat 2, Pool House Main Street Pool in Wharfedale Otley LS21 1LH	
Bankers:	Barclays Bank UK PLC Leominster Herefordshire	
Investment Brokers:	Redmayne Bentley LLP 9 Bond Court Leeds LS1 2JZ	
Independent Examiner:	Ms Gill Freeman ACA Milsted Langdon LLP Winchester House Deane Gate Avenue Taunton Somerset TA1 2UH	

THE LLOYD FOUNDATION

Structure, Governance and Management

Structure

The Lloyd Foundation (the Foundation) is an unincorporated grant making charity, established by a Scheme of arrangement and first registered with the Charity Commission on 23 October 1972 (registered charity number 314203) and governed under the scheme dated 1 October 2001 (amended 2015 and 2020).

Trustees

The Foundation may have up to ten Trustees, four nominated (1 by the Secretary of State for Foreign, Commonwealth and Development Affairs, 2 by the British Council and 1 by Churches Together in Britain and Ireland) and up to a further six co-opted.

Trustees are appointed for a four-year period after which the nominating body and/or the Trustee are asked whether they wish to serve for another term. There is no limit to the number of terms which may be served.

Induction and training

An 'induction pack' has been collated to ensure that new Trustees meet the eligibility criteria, as defined by the Charity Commission, and understand their role and responsibilities to The Foundation as a Trustee. The pack also includes the Scheme and latest schedule, current policy documents, most recent Annual Report and Financial Statements, and minutes from the three latest Trustee meetings.

Trustees are encouraged to keep abreast of relevant charity legislation as it pertains to the Foundation and to attend briefing/training sessions where appropriate.

Charitable Objectives and Activities

The Lloyd Foundation is governed by a Scheme dated 1 October 2001 (amended 2015 and 2020) that replaces the Scheme dated 23 October 1972, made by the Secretary of State for Education and Science amalgamating the Lloyd (English School Cairo) Trust and the Lloyd Scholarship Fund.

The Trustees shall apply the net income of the Foundation, after the payment of administration expenses, as authorised under the Scheme for: -

- a) the award to beneficiaries of scholarships, bursaries or maintenance allowances as set out in the Scheme;
- b) the advancement of the education of beneficiaries in such other ways as the Trustees may from time to time determine;
- c) the award of bursaries for purposes of education to teaching members of the staff of schools outside the United Kingdom which are conducted in accordance with British educational principles and practice.

All persons qualified to be beneficiaries under the Foundation are young persons under the age of 25 who:

- a) are in need of financial assistance, and
- b) have a father or mother who is a British citizen (as defined by relevant nationality legislation) ordinarily living outside the United Kingdom, or, if dead, was such a citizen at the time of death. (In exceptional circumstances, this may be waived at the discretion of the Trustees).

THE LLOYD FOUNDATION

Operational Management and Policies

The Board meets at least four times a year to exercise strategic direction, fulfil its governance responsibilities, make decisions on the awarding of grants and oversee the affairs of the charity. Day to day administration is delegated to the Administrator, in consultation when necessary with the Chair and Trustees.

Policies

The Trustees wish to manage the Foundation to optimise their ability to support their beneficiaries. Accordingly, the following policies underpin the operational and financial processes of the Foundation. All policies are reviewed annually in December, except for regulatory changes which may occur during the year which are reviewed at the next appropriate meeting.

Risk Management

The Trustees regularly review the major risks to The Lloyd Foundation and confirm that systems have been established to mitigate and control such risks governing all operational and financial risks.

Data Protection

Following a full audit and review of data processing, the Trustees are satisfied that all necessary steps have been taken to ensure compliance with the General Data Protection Regulations 2016 by the time these came into force.

Public benefit

When reviewing the aims and objectives of the charity, and in planning its activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grant-making policy

The Trustees consider each application in at least two stages: first, the extent to which it fits within the Foundation's terms of reference; and second, to consider the financial implications both for the family and the charity. All successful applicants must provide the Administrator with copies of all school reports, which allows Trustees to monitor the ongoing academic and social progress of the beneficiaries.

Vulnerable Beneficiaries

Trustees consider that the Foundation's approach to individual applications assures a good level of enquiry into each family's circumstances, specifically the needs of the children and the appropriateness of the proposed means of education.

Trustees do not consider that any system can meet every eventuality and take reasonable precautions to ensure that well-being of the children and young people they agree to support is given the highest priority.

Financial Review

The Trust's principal source of income continues to be derived from its investments. During the year total income amounted to £188,921 (2021: £170,698).

Expenditure during the year totalled £122,393 (2021: £169,257) of which the main component was grants made totalling £98,346 to 50 beneficiaries from 34 families (2021: £146,888 to 49 beneficiaries from 33 families).

Included in this were new grant awards totalling £13,256 agreed by the Trustees during the year for immediate payment.

THE LLOYD FOUNDATION

Future commitments of £85,090 (2021: £126,290) made by the year-end include continuing assistance to 39 existing beneficiaries together with grants to 9 new applicants. Future investment income is expected to cover existing and future commitments to grants.

At the balance sheet date, the Foundation had total investments of £3,343,598 (2021: £3,621,760) and net current assets of £171,114 (2021: £95,790) making the total capital and reserves £3,514,712 (2021: £3,717,550).

Investment Policy.

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed and set annually by the Trustees at each December meeting. The Trustees have appointed Redmayne Bentley to manage the Foundations' investment on an advisory basis and the Trustees provide the investment managers each year with specific guidelines. The Investment managers provide custody of assets and produce a valuation and performance statements quarterly or when required by the Trustees. The Foundation has a Finance Committee currently formed from three of the Trustees, which considers suggestions from the Investment Managers and gives instructions as appropriate.

The Foundation has approximately £3.5 million of investment assets in an investment portfolio and aims to distribute grants in accordance with the available income.

The investment objective for the portfolio is to balance income and capital returns. The assets are managed to maintain at least the real capital value of the Foundation's portfolio, whilst generating a sustainable level of investment income to support the current charitable activities. The targeted income level for the portfolio is set annually by the Trustees.

The Foundation's assets can be invested widely according to the general power of investment and are diversified by asset class, and by security. Asset classes include cash, bonds, equities, property, commodities and any other assets that are deemed suitable for the Foundation by the Trustees.

The Finance Committee sets a strategic target for asset allocation for the Investment Portfolio, which is set currently as medium/low risk to achieve the long-term investment objectives of balancing capital and income returns.

The Foundation does not have an Ethical or ESG policy but Trustees reserve the right to exclude or limit the investments which may present significant conflict with the aims of the Foundation and/or could significantly damage its reputation. The Trustees take the view that strong corporate governance favours all stakeholders, not just shareholders but employees, suppliers and the wider communities that companies operate within. Investments in companies or funds are made with key questions on governance and sustainability of the business practice in mind and the Trustees reserve the right to vote on such matters as they arise.

Reserves policy

The Foundation's reserves comprise two parts. The first derives from the unrealised gains arising from the excess of the market values of investments over their original costs. The second part represents the accumulated result of realised gains and net surpluses on resources over time, as follows:

	2022	2021
	£	£
Investments at cost (Note 4 to the accounts)	2,598,996	2,591,252
Investments at market value (Note 4 to the accounts)	3,343,598	3,621,760
Unrealised gains from excess of valuation over cost	744,602	1,030,508
Realised gains and accumulated surpluses	2,770,110	2,687,042
Total reserves, comprising Funds shown on the balance sheet	3,514,712	3,717,550

THE LLOYD FOUNDATION

The Trustees are of the opinion that it is inappropriate to take account of unrealised gains until such time as they are realised. The minimum level of realised reserves should be sufficient to support investment in approved securities to the extent that the investments produce income adequate, taking one year with another, to absorb the direct charitable expenditure and the costs of the management and administration of the charity.

Realised reserves at 31 August 2022 stood at £2,770,110 (2021: £2,687,042) and are considered to be at an appropriate level to maintain the investment portfolio.

