

The Halifax Foundation for Northern Ireland

Statement of financial activities (incorporating income and expenditure account) for the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Total funds 2022 £
Income from					
Donations	5.1	1,495,685	1,495,685	1,375,206	1,375,206
Grants returned		28,889	28,889	23,044	23,044
Investments income	5.2	68,191	68,191	70,037	70,037
Total Income		1,592,765	1,592,765	1,468,286	1,468,286
Expenditure on					
Charitable activities					
- Education and training	4	492,232	492,232	455,206	455,206
- Social and community welfare	4	1,282,118	1,282,118	1,155,939	1,155,939
Matched giving	4	80,161	80,161	66,018	66,018
- Raising funds					
Investment management costs		10,465	10,465	11,166	11,166
- Total Expenditure		1,864,976	1,864,976	1,688,329	1,688,329
Net (expenditure) before investment gains/(losses)		(272,211)	(272,211)	(220,043)	(220,043)
Net gains/(losses) on investments	17	27,619	27,619	(255,531)	(255,531)
Net (expenditure) for the year/Net movement of funds	17	(244,592)	(244,592)	(475,574)	(475,574)
Reconciliation of funds					
Total funds brought forward		2,358,111	2,358,111	2,833,686	2,833,686
Total funds carried forward	15	2,113,519	2,113,519	2,358,111	2,358,111

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The accounting policies and notes on pages 16 to 27 form part of these accounts.

The Halifax Foundation for Northern Ireland

Balance sheet as at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Intangible assets	10	5,900	-
Tangible assets	11	2,410	2,517
Investments	12	1,695,285	1,654,857
Total fixed assets		1,703,595	1,657,374
Current assets			
Debtors	13	860	867
Cash at bank and in hand		663,969	957,784
Total current assets		664,829	958,651
Creditors: amounts falling due within one year	14	(254,905)	(257,914)
Net current assets		409,924	700,737
Net assets		2,113,519	2,358,111
The funds of the charity:			
Unrestricted general funds	15	2,113,519	2,358,111
Total charity funds		2,113,519	2,358,111

The accounting policies and notes on pages 16 to 27 form part of these financial statements.

These financial statements of Halifax Foundation for Northern Ireland registered number NI019019 were approved by the Board of Trustees and authorised for issue on 13th June 2024. They were signed on its behalf by:



Mrs Gillian Boyd
Chair/ Trustee
13 June 2024

The Halifax Foundation for Northern Ireland

Statement of cash flows for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash (used in) operating activities	17	(340,295)	(263,540)
Cash flows from investing activities			
Dividend income	5.2	68,191	70,037
Purchase of tangible and intangible assets	10, 11	(8,902)	-
Purchase of investments	12	(970,410)	(372,266)
Proceeds received from sale of investments	12	957,601	518,528
Net cash flows from investing activities		46,480	216,299
Net (decrease) in cash and cash equivalents		(293,815)	(47,241)
Cash and cash equivalents at the beginning of the year		957,784	1,005,025
Total cash and cash equivalents at the end of the year		663,969	957,784

There were no cash equivalents at 31 December 2023 (2022: none)

The accounting policies and notes on pages 16 to 27 form part of these financial statements.

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Company and charitable legal status

The Halifax Foundation for Northern Ireland, a public benefit entity, is incorporated in Northern Ireland as a company limited by guarantee in and not having a share capital. There are currently 12 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is given on page 1.

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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act (Northern Ireland) 2008, (As amended by the charities Act (Northern Ireland) 2022) and the Companies Act 2006.

The Trustees have taken advantage of the small companies' exemption, in accordance with section 414B of the Companies Act 2006, from including a separate Strategic Report in these financial statements.

The Halifax Foundation for Northern Ireland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value with investments at fair market value unless otherwise stated in the relevant accounting policy notes.

Preparation of financial statements - going concern basis

The Trustees are able to take a long-term view of our investments and the covenant with the Lloyds Banking Group provides a significant degree of protection. The funding for 2024 has been received in full (£2,035,749) and for future years the agreement, which requires nine years notice to be given, provides for a minimum payment of £1,070,000 to be paid each year and that the actual sum paid is based on the profits of the three prior years. The Trustees are therefore confident that they are able to fully fund their operating costs, meet all existing grant commitments and continue grant funding activities for the remainder of the year and throughout 2025 and therefore that the Foundation will be a going concern for at least 12 months from the date of approval of these financial statements.

The Trustees, therefore, consider that the going concern assumption is an appropriate basis on which to prepare these financial statements.

