

LORD AND LADY LURGAN TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

LORD AND LADY LURGAN TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

| | |
|------------------------------------|---|
| Charity Registration Number | 297046 |
| Trustees | Diana Sarah Graves Brendan Beder Jeremy David Godfrey Curtis (appointed 24 August 2023) |
| Administration Office | 2nd Floor 80 Victoria Street London SW1E 5JL |
| Investment advisors | CCLA Senator House 85 Queen Victoria Street London EC4V 4ET |
| Independent examiner | Hillier Hopkins LLP 51 Clarendon Road Radius House Watford Herts WD17 1HP |
| Bankers | CafBank Limited Kings Hill West Malling Kent ME19 4TA |
| Solicitors | Cripps 2nd Floor 80 Victoria Street London SW1E 5JL |

LORD AND LADY LURGAN TRUST

CONTENTS

| | Page |
|-----------------------------------|--------|
| Trustees' report | 1 - 5 |
| Statement of financial activities | 6 |
| Balance sheet | 7 |
| Notes to the financial statements | 8 - 13 |

LORD AND LADY LURGAN TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The trustees may under the Trust Deed apply the yearly income and, if they think fit, the capital of the trust to make particular gifts or grants in favour of all or any of the following charitable objects:

- the relief and medical care of aged persons
- medical research and in particular cancer research and the publication of the useful results of such research
- the advancement of education including education in the arts for the public benefit by the establishment of educational and artistic bursaries
- any other exclusively charitable purpose or purposes as the trustees may in their absolute discretion decide.

The Trustees have referred to the Charity Commission's guidance on 'public benefit' when reviewing their aims and objectives and planning their future activities. The Trustees believe that their strategic grant-making meets the objective of benefiting a wide cross-section of the community and this is demonstrated in this report. The Trustees ensure that a robust monitoring system is in place to establish the benefit derived from each grant, to be confident of meeting their public benefit obligations.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Policy and activities

The Trustees' policy is to support activities which reflect the particular personal interests of both the late Lord and Lady Lurgan. The Arts and Music were a principal interest of both of them. A principal grant has been paid since 1999 to fund a Junior Fellowship at the Royal College of Music. The holder in 2023 was Ella O'Neil.

In acknowledgment of the Brownlow family connections, grants are also given to charities in Northern Ireland.

The grants made to United Kingdom charities include medical causes with an emphasis on research.

Approximately one quarter of the funds available are distributed to charities in South Africa where Lord and Lady Lurgan spent the latter part of their lives. The charities selected are those that they had supported in their lifetimes and have been adapted to those activities relevant in today's South Africa.

The Trust's grants policy is set out on its website: www.lurgantrust.org

Grants are not made to individuals.

LORD AND LADY LURGAN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Grants paid in the year to United Kingdom charities are divided between the following categories:

| | 2023 | 2022 |
|-------------------------|------------|------------|
| Arts and Music | 21,000.00 | 35,700.00 |
| Medical | 12,000.00 | 12,500.00 |
| Deafness/Blindness | - | - |
| South African Charities | 8,500.00 | 8,500.00 |
| Northern Ireland | 1,500.00 | 3,000.00 |
| | <hr/> | <hr/> |
| Total | £43,000.00 | £59,700.00 |

The dominance of music and the encouragement of young musicians in the grants given continues including those made in Northern Ireland.

Grants for medical objects focus on Parkinson's Disease and support for hospices.

The grants made in South Africa cover a wide range of social need. The grants for South Africa which are agreed by the Trustees are administered by the law firm, Bowmans, who provide their services on a pro bono basis.

Grants

Grants of £43,000 (2022 - £59,700) were approved during the year, representing 8.12% (2022 - 11.55%) of assets as at 31 December 2023.

Each of the grants is set out in note 2 of the accounts.

The Trust receives a large number of applications many of which fall outside of the policy adopted by the Trustees. In the year the trust received 156 applications.

Financial review

The net annual income of the Charity was £15,269 (2022 - £16,725). Charitable expenditure was £48,176 (2022 - £70,373).

Under the governing document the Trustees have wide powers of investment. The investments were managed for the trustees by CCLA and invested in the COIF Investment Fund and Deposit Fund.