Achievements and Performance

The Trustees' key objectives in 2021/22 were:

- To revise the application form to improve the accuracy of information sought from applicants and to move towards implementing a fully online application, assessment and renewal process and, to use the data gathered to widen Trustees' understanding of the scope of the Foundation's work
- To continue to strengthen the presence and reach of the Foundation through
 - Further development of the website to include online application
 - Outreach to similar charitable organisations

Objectives for the Coming Year 2022/23

Last year's objectives are on-going and have been carried forward. In addition, the following new objectives have been identified for 2022/23:

- To move the investment portfolio from Advisory mandate to a fully Discretionary Portfolio Management Service and to dissolve the Finance Committee role. All Trustees will consider the investment portfolio on a quarterly basis with the investment managers.
- To review the most appropriate legal structure for the charity for the future, and to convert the Foundation to a Charitable Incorporated Organisation (CIO)
- To review the process by which Trustees are recruited, their responsibilities and terms of office to facilitate the smooth running of the Foundation.

By order of the board of Trustees on 27 April 2023

Signed:

Mrs Valerie Smart
Chair of Trustees

THE LLOYD FOUNDATION

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements the Trustees are required to:

- act in accordance with the scheme and the rules of the charity, within the framework of trust law.
- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- state whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by the Trustees under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Trustees have a general responsibility for taking such steps as are reasonably open to the Trustees to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE LLOYD FOUNDATION

Independent Examiner's Report to the Trustees of The Lloyd Foundation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2022 which are set out on pages 9-16.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Lloyd Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of The Lloyd Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Lloyd Foundation as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

G Freeman ACA

Chartered Accountant
Milsted Langdon LLP
Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH

25 May 2023

THE LLOYD FOUNDATION

Statement of Financial Activities for the year ended 31 August 2022

	Note	Unrestricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £
Income and endowments:							
Investment Income		188,919	-	188,919	166,944	-	166,944
Other Income							
Interest Income		2	-	2	4	-	4
Donation		-	-	-	3,000	-	3,000
Gift Aid reclaimed		-	-	-	750	-	750
Total Income and endowments:		188,921	-	188,921	170,698	-	170,698
Expenditure:							
Charitable activities	2	121,913	-	121,913	168,777	-	168,777
Raising Funds	3	480	-	480	480	-	480
Total Expenditure:		122,393	-	122,393	169,257	-	169,257
Net Income/(Expenditure)		66,528	-	66,528	1,441	-	1,441
Investments:							
Net Gain/(Loss) on Investments	4	(141,949)	(127,417)	(269,366)	347,193	218,096	565,289
Total Investments		(141,949)	(127,417)	(269,366)	347,193	218,096	565,289
Net Movement in Funds		(75,421)	(127,417)	(202,838)	348,634	218,096	566,730
Fund Balances brought forward		1,868,111	1,849,439	3,717,550	1,519,477	1,631,343	3,150,820
Fund Balances carried forward		1,792,690	1,722,022	3,514,712	1,868,111	1,849,439	3,717,550

THE LLOYD FOUNDATION

Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed Assets:			
Investments	4	3,343,598	3,621,760
Current Assets			
Debtors	5	22,063	23,118
Redmayne Bentley Deposit Account		71,376	63,060
Barclays Current Account		181,408	133,617
Barclays Deposit Account		10,567	10,565
Total Current Assets		<u>285,414</u>	<u>230,360</u>
Creditors:			
amounts falling due within one year	6	<u>(114,300)</u>	<u>(134,570)</u>
Net Current Assets/(Liabilities)		171,114	95,790
Total Assets less Current Liabilities		<u>3,514,712</u>	<u>3,717,550</u>
Capital and Reserves			
Unrestricted Funds	7	1,792,690	1,868,111
Endowment Funds	7	1,722,022	1,849,439
Total Capital and Reserves		<u>3,514,712</u>	<u>3,717,550</u>

Approved by the Trustees on 27 April 2023 and signed on their behalf by

Mrs Valerie Smart
Chair of Trustees

The Accounting Policies and Notes on pages 11-16 form an integral part of these Financial Statements

THE LLOYD FOUNDATION

Notes to the Financial Statements for the year ended 31 August 2022

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Lloyd Foundation 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 note(s).

b. Going concern

The Trustees have prepared financial projections taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the Foundation to continue in operational existence for the foreseeable future and have adequate contingency plans if income streams are reduced. The financial statements have therefore been prepared on the basis that the Foundation is a going concern.

c. Income

Income is recognised when the Foundation has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations, grants, gifts and lettings income are recognised when receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Foundation has been notified of the executor's intention to make a distribution.

d. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. All expenditure is accounted for on an accruals basis.

e. Administration and support costs

Expenditure on administration and support costs includes staff costs of the administrator, equipment and the supply of services.

f. Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustees' meetings and reimbursed expenses. These costs are included under costs of charitable activities.

g. Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2022 continued

Principal accounting policies (continued)

h. Grants payable

Grants payable are donations to individuals to further the charitable purposes of the Foundation. Grants are considered carefully when the budget is prepared. There is no certainty that any grant will be paid in future years, or that the amount will remain the same.

i. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k. Cash and deposits

Cash at bank and in hand includes cash in hand and deposits repayable within 24 hours without penalty at the balance sheet date. Short term deposits include deposits with a short maturity of three months or less from the date of acquisition or opening of the deposit account.

l. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Foundation.

Designated funds are unrestricted funds which the Trustees have decided at their discretion to set aside for a particular purpose.

Restricted funds are funds which the donor has specified are to be used solely for a particular area of the Foundation's work or for purchases of specific assets for use by the Foundation.

Endowment Funds are those investments that the Trustees have no power to convert into distributable funds but have the authority to apply the income derived as they see fit within the rules of the Scheme.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2022 continued

Principal accounting policies (continued)

m. Taxation

As a registered charity the Lloyd Foundation is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes. The Foundation receives no similar exemption for VAT.

n. Current asset measurement

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Tax recoverable is included at the amount receivable at the balance sheet date.

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

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2022 continued

2. Charitable activities

	Note	Unrestricted funds	Restricted funds	Total 2022 £	Unrestricted funds	Restricted funds	Total 2021 £
Grants awarded (current)		13,256	-	13,256	20,598	-	20,598
Grants committed (future)	11	85,090	-	85,090	126,290	-	126,290
Governance costs	8	4,757	-	4,757	3,417	-	3,417
Support costs	9	18,810	-	18,810	18,472	-	18,472
		121,913	-	121,913	168,777	-	168,777

3. Costs of raising funds

	Unrestricted funds	Restricted funds	Total 2022 £	Unrestricted funds	Restricted funds	Total 2021 £
Broker's Fees	480	-	480	480	-	480
	480	-	480	480	-	480

4. Fixed Assets Investments

	2022 £	2021 £
Quoted Investments		
Market Value at 1 September	3,621,760	2,986,213
Additions	12,825	243,857
Disposals	(21,621)	(173,599)
Realised Investment Gains/(Losses)	-	48,141
Unrealised Investment Gains/(Losses)	(269,366)	517,148
Market value at 31 August	3,343,598	3,621,760
Historical Cost at 31 August	2,598,996	2,591,252
	2022 £	2021 £
Analysis of Quoted Investments		
Fixed Interest	599,780	684,374
Equities	2,411,753	2,583,624
Unit Trusts	332,065	353,762
	3,343,598	3,621,760
	2022 %	2021 %
Investments comprising more than 5% of the portfolio		
M&G Securities	7.6	7.5
RSA Insurance Group	5.5	5.9
Sequoia Economic Infrastructure Fund		5.2

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2022 continued

5. Debtors

	2022	2021
	£	£
Accounts Receivable	17,665	15,550
Accrued Interest	4,398	7,568
	<u>22,063</u>	<u>23,118</u>

6. Creditors

	2022	2021
	£	£
	Note	
Accounts Payable	112,324	133,010
Accruals	1,976	1,560
	<u>114,300</u>	<u>134,570</u>