Income

Covenanted donation income

The Foundation derives its income from Lloyds Banking Group plc. Revenue received from Lloyds Banking Group plc is recognised on an accruals basis. The income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest income and dividends

Interest income and dividends are included in the financial statements in the period in which it is receivable by the Foundation.

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Accounting policies (continued)

Donated services

Donated services and facilities are valued and included as income and expenditure at the price the Foundation estimates it would pay in the open market for an equivalent service or facility.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 of the obligation can be measured reliably, a liability is recognised.

Charitable Activities - Grants payable

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

Allocation of support costs

Support costs are those functions that assist the work of the Foundation but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the Foundation's activities. These costs have been allocated to expenditure on charitable activities. The basis on which support costs have been allocated is the amount of grants payable in each category ('education and training' and 'social and community welfare').

Value added tax

The Foundation is not registered for VAT and accordingly all expenditure is recorded inclusive of any VAT incurred.

Pension Costs

The charity operates a defined contribution scheme for its employees. Contributions are charged to the statement of financial activities in the period to which they relate.

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of three years, on a straight-line basis.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Tangible assets

Assets with a cost below £100 are not capitalised.

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation and residual values

Depreciation is calculated using the straight-line method, to allocate the cost to their residual values over their estimated useful lives as follows:

Office equipment	33%
Computer equipment	33%

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Accounting policies (continued)

Tangible assets (continued)

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Investments

Investments are stated at Bid Price value at the balance sheet date. Any realised and unrealised gains and losses on revaluation are shown separately in the statement of financial activities.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

Cash at bank and in hand

Cash and cash equivalents include cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at their settlement value, unless the arrangement constitutes a financing transaction. Financing transactions are initially measured at the present value of the future receipts discounted at a market rate of interest, and are subsequently carried at amortised cost, using the effective interest rate method.

Fund accounting

Unrestricted funds are amounts which are expendable at the discretion of the trustees in furtherance of the aims of the Foundation.

2 Critical accounting judgements and estimation uncertainty

In the application of the Foundation's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

3 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The average monthly number of Employees was:

	2023 Number	2022 Number
Average monthly number of persons employed during the year, excluding trustees, by activity:		
Administration	7	7

The average monthly number of Trustees was:

	2023 Number	2022 Number
The number of trustees at the year-end	12	11

Their aggregated remuneration comprised:

	2023 £	2022 £
This is stated after charging		
Wages and salaries	190,297	189,528
Social security costs	11,791	13,301
Other pension costs	27,493	17,239
Staff Costs	229,581	220,068

None of the trustees received remuneration during the year (2022: Nil).

Trustees' expenses relate to the payment or reimbursement of expenses in respect of recruitment, training, travel, accommodation, and other incidental costs. £3,383 was paid by the Foundation on behalf of 11 trustees including recruitment, training, travel, accommodation and other incidental costs (2022: 11 Trustees : £1,552). No Trustees received out of pocket expenses (2021: nil)

Indemnity insurance costing £1,712 (2022: £1,504) has been taken out on behalf of the Trustees.

Key management compensation

Key management included the trustees and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2023 £	2022 £
Key management compensation	109,211	105,893

The key management personnel of the charity comprise of the full time Chief Executive and the part time Grants Manager.

1 employee received employee remuneration of more than £60,000, (excluding employer pension costs) during the year (2022: 1). This employee's emoluments fell between the band £60,000 - £70,000.

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

4 Charitable activities

	Matched Giving £	Education and Training £	Social and Community Welfare £	2023 £	Matched Giving £	Education and Training £	Social and Community Welfare £	2022 £
Grants payable (note 6)	66,132	406,088	1,057,738	1,529,958	54,081	372,900	946,932	1,373,913
Support costs (note 7)	13,813	84,817	220,923	319,553	11,740	80,949	205,561	298,250
Support costs - Governance costs (note 7)	216	1,327	3,457	5,000	197	1,357	3,446	5,000
	80,161	492,232	1,282,118	1,854,511	66,018	455,206	1,155,939	1,677,163

5.1 Donations

	2023 £	2022 £
Donations from Lloyds Banking Group		
- Covenant income	1,321,019	1,092,105
- Operating costs contribution	150,000	150,000
- Additional income (cost of living grants)	-	107,000
Donated services		
- External audit fees paid by Lloyds Banking Group	5,000	5,000
- Other services	19,666	21,101
	1,495,685	1,375,206

The auditors were remunerated with an allocation from the Lloyds Banking Group audit fee. As a result, the external audit fee has been treated as a benefit in kind from the Lloyds Banking Group. The amount recognised is the fair value that the Foundation believes they would pay for external audit services if the Lloyds Banking Group did not pay for the amounts on their behalf.