LORD AND LADY LURGAN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves and future commitments

In accordance with the wishes and intentions of the late Lord and Lady Lurgan the endowment has been bequeathed to the charity, although technically expendable, is to retain as a long term Endowment Fund to provide the investment returns which will be expended in achieving the objects of the charity. The Trustees have adopted a strategy to maintain annual charitable expenditure at 7% of the charity's assets based on the value of the previous balance sheet date. It is not anticipated that the Trustees will make forward commitments that they will not be able to meet out of anticipated total return in accordance with this policy and no specific reserve is held. It is however anticipated that grants will exceed the total return on its assets and that the endowment will steadily run down. The Trustees will review the rate of spend regularly with the objective of continuing the Trust for approximately a further 10 years and will plan that closure.

At 31 December 2023 the Unrestricted Fund was fully expended. The Trustees do not consider a specific reserve is appropriate on the basis of the principles they have adopted as set out in this report.

Risk identification

The Trustees have examined the major risks that the Trust faces and established systems to mitigate these, which are set out in a formal risk policy and reviewed regularly.

The Trustees recognise that the main risks are the performance of the investments and the efficacy of their grant-making. To mitigate these risks investments are held by a reputable investment firm authorised by the FCA and Trustees review investment performance against benchmarks at least once a year. The Trust's grant-making is rigorously controlled by clear objectives and supported by formal grant-making policies and established monitoring procedures.

Plans for the future

The Trustees' key objective is to make grants to help young musicians achieve their potential and encourage an enjoyment of music by young people, where possible fostering links with South Africa.

Other grants in England, Wales and Northern Ireland will be made dependent on the available resources. The programme of grants in South Africa will also continue based on the allocation of not less than 10% of the total charitable spend.

Applicants are advised to visit the trust's website for up-to-date information about grant priorities.
www.lurgantrust.org

LORD AND LADY LURGAN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The Lord and Lady Lurgan Charitable Trust was established by a Deed of Trust dated 3 June 1987 and was fully constituted on the death of Lady Lurgan on 5 July 1996 when she left the residue of her Estate to the Charitable Trust. The Trust is registered with the Charity Commission with number 297046. Charity's details of the address, trustees and advisers is shown on page 1.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Diana Graves

Brendan Beder

Jeremy David Godfrey Curtis

It is reported with regret that Andrew Stebbings passed away on 8 June 2023.

The Trustees meet at least twice each year to make and review their charitable grants, to monitor the performance of investments and to review the finances of the trust and the annual accounts.

New Trustees are approved by the existing Trustees and appointments are reviewed periodically. Trustees are appointed for the skills and experience that they bring to help the Trust meet its charitable objectives. New Trustees are given copies of the Deed of Settlement, copies of the Trust's recent annual report and accounts and documents explaining the Trust's history and its key policies and procedures. In addition, all new Trustees are given guidance material published by the Charity Commission on the responsibilities of being a Trustee.

The administration of the grants and grant applications are undertaken by the grants administrator and the trustees would like to acknowledge the contribution made by Marie-Louise O'Connor as grants administrator who is herself a talented young musician developing her personal career.

The Trustees' report was approved by the Board of Trustees.



Trustee

Dated: 2/7/24

LORD AND LADY LURGAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES **FOR THE YEAR ENDED 31 DECEMBER 2023**

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

The law applicable to charities in England and Wales 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 Trust and of the incoming resources and application of resources of the Trust for that year.

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 operation.

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

LORD AND LADY LURGAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Unrestricted funds 2023 £ | Endowment funds 2023 £ | Total Unrestricted funds 2023 £ | Unrestricted funds 2022 £ | Endowment funds 2022 £ | Total 2022 £ |
|---|-------|---------------------------------|------------------------------|---------------------------------------|---------------------------------|------------------------------|--------------------|
| Income from: | | | | | | | |
| Investments | 3 | 15,269 | - | 15,269 | 16,725 | - | 16,725 |
| Expenditure on: | | | | | | | |
| Charitable activities | 2 & 4 | 48,176 | - | 48,176 | 70,373 | - | 70,373 |
| Net gains/(losses) on investments | 5 | - | 45,024 | 45,024 | - | (72,679) | (72,679) |
| Net (outgoing)/incoming resources before transfers | | (32,907) | 45,024 | 12,117 | (53,648) | (72,679) | (126,327) |
| Gross transfers between funds | | 32,907 | (32,907) | - | 53,648 | (53,648) | - |
| Net movement in funds | | - | 12,117 | 12,117 | - | (126,327) | (126,327) |
| Fund balances at 1 January 2023 | | - | 516,882 | 516,882 | - | 643,209 | 643,209 |
| Fund balances at 31 December 2023 | | - | 528,999 | 528,999 | - | 516,882 | 516,882 |

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

All income and expenditure derive from continuing activities.