7. Analysis of net assets between Funds

	Investments	Net Current Assets	Total Net Assets 2022	Investments	Net Current Assets	Total Net Assets 2021
	£	£	£	£	£	£
Unrestricted Funds	1,650,401	142,289	1,792,690	1,801,146	66,965	1,868,111
Endowment Funds	1,693,197	28,825	1,722,022	1,820,614	28,825	1,849,439
Total Funds	<u>3,343,598</u>	<u>171,114</u>	<u>3,514,712</u>	<u>3,621,760</u>	<u>95,790</u>	<u>3,717,550</u>

8. Governance costs

	Note	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
				£			£
Accountancy Fees	10	2,359	-	2,359	2,153	-	2,153
Training		-	-	-	180	-	180
Trustees' Meetings Costs		1,359	-	1,359	690	-	690
Trustees' Travel Expenses		444	-	444	25	-	25
Trustees' Other Expenses		595	-	595	369	-	369
		<u>4,757</u>	<u>-</u>	<u>4,757</u>	<u>3,417</u>	<u>-</u>	<u>3,417</u>

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2022 continued

9. Support costs

	Unrestricted funds	Restricted funds	Total 2022 £	Unrestricted funds	Restricted funds	Total 2021 £
Secretary's Services	15,355		15,355	15,940		15,940
Secretary's Travel Expenses	764		764	-		-
Bank Charges	384		384	384		384
Insurance	1,073		1,073	1,073		1,073
Telephone & Broadband	309		309	293		293
Sundries	56		56	-		-
IT Software and Consumables	556		556	463		463
Membership Fees and Subscriptions	313		313	319		319
	18,810		18,810	18,472		18,472

10. Net Surplus for the Year

	2022 £	2021 £
This is stated after charging:		
Independent examiner's fee	1,976	1,560
Other fees	383	593
Total	2,359	2,153

11. Supplementary Information - Grants

The grants approved by the Trustees to 31 August 2022 that relate to future academic years were £85,090 and are included in the accounts payable (2021: £126,290).

12. Staff costs

There were no employees during 2022 (2021: none).

13. Trustee remuneration

No Trustee received any remuneration during the year. Four trustees received reimbursement of their expenses amounting to £1,038 (2021: one, £394).

14. Related party transactions

There were no related party transactions during the year except those mentioned in Note 13.

15. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

THE LLOYD FOUNDATION

England & Wales - Charity number 314203

Accounts

Registered charity number: 314203

THE LLOYD FOUNDATION

Report of the Managing Trustees and Financial Statements
for the year ended 31 August 2021

THE LLOYD FOUNDATION

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THE LLOYD FOUNDATION

Trustees' Report for the year ended 31 August 2021

The Trustees present their report and independently examined financial statements for the year ended 31 August 2021,

The accounts have been prepared in accordance with the accounting policies set out on pages 12-14 and comply with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005 (SORP).

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity name:	The Lloyd Foundation	
Registered charity number:	314203	
Trustees:	Mr Niaz Alam	co-opted 3 December 2020
	Mr John Baxter-Brown	nominated by Churches Together in Britain and Ireland
		appointed 1 September 2020
	Ms Sarah Broughton, OBE	nominated by the Foreign, Commonwealth and Development Office
		Chair
	Mrs Hilary A Dibble	
	Mr David J Fitton, CMG	
	Mrs Lyndsey M Kelly-Aberle	nominated by the British Council
	Mr David C Martin	nominated by the British Council
	Mrs Valerie Smart	Chair, Finance Committee
	Mr David W Taylor	Vice-Chair
	Mrs Pamela Thomas	co-opted 24 June 2021
Secretary:	Mrs Rachel C Boggs	
Registered Office:	Flat 2, Pool House Main Street Pool in Wharfedale Otley LS21 1LH	
Bankers:	Barclays Bank UK PLC Leominster Herefordshire	
Investment Brokers:	Redmayne Bentley LLP 9 Bond Court Leeds LS1 2JZ	
Independent Examiner:	Ms Gill Freeman ACA Milsted Langdon LLP Winchester House Deane Gate Avenue Taunton Somerset TA1 2UH	

THE LLOYD FOUNDATION

Structure, Governance and Management

Structure

The Lloyd Foundation (the Foundation) is an unincorporated grant making charity, established by a Scheme of arrangement and first registered with the Charity Commission on 23 October 1972 (registered charity number 314203) and governed under the scheme dated 1 October 2001 (amended 2015 and 2021).

Trustees

The Foundation may have up to ten Trustees, four nominated (1 by the Secretary of State for Foreign & Commonwealth Affairs, 2 by the British Council and 1 by Churches Together in Britain and Ireland) and up to a further six co-opted.

Trustees are appointed for a four-year period after which the nominating body and/or the Trustee are asked whether they wish to serve for another term. There is no limit to the number of terms which may be served.

Induction and training

An 'induction pack' has been collated to ensure that new Trustees meet the eligibility criteria, as defined by the Charity Commission, and understand their role and responsibilities to The Foundation as a Trustee. The pack also includes the Scheme and latest schedule, current policy documents, most recent Annual Report and Financial Statements, and minutes from the three latest Trustee meetings.

Trustees are encouraged to keep abreast of relevant charity legislation as it pertains to the Foundation and to attend briefing/training sessions where appropriate.

Charitable Objectives and Activities

The Lloyd Foundation is governed by a Scheme dated 1 October 2001 (amended 2015 and 2021) that replaces the Scheme dated 23 October 1972, made by the Secretary of State for Education and Science amalgamating the Lloyd (English School Cairo) Trust and the Lloyd Scholarship Fund.

The Trustees shall apply the net income of the Foundation, after the payment of administration expenses, as authorised under the Scheme for: -

- a) the award to beneficiaries of scholarships, bursaries or maintenance allowances as set out in the Scheme;
- b) the advancement of the education of beneficiaries in such other ways as the Trustees may from time to time determine;
- c) the award of bursaries for purposes of education to teaching members of the staff of schools outside the United Kingdom which are conducted in accordance with British educational principles and practice, and
- d) the payment of a gratuity or pension to, or the provision of other assistance for, any person who for at least five years or at the time of its closure was a member of the staff of the former English School, Cairo, and who by reason of age, ill health or otherwise is in necessitous circumstances.

Except for (d) above, the persons qualified to be beneficiaries under the Foundation are young persons under the age of 25 who:

- a) are in need of financial assistance, and
- b) have a father or mother who is a British citizen (as defined by relevant nationality legislation) ordinarily living outside the United Kingdom, or, if dead, was such a citizen at the time of death. (In exceptional circumstances, this may be waived at the discretion of the Trustees).

THE LLOYD FOUNDATION

Operational Management and Policies

The Board meets at least four times a year to exercise strategic direction, fulfil its governance responsibilities, make decisions on the awarding of grants and oversee the affairs of the charity. Day to day administration is delegated to the Administrator, in consultation when necessary with the Chair and/or Chair of the Finance Committee. The Covid-19 pandemic has meant the Trustees have necessarily met virtually, via MS Teams, in September and December 2020 and March and June 2021. The meeting in September 2021 was however held with seven trustees in person and three joining remotely.

Policies

The Trustees wish to manage the Foundation to optimise their ability to support their beneficiaries. Accordingly, the following policies underpin the operational and financial processes of the Foundation. All policies are reviewed annually in December, except for regulatory changes which may occur during the year which are reviewed at the next appropriate meeting.

Risk Management

The Trustees regularly review the major risks to The Lloyd Foundation and confirm that systems have been established to mitigate and control such risks governing all operational and financial risks.

Data Protection

Following a full audit and review of data processing, the Trustees are satisfied that all necessary steps have been taken to ensure compliance with the General Data Protection Regulations 2016 by the time these came into force. Data processing and data protection are part of the risk register which is reviewed annually with all policies.