Other donated services income includes the cost of secondee administration officer whose role is solely dedicated to Foundation and is reimbursed by Lloyds Banking Group.

5.2 Investment income

	2023 £	2022 £
Dividends received	68,191	70,037
Total investment income	68,191	70,037

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

6 Grants payable

Region	2023		2022	
	Number	£	Number	£
Belfast	129	398,720	206	498,408
County Derry/Londonderry	66	288,753	72	188,235
County Antrim	61	202,998	53	124,092
County Armagh	27	106,092	39	94,313
County Down	71	225,203	97	202,882
County Fermanagh	18	67,088	10	25,019
County Tyrone	37	150,973	50	155,948
	409	1,439,827	527	1,288,897
Headquartered outside Northern Ireland	77	58,339	80	51,931
Collaboration		31,792		33,085
Total	486	1,529,958	607	1,373,913

All grants are payable directly to organisations. No individual beneficiary is noted.

Collaboration refers to costs relating to our IT equipment recycling and our charity mentoring programme. Please refer to page 2 Chair's Report for further detail.

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

7 Analysis of support costs including governance costs

Governance costs

	Matched Giving £	Education And Training £	Social and Community Welfare £	2023 £	Matched Giving £	Education and Training £	Social and Community Welfare £	2022 £
Audit fees	216	1,327	3,457	5,000	197	1,357	3,446	5,000

Support costs

	Matched Giving £	Education and Training £	Social and Community Welfare £	2023 £	Matched Giving £	Education and Training £	Social and Community Welfare £	2022 £
Establishment costs	778	4,778	12,444	18,000	709	4,885	12,406	18,000
Salaries and pension contributions	9,924	60,936	158,721	229,581	8,662	59,730	151,676	220,068
Trustee related costs	146	898	2,339	3,383	61	421	1,070	1,552
Promotion of the Foundation	428	2,626	6,841	9,895	257	1,775	4,508	6,540
Professional fees	820	5,037	13,120	18,977	697	4,805	12,203	17,705
Other administrative expenses	1,717	10,542	27,458	39,717	1,353	9,333	23,699	34,385
	13,813	84,817	220,923	319,553	11,740	80,949	205,561	298,250

Support costs are allocated on a basis consistent with the use of resources.

8 Net (expenditure) for the year

	2023 £	2022 £
Net (expenditure) is stated after charging		
Depreciation of owned assets	3,110	1,685
Rentals under operating leases	18,000	18,000
Total	21,110	19,985

Fees payable to the charity's auditor for the audit of the charity's annual financial statements

Current year fees	5,000	5,000
Total Auditors Fees	5,000	5,000

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

9 Taxation

The Foundation is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

10 Intangible assets

	Computer software £
Cost	
As at 01 January 2023	34,989
Additions	7,080
As at 31 December 2023	42,069
Amortisation and impairments	
As at 01 January 2023	34,989
Charge for the year	1,180
As at 31 December 2023	36,169
Net book value as at 01 January 2023	-
Net book value as at 31 December 2023	5,900

11 Tangible assets

	Office Equipment £	Computer equipment £	Total £
Cost			
As at 01 January 2023	25,791	35,670	61,461
Additions	-	1,822	1,822
As at 31 December 2023	25,791	37,492	63,283
Depreciation and impairments			
As at 01 January 2023	25,555	33,389	58,944
Charge for the year	25	1,904	1,929
As at 31 December 2023	25,580	35,293	60,873
Net book value as at 01 January 2023	236	2,281	2,517
Net book value as at 31 December 2023	211	2,199	2,410

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

12 Investments

	2023	2022
	£	£
Market Value as at 01 January 2023	1,654,857	2,056,650
Additions in the year	970,410	372,266
Disposals in the year	(957,600)	(518,528)
Net revaluation gain / (loss)	27,618	(255,531)
Market Value as at 31 December 2023	1,695,285	1,654,857

Long term investments which include ordinary shares in Lloyds Banking Group of £113,295 (2022: £350,622) are held within the United Kingdom and exist primarily to provide an investment return for the charity.

Investment Breakdown by type of investment

Listed Investments

The historic cost of listed fixed asset investments at 31st December 2023 £1,943,816 (2022: £2,026,687). The investments are managed by an external fund manager. The funds can be analysed as follows:

	2023	2022
	£	£
Fixed interest	925,636	431,304
Overseas Fixed Interest	127,599	436,066
UK Equities	134,209	378,744
European Equities	-	15,001
North American Equities	-	49,413
Far East & Australasian Equities	6,662	6,726
Overseas Equities	74,034	-
Emerging Economies	9,555	9,195
Money Market Instruments	100,000	-
UK Property	77,284	58,256
International Property	39,368	11,425
Alternative Assets	200,938	258,727
Market Value as at 31 December 2023	1,695,285	1,654,857

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year		
Prepayments	860	867

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,775	3,996
Grant creditors	237,191	244,982
Accruals	11,939	8,936
	254,905	257,914

Our Large Grant Programme came to an end in 2023. Therefore, there are no specific commitments and no conditions to be recognised in these financial statements.