LORD AND LADY LURGAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|---------------|-----------------------|---------------|-----------------------|
| Fixed assets | | | | | |
| Investments | 5 | | 522,093 | | 522,568 |
| Current assets | | | | | |
| Cash at bank and in hand | 6 | 24,509 | | 24,614 | |
| | | <u>24,509</u> | | <u>24,614</u> | |
| Creditors: amounts falling due within one year | 7 | (17,600) | | (30,300) | |
| Net current assets/(liabilities) | | | <u>6,906</u> | | <u>(5,686)</u> |
| Total net assets | | | <u><u>528,999</u></u> | | <u><u>516,882</u></u> |
| Capital funds | | | | | |
| Endowment funds - general | | | 528,999 | | 516,882 |
| Income funds | | | | | |
| Unrestricted funds | | | - | | - |
| | | | <u><u>528,999</u></u> | | <u><u>516,882</u></u> |

The financial statements were approved by the Trustees on

.....

Trustee

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to provide grants in line with the objects of the charity as set out on page 1.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 12.

(b) Funds Structure

Endowment funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

(c) Incoming resources

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income comprises listed investment income and interest.

All current year and prior year income relates to unrestricted general funds.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Grants payable are payments made to third parties in furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. All current year and prior year expenditure relates to unrestricted funds.

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

(e) Realised and unrealised gains

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value. Realised and unrealised gains are not separated in the Statement of Financial Activities.

(f) Investments

The investment portfolio is valued at market value at the balance sheet date. Listed investments are taken at mid-market prices quoted on a recognised stock exchange and unlisted investments are stated at trustees' valuation. Gains and losses on revaluation are taken to the Statement of Financial Activities.

(g) Debtors receivable within one year

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(h) Cash at Bank and in hand

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

(i) Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

(j) 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.

(k) Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included under other incoming resources.

(l) Judgements and key sources of estimation uncertainty

Due to the simple operations of the entity, the trustees do not consider there to be any key accounting judgements or estimates that have a material impact on the financial statements.

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2

(Continued)

Charitable Activities

Institutional Grants South Africa

| | 2023 | 2022 |
|---------------------------------|-------|-------|
| Cape Town Opera | - | 2,500 |
| Education Africa | 1,000 | 1,000 |
| Forest Farm Centre | - | 2,000 |
| Grahamstown Arts Festival | 1,500 | - |
| Issy Geshen Home for the Aged | 1,500 | - |
| Keiskamma Academy | 1,500 | - |
| Masicorp | 1,500 | - |
| Mould, Empower, Serve (MES) | - | 1,500 |
| Oliver's House Education Centre | - | 1,500 |
| Thembalitscha UK Foundation | 1,500 | - |
| Total South Africa Grants | 8,500 | 8,500 |

Institutional Grants United Kingdom

Arts and Music/ (Training and Education)

| | | |
|--|--------|--------|
| Ballet Rambert | | 2,500 |
| Commedia of Errors | 1,500 | - |
| English National Opera | 2,000 | - |
| Foundation for Young Musicians | | 2,000 |
| Live Music Now | | 1,700 |
| London Philharmonic Orchestra | | 1,500 |
| London Symphony Orchestra | | 2,000 |
| Manchester Collective | | 2,500 |
| National Youth Choirs of Great Britain | | 2,000 |
| New Music and Sound | | 1,500 |
| Park Theatre | | 1,500 |
| Royal College of Music | 12,500 | 12,000 |
| Royal Northern College of Music | 3,500 | 3,000 |
| S Pinter Youth Project | | 2,000 |
| St Martin's in the Field Trust | | 1,500 |
| The Purcell School | 1,500 | - |
| | 21,000 | 35,700 |

Medical

| | | |
|----------------|--------|--------|
| Parkinson's UK | 10,000 | 10,000 |
| | 10,000 | 10,000 |

Deafness/Blindness

| | | |
|----------------|---|-------|
| Cued Speech UK | - | 1,000 |
| RNID | - | 1,000 |
| | - | 2,000 |

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2

(Continued)

Hospices

| | | |
|---------------|--------------|----------|
| Demelza House | 2,000 | - |
| | <u>2,000</u> | <u>-</u> |