Public benefit

When reviewing the aims and objectives of the charity, and in planning its activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grant-making policy

The Trustees consider each application in at least two stages: first, the extent to which it fits within the Foundation's terms of reference; and second, to consider the financial implications both for the family and the charity. All successful applicants must provide the Administrator with copies of all school reports, which allows Trustees to monitor the ongoing academic and social progress of the beneficiaries.

Trustees do not consider that any system can meet every eventuality and take reasonable precautions to ensure that well-being of the children and young people they agree to support is given the highest priority.

Vulnerable Beneficiaries

Trustees consider that the Foundation's approach to individual applications assures a good level of enquiry into each family's circumstances, specifically the needs of the children and the appropriateness of the proposed means of education.

THE LLOYD FOUNDATION

Financial Review

The Trust's principal source of income continues to be derived from its investments. During the year total income amounted to £170,698 (2020: £165,734).

Expenditure during the year totalled £169,257 (2020: £234,924) of which the main component was grants made totalling £146,888 to 49 beneficiaries from 33 families (2020: £210,732 to 56 children from 38 families).

New grant awards totalling £20,598 were agreed by the Trustees during the year for immediate payment.

Future commitments of £126,290 (2020: £96,500) include continuing assistance to 39 existing beneficiaries together with grants to 9 new applicants. Future investment income is expected to cover existing and future commitments to grants.

At the balance sheet date, the Foundation had total investments of £3,621,760 (2020: £2,986,213) and net current assets of £95,790 (2020: £164,607) making the total capital and reserves £3,717,550 (2020: £3,150,820).

Investment Policy.

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed and set annually by the Trustees at each December meeting. The Trustees have appointed Redmayne Bentley to manage the Foundations' investment on an advisory basis and the Trustees provide the investment managers each year with specific guidelines. The Investment managers provide custody of assets and produce a valuation and performance statements quarterly or when required by the Trustees. The Foundation has a Finance Committee currently formed from four of the Trustees, which considers suggestions from the Investment Managers and gives instructions as appropriate.

The Foundation has approximately £3.6 million of investment assets in an investment portfolio and aims to distribute grants in accordance with the available income.

The investment objective for the portfolio is to balance income and capital returns. The assets are managed to maintain at least the real capital value of the Foundation's portfolio, whilst generating a sustainable level of investment income to support the current charitable activities. The targeted income level for the portfolio is set annually by the Trustees.

The Foundation's assets can be invested widely according to the general power of investment and are diversified by asset class, and by security. Asset classes include cash, bonds, equities, property, commodities and any other assets that are deemed suitable for the Foundation by the Trustees.

The Finance Committee sets a strategic target for asset allocation for the Investment Portfolio, which is set currently as medium/low risk to achieve the long-term investment objectives of balancing capital and income returns.

The Foundation does not have an Ethical or ESG policy but Trustees reserve the right to exclude or limit the investments which may present significant conflict with the aims of the Foundation and/or could significantly damage its reputation. The Trustees take the view that strong corporate governance favours all stakeholders, not just shareholders but employees, suppliers and the wider communities that companies operate within. Investments in companies or funds are made with key questions on governance and sustainability of the business practice in mind and the Trustees reserve the right to vote on such matters as they arise.

THE LLOYD FOUNDATION

Reserves policy

The Foundation's reserves comprise two parts. The first derives from the unrealised gains arising from the excess of the market values of investments over their original costs. The second part represents the accumulated result of realised gains and net surpluses on resources, as follows:

	2021	2020
	£	£
Investments at cost (Note 4 to the accounts)	2,591,252	2,678,082
Investments at market value (Note 4 to the accounts)	3,621,760	2,986,213
Unrealised gains from excess of valuation over cost	1,030,508	308,131
Realised gains and accumulated surpluses	2,687,042	2,842,689
Total reserves, comprising Funds shown on the balance sheet	3,717,550	3,150,820

The Trustees are of the opinion that it is inappropriate to take account of unrealised gains until such time as they are realised. The minimum level of realised reserves should be sufficient to support investment in approved securities to the extent that the investments produce income adequate, taking one year with another, to absorb the direct charitable expenditure and the costs of the management and administration of the charity.

Realised reserves at 31 August 2021 stood at £2,687,042 (2020: £2,842,689) and are considered to be at an appropriate level to maintain the investment portfolio.

Achievements and Performance

The Trustees' key objectives in 2020/21 were:

- To recruit two new Trustees
- To continue to strengthen the presence and reach of the Foundation
 - Further develop the website
 - Outreach to previous recipients of grants (individuals and educational organisations)
 - Outreach to similar charitable organisations
- To revise the application form to improve the accuracy of information sought from applicants and to move towards implementing a fully online application, assessment and renewal process and, use the data gathered to widen Trustees' understanding of the scope of the Foundation's work
- To consider Environmental, Social and Governance (ESG) issues while taking a sustainable and responsible approach to managing the Foundation's investment portfolio
- To require, wherever possible, that grants are paid direct to educational institutions rather than named individuals to ensure funds are used in line with the charitable objects of the Foundation

Progress in achieving some of these objectives was hampered by the continuing impact of the Covid-19 pandemic and the necessary restrictions on meeting in person. However, two new trustees, Niaz Alam and Pamela Thomas, were co-opted to the board during the year under report bringing valuable knowledge and experience in finance and education respectively.

The Foundation's website has been enhanced further by the inclusion of testimonials and pictures from past and present grant recipients, which show what a difference our support has made.

THE LLOYD FOUNDATION

Continued involvement with the Educational Trusts Forum and attendance at their meetings has been mutually beneficial through pooling information about shared cases and has also resulted in direct referrals from other trusts when an applicant met our criteria.

A review of ESG issues was undertaken and this is reflected in changes made to the investment policy.

Considerable progress was also made with grant payments for children at overseas schools. During the year under report grants for 20 beneficiaries (11 families) attending school abroad were made to the family albeit in all but 2 cases via a UK bank account. At the start of 2021/22 however, the grants for 10 children (from 7 families) were made direct to the school, on receipt of their invoice, the same procedure as for those at a UK school. A further 2 families still receive grants into a UK bank account and only 1 into an overseas account. All new grants awarded are being paid to the school.

Objectives for the Coming Year 2021/22

The following objectives have been carried forward from last year:

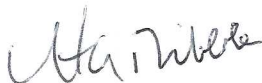
- To revise the application form to improve the accuracy of information sought from applicants and to move towards implementing a fully online application, assessment and renewal process and, to use the data gathered to widen Trustees' understanding of the scope of the Foundation's work
- To continue to strengthen the presence and reach of the Foundation through
 - Further development of the website to include online application
 - Outreach to previous recipients of grants (individuals and educational organisations)
 - Outreach to similar charitable organisations

In addition, the Trustees have identified the following new objectives:

- To utilise the opportunity presented by the 50th Anniversary of the Foundation in October 2022 to celebrate its achievements and build relations with schools, trusts and foundations
- To review the most appropriate legal structure for the charity for the future, and consider in particular, whether to convert to being a Charitable incorporated Organisation (CIO)

By order of the board of Trustees on 24 March 2022

Signed:



H A Dibble (Mrs)
Chair

THE LLOYD FOUNDATION

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements the Trustees are required to:

- act in accordance with the scheme and the rules of the charity, within the framework of trust law.
- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- state whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by the Trustees under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Trustees have a general responsibility for taking such steps as are reasonably open to the Trustees to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE LLOYD FOUNDATION

Independent Examiner's Report to the Trustees of The Lloyd Foundation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Lloyd Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of The Lloyd Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Lloyd Foundation as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

 ACA

Chartered Accountant
Milsted Langdon LLP
Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH

THE LLOYD FOUNDATION

Statement of Financial Activities for the year ended 31 August 2021

	Note	Unrestricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £
Income and endowments:							
Investment Income		166,944	-	166,944	165,717	-	165,717
Other Income							
Interest Income		4	-	4	17	-	17
Donation		3,000	-	3,000	-	-	-
Gift Aid reclaimed		750	-	750	-	-	-
Total Income and endowments:		170,698	-	170,698	165,734	-	165,734
Expenditure:							
Charitable activities	2	168,777	-	168,777	234,444	-	234,444
Raising Funds	3	480	-	480	480	-	480
Total Expenditure:		169,257	-	169,257	234,924	-	234,924
Net Income/(Expenditure)		1,441	-	1,441	(69,190)	-	(69,190)
Investments:							
Net Gain on Investments	4	347,193	218,096	565,289	(253,928)	(141,788)	(395,716)
Total Investments		347,193	218,096	565,289	(253,928)	(141,788)	(395,716)
Net Movement in Funds		348,634	218,096	566,730	(323,118)	(141,788)	(464,906)
Fund Balances brought forward		1,519,477	1,631,343	3,150,820	1,842,595	1,773,131	3,615,726
Fund Balances carried forward		1,868,111	1,849,439	3,717,550	1,519,477	1,631,343	3,150,820

THE LLOYD FOUNDATION

Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed Assets:			
Investments	4	3,621,760	2,986,213
Current Assets			
Debtors	5	23,118	24,189
Redmayne Bentley Deposit Account		63,060	133,799
Barclays Current Account		133,617	95,351
Barclays Deposit Account		10,565	10,563
Total Current Assets		<u>230,360</u>	<u>263,902</u>
Creditors:			
amounts falling due within one year	6	<u>(134,570)</u>	<u>(99,295)</u>
Net Current Assets/(Liabilities)		95,790	164,607
Total Assets less Current Liabilities		<u>3,717,550</u>	<u>3,150,820</u>
Capital and Reserves			
Unrestricted Funds	7	1,868,111	1,519,477
Endowment Funds	7	1,849,439	1,631,343
Total Capital and Reserves		<u>3,717,550</u>	<u>3,150,820</u>

Approved by the Trustees on 24 March 2022 and signed on their behalf by



Mrs HA Dibble
Chair of Trustees

The Accounting Policies and Notes on pages 12-17 form an integral part of these Financial Statements

THE LLOYD FOUNDATION

Notes to the Financial Statements for the year ended 31 August 2021

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Lloyd Foundation 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 note(s).

b. Going concern

The Trustees have prepared financial projections taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the Foundation to continue in operational existence for the foreseeable future and have adequate contingency plans if income streams are reduced. The financial statements have therefore been prepared on the basis that the Foundation is a going concern.

c. Income

Income is recognised when the Foundation has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations, grants, gifts and lettings income are recognised when receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Foundation has been notified of the executor's intention to make a distribution.

d. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. All expenditure is accounted for on an accruals basis.

e. Administration and support costs

Expenditure on administration and support costs includes staff costs of the administrator, equipment and the supply of services.

f. Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustees' meetings and reimbursed expenses. These costs are included under costs of charitable activities.

g. Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2021 continued

Principal accounting policies (continued)

h. Grants payable

Grants payable are donations to individuals to further the charitable purposes of the Foundation. Grants are considered carefully when the budget is prepared. There is no certainty that any grant will be paid in future years, or that the amount will remain the same.

i. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities

k. Cash and deposits

Cash at bank and in hand includes cash in hand and deposits repayable within 24 hours without penalty at the balance sheet date. Short term deposits include deposits with a short maturity of three months or less from the date of acquisition or opening of the deposit account.

l. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Foundation.

Designated funds are unrestricted funds which the Trustees have decided at their discretion to set aside for a particular purpose.

Restricted funds are funds which the donor has specified are to be used solely for a particular area of the Foundation's work or for purchases of specific assets for use by the Foundation.

Endowment Funds are those investments that the Trustees have no power to convert into distributable funds but have the authority to apply the income derived as they see fit within the rules of the Scheme.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2021 continued

Principal accounting policies (continued)

m. Taxation

As a registered charity the Lloyd Foundation is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes. The Foundation receives no similar exemption for VAT

n. Current asset measurement

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Tax recoverable is included at the amount receivable at the balance sheet date.

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

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2021 continued

2. Charitable activities

	Note	Unrestricted funds	Restricted funds	Total 2021 £	Unrestricted funds	Restricted funds	Total 2020 £
Grants awarded (current)		20,598	-	20,598	114,232	-	114,232
Grants committed (future)	11	126,290	-	126,290	96,500	-	96,500
Governance costs	8	3,417	-	3,417	4,617	-	4,617
Support costs	9	18,472	-	18,472	19,095	-	19,095
		168,777	-	168,777	234,444	-	234,444

3. Costs of raising funds

	Unrestricted funds	Restricted funds	Total 2021 £	Unrestricted funds	Restricted funds	Total 2020 £
Broker's Fees	480	-	480	480	-	480
	480	-	480	480	-	480

4. Fixed Assets Investments

	2021 £	2020 £
Quoted Investments		
Market Value at 1 September	2,986,213	3,445,412
Additions	243,857	444,286
Disposals	(173,599)	(507,769)
Realised Investment Gains/(Losses)	48,141	9,398
Unrealised Investment Gains/(Losses)	517,148	(405,114)
Market value at 31 August	3,621,760	2,986,213
Historical Cost at 31 August	2,591,252	2,678,082
	2021 £	2020 £
Analysis of Quoted Investments		
Fixed Interest	684,374	650,914
Equities	2,583,624	2,118,722
Unit Trusts	353,762	216,577
	3,621,760	2,986,213
	2021 %	2020 %
Investments comprising more than 5% of the portfolio		
M&G Securities	7.5	7.3
RSA Insurance Group	5.9	6.9
Sequoia Economic Infrastructure Fund	5.2	6.0

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2021 continued

5. Debtors

	2021 £	2020 £
Accounts Receivable	15,550	16,642
Accrued Interest	7,568	7,547
	<u>23,118</u>	<u>24,189</u>

6. Creditors

	Note	2021 £	2020 £
Accounts Payable	11	133,010	97,735
Accruals		1,560	1,560
		<u>134,570</u>	<u>99,295</u>

7. Analysis of net assets between Funds

	Investments £	Net Current Assets £	Total Net Assets 2021 £	Investments £	Net Current Assets £	Total Net Assets 2020 £
Unrestricted Funds	1,801,146	66,965	1,868,111	1,468,231	51,246	1,519,477
Endowment Funds	1,820,614	28,825	1,849,439	1,517,982	113,361	1,631,343
Total Funds	<u>3,621,760</u>	<u>95,790</u>	<u>3,717,550</u>	2,986,213	164,607	3,150,820

8. Governance costs

	Note	Unrestricted funds	Restricted funds	Total 2021 £	Unrestricted funds	Restricted funds	Total 2020 £
Accountancy Fees	10	2,153	-	2,153	1,560	-	1,560
Training		180	-	180	-	-	-
Trustees' Meetings Costs		690	-	690	1,710	-	1,710
Trustees' Travel Expenses		25	-	25	1,016	-	1,016
Trustees' Other Expenses		369	-	369	331	-	331
		<u>3,417</u>	-	<u>3,417</u>	4,617	-	4,617

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2021 continued

9. Support costs

	Unrestricted funds	Restricted funds	Total 2021 £	Unrestricted funds	Restricted funds	Total 2020 £
Secretary's Services	15,940		15,940	15,197	-	15,197
Secretary's Travel Expenses	-		-	932	-	932
Bank Charges	384		384	288	-	288
Insurance	1,073		1,073	1,063	-	1,063
Telephone & Broadband	293		293	294	-	294
Postage	-		-	11	-	11
Sundries	-		-	676	-	676
IT Software and Consumables	463		463	344	-	344
Membership Fees and Subscriptions	319		319	290	-	290
	18,472		18,472	19,095	-	19,095

10. Net Surplus for the Year

	2021 £	2020 £
This is stated after charging:		
Independent examiner's fee	1,560	1,560
Other fees	593	-
Total	<u>2,153</u>	<u>1,560</u>

11. Supplementary Information - Grants

The grants approved by the Trustees to 31 August 2021 that relate to future academic years were £126,290 and are included in the accounts payable (2020: £96,500).

12. Staff costs

There were no employees during 2021 (2020: none).