15 Analysis of charitable funds

Analysis of movement in unrestricted funds 2023

Fund name	Fund balances brought forward 2022 £	Income £	Expenditure £	Gains and losses £	Transfers £	Fund balances carried forward 2023 £
General funds	2,358,111	1,592,765	(1,864,976)	27,619	-	2,113,519
Unrestricted funds	2,358,111	1,592,765	(1,864,976)	27,619	-	2,113,519

Previous year comparative analysis of movement in unrestricted funds 2022

Fund name	Fund balances brought forward 2021 £	Income £	Expenditure £	Gains and losses £	Transfers £	Fund balances carried forward 2022 £
General funds	2,833,686	1,468,286	(1,688,329)	(255,531)	-	2,358,111
Unrestricted funds	2,833,686	1,468,286	(1,688,329)	(255,531)	-	2,358,111

16 Financial commitments

The total future minimum lease payments under non-cancellable operating leases:

	Land and buildings	
	2023 £	2022 £
In one year or less	18,000	18,000
	18,000	18,000

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

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

	2023 £	2022 £
Net (expenditure)	(244,592)	(475,574)
(Losses) / Gain on investments	(27,619)	255,531
Depreciation	3,109	1,685
Dividend income	(68 191)	(70,037)
Decrease in debtors	7	236
(Decrease) / Increase in creditors	(3,009)	24,619
Net cash generated (used in) operating activities	(340,295)	(263,540)

18 Related party transactions and ultimate controlling party

The Board of Trustees are considered to be the Charity's ultimate controlling party.

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

Chair, Gillian Boyd is a committee member of Brownlee Primary School PTA. They received £500 under the Matched Giving Scheme and received a Community Grant of £3,400 (2022: Nil).

Trustee, Aidan Bennett is a Trustee of Belfast Charitable Society. Belfast Charitable Society own Clifton House, where The Halifax Foundation for Northern Ireland's office is situated. They were paid £20,168.65 during 2023 (2022: £19,704).

Trustee, Jenny Ebbage was a consultant for Edwards & Co. Solicitors' firm until October 2023. Edwards & Co. Solicitors act as solicitors for The Halifax Foundation for Northern Ireland. They were paid £2,013 during 2023 (2022: £1,700).

Trustee, Angela Hodkinson is a Trustee of WISPA. They received a Community Grant of £3,840 (2022: Nil).

Trustee, Niall Parfitt is a Trustee of Children's Heartbeat Trust. They received £2,700 under the Matched Giving Scheme (2022: Nil).

Trustee Melvin Slaine is a former mentor for Links Counselling. Link Counselling received a Community Grant of £7,000 (2022: £500).

Grants Manager, Joanne Byrne is Trustee of Friends of Edenderry. They received £640 under the Matched Giving Scheme (2022: £4,556).

Partner of Trustee, Jenny Ebbage is a Trustee of PIPs Suicide Prevention Ireland. They received £500 under the Matched Giving Scheme (2022: Nil).

Connected company

Lloyds Banking Group plc

The Foundation derives its income primarily from Lloyds Banking Group plc. The Foundation received £1,495,685 (2022: £1,375,206) under deed of covenant of which £24,666 relates to Gifts in Kind (2022: £26,101). Investments include ordinary shares in Lloyds Banking Group of £113,295 (2022: £350,622).

At 31 December 2023, the balance owed by Lloyds banking Group plc is nil (2022: nil)

The Halifax Foundation for Northern Ireland

Notes to the financial statements for the year ended 31 December 2023 (continued)

18 Related party transactions and ultimate controlling party (continued)

Connected Foundations

The following Foundations have common and related objectives: -

Lloyds Bank Foundation for England & Wales
Society Building
8 All Saints Street
LONDON
N1 9RL

There were no transactions with LBFEW in 2023 or 2022

Lloyds Bank Foundation for the Channel Islands
PO Box 70
25 New Street
St Helier
Jersey
JE4 8RG

There were no transactions with LBFCI in 2023 or 2022

Bank of Scotland Foundation
The Mound
Edinburgh
EH1 1YZ

There were no transactions with BOSF in 2023 or 2022