Northern Ireland

| | | |
|-------------------------------|--------------|--------------|
| Benedetti Foundation | - | 1,500 |
| Happy Days NI | 1,500 | - |
| National Youths Choirs of N.I | - | 2,000 |
| Ulster Touring Opera | - | 1,500 |
| Ulster Touring Orchestra | - | 1,500 |
| Ulster Orchestra Society | - | 2,000 |
| Ulster Youth Orchestra | - | 2,000 |
| | <u>1,500</u> | <u>9,000</u> |
| Total Northern Ireland Grants | | |

| | | |
|-----------------------------|--|---------------|
| Total United Kingdom Grants | | <u>50,500</u> |
|-----------------------------|--|---------------|

| | | |
|--------------|---------------|---------------|
| Total grants | <u>43,000</u> | <u>59,700</u> |
|--------------|---------------|---------------|

3 Investment Income

| | Unrestricted funds | Unrestricted funds |
|--------------------------------|-----------------------|-----------------------|
| | 2023 | 2022 |
| | £ | £ |
| Income from listed investments | 15,221 | 16,715 |
| CCLA gross interest receivable | 4 | 1 |
| CAF gross interest receivable | 44 | 9 |
| | <u>15,269</u> | <u>16,725</u> |

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Charitable activities

| | Governance costs 2023 £ | Charitable activities 2023 £ | Total Governance costs 2023 £ | Governance costs 2022 £ | Charitable activities 2022 £ | Total 2022 £ |
|---|-------------------------------|------------------------------------|-------------------------------------|-------------------------------|------------------------------------|--------------------|
| Sundry expenses | 85 | - | 85 | 2,873 | - | 2,873 |
| Administration fees | 5,091 | - | 5,091 | 7,800 | - | 7,800 |
| | <u>5,176</u> | <u>-</u> | <u>5,176</u> | <u>10,673</u> | <u>-</u> | <u>10,673</u> |
| Grants to charitable causes and institutions (see note 2) | - | 43,000 | 43,000 | - | 59,700 | 59,700 |
| | <u>5,176</u> | <u>43,000</u> | <u>48,176</u> | <u>10,673</u> | <u>59,700</u> | <u>70,373</u> |

5 Investment Assets

| | 2023 | 2022 |
|---|----------------|----------------|
| Balance 1 January | 640,247 | 607,912 |
| Investments purchased | - | - |
| Net investment realisation | (45,000) | (50,000) |
| Unrealised profit (loss) on revaluation | (73,050) | 82,236 |
| Balance at 31 December | <u>522,093</u> | <u>640,148</u> |
| Cash held for investment | 104 | 99.59 |
| | <u>522,197</u> | <u>640,247</u> |

The book cost of the investments was £450,013 (2022: 491,812)

At 31 December 2023 the following investment accounted for more than 5% of the overall portfolio, excluding cash:

| | |
|---|--------|
| COIF Charities Investment Fund Income Units | 99.99% |
| COIF Charities Deposit fund | 0.1% |

6 Cash at Bank

| | 2023 | 2022 |
|------------------|--------|------|
| CAF Bank Limited | 24,515 | 863 |

LORD AND LADY LURGAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Creditors: amounts falling due within one year

| | Notes | 2023 £ | 2022 £ |
|---|-------|---------------|---------------|
| Bowman Giffillan | | - | 500 |
| Cripps LLP - trust administration charges | | 10,200 | 5,400 |
| Cripps LLP - legal fees | | 2,400 | 2,400 |
| Grants payable | | 5,000 | 22,000 |
| | | <u>17,600</u> | <u>30,300</u> |

8 Trustees

The Trustees received no remuneration during the year ended December 2023 (2022: £Nil)

The Trustees received no benefits during the year ended December 2023 (2022: £Nil).

The Trustees received no expense reimbursement during the year ended December 2023 (2022: £Nil).

The charity had no employees during the year ended December 2023 (2022: £Nil).

9 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Endowment funds 2023 £ | Total Unrestricted funds 2023 £ | Unrestricted funds 2022 £ | Endowment funds 2022 £ | Total 2022 £ |
|---|---------------------------------|------------------------------|---------------------------------------|---------------------------------|------------------------------|--------------------|
| Fund balances at 31 December 2023 are represented by: | | | | | | |
| Investments | 522,093 | - | 522,093 | 522,568 | - | 522,568 |
| Current assets/(liabilities) | 6,906 | - | 6,906 | (5,686) | - | (5,686) |
| | <u>528,999</u> | <u>-</u> | <u>528,999</u> | <u>516,882</u> | <u>-</u> | <u>516,882</u> |