13. Trustee remuneration

No Trustee received any remuneration during the year. One trustee received reimbursement of their expenses amounting to £394 (2020: four, £1,347).

14. Related party transactions

There were no related party transactions during the year.

15. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

THE LLOYD FOUNDATION

England & Wales - Charity number 314203

Accounts

Registered charity number: 314203

THE LLOYD FOUNDATION

Report of the Managing Trustees and Financial Statements
for the year ended 31 August 2020

THE LLOYD FOUNDATION

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THE LLOYD FOUNDATION

Trustees' Report for the year ended 31 August 2020

The Trustees present their report and independently examined financial statements for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 12-14 and comply with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005 (SORP).

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity name:	The Lloyd Foundation	
Registered charity number:	314203	
Trustees:	Mr Niaz Alam	co-opted 3 December 2020
	Mr John Baxter-Brown	nominated by Churches Together in Britain and Ireland
		appointed 1 September 2020
	Ms Sarah Broughton, OBE	nominated by the Foreign, Commonwealth and Development Office
		resigned 26 September 2019
	Miss Joan H Caesar	Chair
	Mrs Hilary A Dibble	
	Mr David J Fitton, CMG	co-opted 27 September 2018
	Mr Robert Fyffe	nominated by Churches Together in Britain and Ireland
		resigned 31 August 2020
	Mrs Lyndsey M Kelly-Aberle	nominated by the British Council
	Mr David C Martin	nominated by the British Council
	Mrs Valerie Smart / Ms V Pike	Chair, Finance Committee
	Mr David W Taylor	Vice-Chair
Secretary:	Mrs Rachel C Boggs	
Registered Office:	20 Ancaster Road West Park Leeds LS16 5HH	
Bankers:	Barclays Bank UK PLC Leominster Herefordshire	
Investment Brokers:	Redmayne Bentley LLP 9 Bond Court Leeds LS1 2JZ	
Independent Examiner:	Ms Gill Freeman ACA Milsted Langdon LLP Winchester House Deane Gate Avenue Taunton Somerset TA1 2UH	

THE LLOYD FOUNDATION

Structure, Governance and Management

Structure

The Lloyd Foundation (the Foundation) is an unincorporated grant making charity, established by a scheme of arrangement and first registered with the Charity Commission on 23 October 1972 (registered charity number 314203) and governed under the scheme dated 1 October 2001 (amended 2015 and 2021).

Trustees

The Foundation may have up to ten Trustees, four nominated (1 by the Secretary of State for Foreign & Commonwealth Affairs, 2 by the British Council and 1 by Churches Together in Britain and Ireland (formerly known as Conference of World Mission)) and up to a further six co-opted.

Trustees are appointed for a four-year period after which the nominating body and/or the Trustee are asked whether they wish to serve for another term. There is no limit to the number of terms which may be served.

Induction and training

An 'induction pack' has been collated to ensure that new Trustees meet the eligibility criteria, as defined by the Charity Commission, and understand their role and responsibilities to The Foundation as a Trustee. The pack also includes the scheme and latest schedule, current policy documents, most recent Annual Report and Financial Statements, and minutes from the three latest Trustee meetings.

Trustees are encouraged to keep abreast of relevant charity legislation as it pertains to the Foundation and to attend briefing/training sessions where appropriate.

Charitable Objectives and Activities

The Lloyd Foundation is governed by a Scheme dated 1 October 2001 (amended 2015 and 2021) that replaces the Scheme dated 23 October 1972, made by the Secretary of State for Education and Science amalgamating the Lloyd (English School Cairo) Trust and the Lloyd Scholarship Fund.

The Trustees shall apply the net income of the Foundation, after the payment of administration expenses, as authorised under the Scheme for: -

- a) the award to beneficiaries of scholarships, bursaries or maintenance allowances as set out in the scheme;
- b) the advancement of the education of beneficiaries in such other ways as the Trustees may from time to time determine;
- c) the award of bursaries for purposes of education to teaching members of the staff of schools outside the United Kingdom which are conducted in accordance with British educational principles and practice, and
- d) the payment of a gratuity or pension to, or the provision of other assistance for, any person who for at least five years or at the time of its closure was a member of the staff of the former English School, Cairo, and who by reason of age, ill health or otherwise is in necessitous circumstances.

Except for (d) above, the persons qualified to be beneficiaries under the Foundation are young persons under the age of 25 who:

- a) are in need of financial assistance, and

THE LLOYD FOUNDATION

- b) have a father or mother who is a British citizen (as defined by relevant nationality legislation) ordinarily living outside the United Kingdom, or, if dead, was such a citizen at the time of death. (In exceptional circumstances, this may be waived at the discretion of the Trustees).

Operational Management and Policies

The Board meets at least four times a year to exercise strategic direction, fulfil its governance responsibilities, make decisions on the awarding of grants and oversee the affairs of the charity. Day to day administration is delegated to the Administrator, in consultation when necessary with the Chair and/or Chair of the Finance Committee. The Covid-19 pandemic has meant the Trustees have necessarily met virtually, via MS Teams, in March and June 2020 and virtual meetings will remain in place until such time that Government restrictions are lifted.

Policies

The Trustees wish to manage the Foundation to optimise their ability to support their beneficiaries. Accordingly, the following policies underpin the operational and financial processes of the Foundation. All policies are reviewed annually in December, except for regulatory changes which may occur during the year which are reviewed at the next appropriate meeting.

Risk Management

The Trustees regularly review the major risks to The Lloyd Foundation and confirm that systems have been established to mitigate and control such risks governing all operational and financial risks.

Data Protection

Following a full audit and review of data processing, the Trustees are satisfied that all necessary steps have been taken to ensure compliance with the General Data Protection Regulations 2016 by the time these came into force. Data processing and data protection are part of the risk register which is reviewed annually with all policies.

Public benefit

When reviewing the aims and objectives of the charity, and in planning its activities, the Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grant-making policy

During the year under report the Trustees strengthened the operating process for decision making on the amount of individual grants on the basis that every child's needs might be different.

During the year, the Trustees concluded that the grant making policy needed to be reviewed to reflect ongoing social changes and to consider the fact that the types of traditional family units are now many and varied.

The Trustees consider each application in at least two stages: first, the extent to which it fits within the Foundation's terms of reference; and second, to consider the financial implications both for the family and the charity. All successful applicants must provide the Administrator with copies of all school reports, which allows Trustees to monitor the ongoing academic and social progress of the beneficiaries.

Trustees do not consider that any system can meet every eventuality and take reasonable precautions to ensure that well-being of the children and young people they agree to support is given the highest priority.

THE LLOYD FOUNDATION

Vulnerable Beneficiaries

Trustees consider that the Foundation's approach to individual applications assures a good level of enquiry into each family's circumstances, specifically the needs of the children and the appropriateness of the proposed means of education.

Financial Review

The Trust's principal source of income continues to be derived from its investments. During the year total income amounted to £165,734 (2019: £180,908).

Expenditure during the year totalled £234,924 (2019: £181,526) of which the main component was charitable activities of £234,444 (2019: £181,146) being grants made to 56 beneficiaries from 38 families (2018/19: 73 beneficiaries) comprising 45 existing and 11 new recipients.

New grant awards totalling £118,250 were agreed by the Trustees during the year, of which £114,232 was paid (£2,018 was not paid due to illness requiring two children to leave school for a period and £2,000 was not requested by a school due to its closure as a result of the Covid-19 lockdown). A further 161 applications and enquiries were received (2019: 176), with 1 award agreed by the Trustees and deferred for a year by the parents, 7 still undergoing the application process, 4 not pursued further by the applicants and the remainder not meeting the terms of reference of the Foundation.

Future commitments of £96,500 for the 2020/21 academic year (2019/20: £119,250) include continuing assistance to 35 existing beneficiaries together with grants to 8 new applicants. Future investment income is expected to cover existing and future commitments to grants.

At the balance sheet date, the Foundation had total investments of £2,986,213 (2019: £3,445,412).

During the year the COVID-19 virus was declared a global pandemic. The impact on the global economy has been unprecedented in both its speed and severity, and investments have fallen materially in value compared to 31 August 2019. In the short term, we do not expect any need to draw down on investments. Although the eventual outcome of the pandemic cannot be predicted, there is no expectation that there will be an immediate need to crystallise these losses. The Trustees' priority is to continue to support our current grantees by ensuring the maximum amount possible is available for renewals, especially since many families will themselves be experiencing loss of income and financial uncertainty. In order to achieve this and manage expenditure, we are unlikely to accept applications from new applicants except in certain circumstances (such as, siblings of current recipients).

The economic consequences and the impact of Covid-19 continue to be monitored on a quarterly basis together with the potential effects on our budget.

Investment Policy.

There are no restrictions on the Charity's power to invest. The investment strategy is reviewed and set annually by the Trustees at each December meeting. The Trustees have appointed Redmayne Bentley to manage the Foundations' investment on an advisory basis and the Trustees provide the investment managers each year with specific guidelines. The Investment managers provide custody of assets and produce a valuation and performance statements quarterly or when required by the Trustees. The Foundation has a Finance Committee currently formed from four of the Trustees, which considers suggestions from the Investment Managers and gives instructions as appropriate.

The Foundation has approximately £3million of investment assets in an investment portfolio and aims to distribute grants in accordance with the available income.

THE LLOYD FOUNDATION

The investment objective for the portfolio is to balance income and capital returns. The assets are managed to maintain at least the real capital value of the Foundation's portfolio, whilst generating a sustainable level of investment income to support the current charitable activities. The targeted income level for the portfolio is set annually by the Trustees.

The Foundation's assets can be invested widely according to the general power of investment and are diversified by asset class, and by security. Asset classes include cash, bonds, equities, property, commodities and any other assets that are deemed suitable for the Foundation by the Trustees.

The Finance Committee sets a strategic target for asset allocation for the Investment Portfolio, which is set currently as medium/low to achieve the long-term investment objectives of balancing capital and income returns.

The Foundation does not have an Ethical or ESG policy but Trustees reserve the right to exclude or limit the investments which may present significant conflict with the aims of the Foundation and/or could significantly damage its reputation. The Trustees take the view that strong corporate governance favours all stakeholders, not just shareholders but employees, suppliers and the wider communities that companies operate within. Investments in companies or funds are made with key questions on governance and sustainability of the business practice in mind and the Trustees reserve the right to vote on such matters as they arise.

Reserves policy

The Foundation's reserves comprise two parts. The first derives from the unrealised gains arising from the excess of the market values of investments over their original costs. The second part represents the accumulated result of realised gains and net surpluses on resources, as follows:

	2020	2019
	£	£
Investments at cost (Note 4 to the accounts)	2,678,082	2,696,245
Investments at market value (Note 4 to the accounts)	2,986,213	3,445,412
Unrealised gains from excess of valuation over cost	308,131	749,167
Realised gains and accumulated surpluses	2,842,691	2,886,562
Total reserves, comprising Funds shown on the balance sheet	3,150,822	3,615,729

The Trustees are of the opinion that it is inappropriate to take account of unrealised gains until such time as they are realised. The minimum level of realised reserves should be sufficient to support investment in approved securities to the extent that the investments produce income adequate, taking one year with another, to absorb the direct charitable expenditure and the costs of the management and administration of the charity.

Realised reserves at 31 August 2020 stood at £2,842,691 (2019: £2,886,562) and are considered at an appropriate level to maintain the investment portfolio.

Achievements and Performance

The Trustees' key objectives in 2019/20 were:

- To provide all support necessary to the newly appointed Administrator/Secretary
- To recruit two new Trustees, amended to reflect the retirement of another Trustee in September 2019

THE LLOYD FOUNDATION

- To strengthen the presence and reach of the Foundation:
 - Develop a website
 - Outreach to previous recipients of grants (individuals and educational organisations)
 - Outreach to similar charitable organisations
- To move, as soon as practicable, to online banking and account management.

Recruiting two Trustees to fill the vacancies has continued to be a priority but Covid-19 has presented problems in taking this forward in 2019/20. The same is true of the ambition to strengthen the presence and reach of the Foundation. However, the website development, implementation of a Trustee digital shared drive (Sharepoint), and the migration to the Xero accounting system and online banking were all successfully completed..

Covid restrictions have limited our planned outreach to similar charitable organisations but this will continue together with developing contacts with various missionary organisations.

Trustees held a successful 'Away Day' at the end of February 2020. This provided Trustees with the opportunity to discuss and review our strategic approach to the future management and sustainability of the charity. In the light of the increased challenges faced by charities, Trustees recognised that the time constraints of our quarterly meetings did not always allow deeper discussions to take place on future strategy, new legislation / topical trends or our approach to ESG. It was agreed that this should become an annual event.

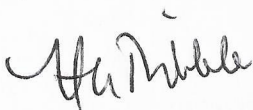
Objectives for the Coming Year

The Trustees have identified the following objectives for 2020/21:

- To recruit two new Trustees
- To continue to strengthen the presence and reach of the Foundation
 - Further develop the website
 - Outreach to previous recipients of grants (individuals and educational organisations)
 - Outreach to similar charitable organisations
- To revise the application form to improve the accuracy of information sought from applicants and to move towards implementing a fully online application, assessment and renewal process and, use the data gathered to widen Trustees' understanding of the scope of the Foundation's work
- To consider Environmental, Social and Governance (ESG) issues while taking a sustainable and responsible approach to managing the Foundation's investment portfolio
- To require, wherever possible, that grants are paid direct to educational institutions rather than named individuals to ensure funds are used in line with the charitable objects of the Foundation

By order of the board of Trustees on 4 June 2021

Signed:



H A Dibble (Mrs)
Chair

THE LLOYD FOUNDATION

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements the Trustees are required to:

- act in accordance with the scheme and the rules of the charity, within the framework of trust law.
- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- state whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by the Trustees under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Trustees have a general responsibility for taking such steps as are reasonably open to the Trustees to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE LLOYD FOUNDATION

Independent Examiner's Report to the Trustees of The Lloyd Foundation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Lloyd Foundation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of The Lloyd Foundation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Lloyd Foundation as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

G J Freeman

14/6/21

G J Freeman ACA
Chartered Accountant
Milsted Langdon LLP
Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH

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Statement of Financial Activities
for the year ended 31 August 2020

	Note	Unrestricted Funds		Endowment Funds		Total Funds		Unrestricted Funds		Endowment Funds		Total Funds	
		2020	£	2020	£	2020	£	2019	£	2019	£	2019	£
Income and endowments:													
Investment Income		165,717		-		165,717		180,878		-		180,878	
Other Income			17			17		30				30	
Total Income and endowments:		165,734		-		165,734		180,908		-		180,908	
Expenditure:													
Charitable activities	2	234,444		-		234,444		181,047		-		181,047	
Raising Funds	3	480		-		480		480		-		480	
Total Expenditure:		234,924		-		234,924		181,527		-		181,527	
Net Income/(Expenditure)		(69,190)		-		(69,190)		(619)		-		(619)	
Investments:													
Realised gains/(losses) on investment assets		(853)		10,251		9,398		(874)		2,340		1,466	
Unrealised gains/(losses) on investment assets		(253,075)		(152,039)		(405,114)		(59,254)		24,027		(35,227)	
Total Investments		(253,928)		(141,788)		(395,717)		(60,128)		26,367		(33,761)	
Net Movement in Funds		(323,118)		(141,788)		(464,907)		(60,747)		26,367		(34,380)	
Fund Balances brought forward		1,842,598		1,773,131		3,615,729		1,903,345		1,746,764		3,650,109	
Fund Balances carried forward		1,519,479		1,631,343		3,150,822		1,842,598		1,773,131		3,615,729	

The Accounting Policies and Notes on pages 12-17 form an integral part of these Financial Statements

THE LLOYD FOUNDATION

Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed Assets:			
Investments	4	2,986,215	3,445,412
Current Assets			
Debtors	5	24,189	25,443
Redmayne Bentley Deposit Account		133,799	70,798
Barclays Current Account		95,351	68,832
Barclays Deposit Account		10,563	10,546
Total Current Assets		<u>263,902</u>	<u>175,619</u>
Creditors:			
amounts falling due within one year	6	<u>(99,295)</u>	<u>(5,302)</u>
Net Current Assets/(Liabilities)		164,607	170,316
Total Assets less Current Liabilities		<u>3,150,822</u>	<u>3,615,729</u>
Capital and Reserves			
Unrestricted Funds	7	1,519,479	1,842,598
Endowment Funds	7	1,631,343	1,773,131
Total Capital and Reserves		<u>3,150,822</u>	<u>3,615,729</u>

Approved by the Trustees on 4 June 2021 and signed on their behalf by



Mrs HA Dibble
Chair of Trustees

The Accounting Policies and Notes on pages 12-17 form an integral part of these Financial Statements

THE LLOYD FOUNDATION

Notes to the Financial Statements for the year ended 31 August 2020

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Lloyd Foundation 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 note(s).

b. Going concern

The Trustees have prepared financial projections taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the Foundation to continue in operational existence for the foreseeable future and have adequate contingency plans if income streams are reduced. The financial statements have therefore been prepared on the basis that the Foundation is a going concern.

c. Income

Income is recognised when the Foundation has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations, grants, gifts and lettings income are recognised when receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Foundation has been notified of the executor's intention to make a distribution.

d. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount can be measured reliably. All expenditure is accounted for on an accruals basis.

e. Administration and support costs

Expenditure on administration and support costs includes staff costs of the administrator, equipment and the supply of services.

f. Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and Trustee's meetings and reimbursed expenses. These costs are included under costs of charitable activities.

g. Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2020 continued

Principal accounting policies (continued)

h. Grants payable

Grants payable are donations to individuals to further the charitable purposes of the Foundation. Grants are considered carefully when the budget is prepared. There is no certainty that any grant will be paid in future years, or that the amount will remain the same.

i. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

j. Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing market price.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities

k. Cash and deposits

Cash at bank and in hand includes cash in hand and deposits repayable within 24 hours without penalty at the balance sheet date. Short term deposits include deposits with a short maturity of three months or less from the date of acquisition or opening of the deposit account.

l. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Foundation.

Designated funds are unrestricted funds which the Trustees have decided at their discretion to set aside for a particular purpose.

Restricted funds are funds which the donor has specified are to be used solely for a particular area of the Foundation's work or for purchases of specific assets for use by the Foundation.

Endowment Funds are those investments that the Trustees have no power to convert into distributable funds but have the authority to apply the income derived as they see fit within the rules of the Scheme.

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2020 continued

Principal accounting policies (continued)

m. Taxation

As a registered charity the Lloyd Foundation is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes. The Foundation receives no similar exemption for VAT

n. Current asset measurement

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Tax recoverable is included at the amount receivable at the balance sheet date.

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

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2020 continued

2. Charitable activities

	Note	Unrestricted funds	Restricted funds	Total 2020 £	Unrestricted funds	Restricted funds	Total 2019 £
Grants awarded (current)		114,232	-	114,232	145,850	-	145,850
Grants committed (future)		96,500	-	96,500	-	-	-
Governance costs	8	4,617	-	4,617	7,655	-	7,655
Support costs	9	19,095	-	19,095	27,542	-	27,542
		<u>234,444</u>	<u>-</u>	<u>234,444</u>	<u>181,047</u>	<u>-</u>	<u>181,047</u>

3. Costs of raising funds

	Note	Unrestricted funds	Restricted funds	Total 2020 £	Unrestricted funds	Restricted funds	Total 2019 £
Broker's Fees		480	-	480	480	-	480
		<u>480</u>	<u>-</u>	<u>480</u>	<u>480</u>	<u>-</u>	<u>480</u>

4. Fixed Assets Investments

	2020 £	2019 £
Quoted Investments		
Market Value at 1 September	3,445,412	3,441,350
Additions	444,286	381,904
Disposals	(507,769)	(344,081)
Realised Investment Gains/(Losses)	9,398	1,466
Unrealised Investment Gains/(Losses)	(405,114)	(35,227)
Market value at 31 August	<u>2,986,213</u>	<u>3,445,412</u>
Historical Cost at 31 August	<u>2,678,082</u>	<u>2,696,226</u>
	2020 £	2019 £
Analysis of Investments		
Fixed Interest	650,914	757,026
Equities	2,118,722	2,420,044
Unit Trusts	216,577	268,342
	<u>2,986,213</u>	<u>3,445,412</u>
	2020 %	2019 %
Investments comprising more than 5% of the portfolio		
M&G Securities	7.3	7.6
RSA Insurance Group	6.9	
Tesco PLC – Fixed Interest		6.4
Sequoia Economic Infrastructure Fund	6.0	5.6

THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2020 continued

5. Debtors

	2020 £	2019 £
Accounts Receivable	16,642	13,818
Accrued Income	7,547	11,625
	<u>24,189</u>	<u>25,443</u>

6. Creditors

	2020 £	2019 £
Accounts Payable	97,735	2,386
Accruals	1,560	2,916
	<u>99,295</u>	<u>5,302</u>

7. Analysis of net assets between Funds

Current year 2020	Investments	Net Current Assets	Total net assets
	£	£	£
Unrestricted Funds	1,468,231	51,248	1,519,479
Endowment Funds	1,517,982	113,361	1,631,343
Total funds	<u>2,986,213</u>	<u>164,609</u>	<u>3,150,822</u>

Previous year 2019	Investments	Net Current Assets	Total net assets
	£	£	£
Unrestricted Funds	1,767,318	75,280	1,842,598
Endowment Funds	1,678,094	95,037	1,773,131
Total funds	<u>3,445,412</u>	<u>170,317</u>	<u>3,615,729</u>

8. Governance costs

	Note	Unrestricted funds	Restricted funds	Total 2020 £	Unrestricted funds	Restricted funds	Total 2019 £
Accountancy Fees	10	1,560	-	1,560	2,916	-	2,916
Trustees' Meetings Costs		1,710	-	1,710	2,245	-	2,245
Trustees' Travel Expenses		1,016	-	1,016	2,212	-	2,212
Trustees' Other Expenses		332	-	332	282	-	282
		<u>4,617</u>	<u>-</u>	<u>4,617</u>	<u>7,655</u>	<u>-</u>	<u>7,655</u>



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THE LLOYD FOUNDATION

Notes to the financial statements for the year ended 31st August 2020 continued

9. Support costs

Note	Unrestricted funds	Restricted funds	Total 2020 £	Unrestricted funds	Restricted funds	Total 2019 £
	15,197	-	15,197	23,532	-	23,532
Secretary's Travel Expenses	932	-	932	1,273	-	1,273
Bank Charges	288	-	288	253	-	253
Insurance	1,063	-	1,063	834	-	834
Telephone & Broadband	294	-	294	475	-	475
Postage	11	-	11	214	-	214
Sundries	676	-	676	813	-	813
IT Software and Consumables	344	-	344	78	-	78
Membership Fees and Subscriptions	290	-	290	70	-	70
	19,095	-	19,095	27,542	-	27,542

10. Net Surplus for the Year

	2020 £	2019 £
This is stated after charging:		
Independent examiner's fee	1,560	2,916

11. Supplementary Information - Grants

The grants approved by the Trustees to 31 August 2020 that relate to future academic years were £96,500 and are included in the accounts payable (2019: £nil) Future grants of £119,250 were disclosed in note 8 to the Financial Statements for 2019.

12. Staff costs

There were no employees during 2020 (2019: none).

13. Trustee remuneration

No Trustee received any remuneration during the year. Four trustees received reimbursement of their expenses (principally travel) amounting to £1,348 (2019: six, £2,494).

14. Related party transactions

There were no related party transactions during the year.

15. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.