

REGISTERED COMPANY NUMBER: SC377753
REGISTERED CHARITY NUMBER: SC041451

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
SIR THOMAS LIPTON FOUNDATION**

Martin Aitken & Co Ltd
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

TUESDAY

COMPANIES HOUSE



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COMPANIES HOUSE

SIR THOMAS LIPTON FOUNDATION

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FOR THE YEAR ENDED 31 MARCH 2019**

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SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The mission of the Sir Thomas Lipton Foundation is to raise the aspirations, confidence and skills of children living in areas of multiple deprivation through fun, educational and practical experiences of sailing, the marine industry, maritime heritage, and enterprise.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Our work addresses the issue of closing the attainment gap in educational and social inequality for children growing up in areas of acute deprivation. Failing to reach a positive destination after school not only means they then lose out on life's opportunities but also, the loss of their positive contribution has an impact on the country's well-being, with increased pressure on health and welfare services due to levels of alcohol and drug abuse, crime, and employment.

We continue to seek to inspire the children we support through our specially created Buoyed Up programme by communicating Sir Thomas Lipton's passion for sailing, the sea, and enterprise. He was one of the world's first global entrepreneurs and is still regarded to this day as one of the great ambassadors for sportsmanship because of his conduct in his multiple challenges for the America's Cup between 1899 and 1930. His flair for business, success as an entrepreneur, work ethic, resilience, positive attitude and extraordinary sportsmanship especially in the face of defeat, continue to provide the example and motivation for our endeavours.

The Buoyed Up programme we have created is the start of a journey on which we help the children chart a course to reach a destination that is rewarding for them and a positive contribution to society. Buoyed Up is a sea-change in their lives. It does not solve the attainment gap on its own, but it has become a vital first navigation, ensuring these final years of childhood become an age of discovery about individual interests, talents and ability and an age of raised awareness of future opportunities. Buoyed Up gives the children a better chance of developing as confident, rounded and motivated teenagers.

Buoyed Up is for whole classes in the final years of primary school before any teenage cynicism, peer pressure, social media, body image, or bullying even, fully kick in. It is a multi-stage, nautically themed, educational, practical, work-orientated and sporting programme called Buoyed Up. It has six core elements:

1. The Lipton Challenge: A classroom topic on the life and times of Sir Thomas Lipton

Through Sir Thomas Lipton and the materials and links we provide, the children discover what it is to be an entrepreneur, what Victorian times were like, how the tea trade developed across the world, why maritime heritage is relevant and important, the importance of fair play and hard work in both sport and a working life.

2. Meet The Skipper: An interactive classroom session with a motivating speaker.

The children discover important life lessons by meeting 'a real person' who has shown resilience and determination to achieve success in their chosen field, whether that's in Science or Business or Engineering or the Arts, Sport, or other areas of work. In the familiar environment of their classroom, the children are more at ease in asking questions and they are responsive to the honesty about personal experience related by the guest speaker.

3. World Of Work: A half-day hands-on visit to a maritime-related business or college

In this unique eye-opening experience, the children learn about many different kinds of career and meet the people who have chosen them. Our partners normally divide the children into workshop groups, making the visit a mix of practical activities, talks and questions. Workshops have included Marketing, Welding, Finance, Naval Architecture, Communications, Navigation, Ship Simulators.

For the first time, many of the children are making a connection between what future opportunities there are and what they might want to become.

4. Buoyed Up: Five consecutive days of sailing

This activity is beyond the experience and comfort zone of most of the children. It is a challenge to overcome fear, to learn new skills, to work together, and to build confidence. A key benefit of this activity is the bond that is created between the sailing instructors and the children.

5. Buoyed Up Awards - a celebration and recognition of what the children have learned and achieved in the company of parents, the school community and our partners.

6. Buoyed Up Log Book - A tangible, visual and motivational record of all of the schools in Buoyed Up as well as additional features - presented at the school prizegiving. For example, the 2018 Log Book included an interview with Sir Michael Morpurgo, a story about the designer of Queen Mary II and a story about Dee Caffari being the first woman to sail single-handed and non-stop around the world in both directions.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2018 we delivered Buoyed Up for whole classes of 10-12-year olds, a total of 450 children in 11 schools. Our 2018 Buoyed Up school partner schools were:

Scotland & Northern Ireland

Chirnsyde Primary, Milton, Glasgow
Glencoats Primary, Ferguslie Park, Paisley
Kilcooley Primary, Bangor, Northern Ireland
Letham Primary, Livingston
St Martha's Primary, Balornock, Glasgow
St Monica's Primary, Milton, Glasgow
Saracen Primary, Possilpark, Glasgow
Stanley Primary, Ardrossan.

England & Wales

Sir Martin Frobisher Academy, Jaywick, Essex
Hazelmere Junior School, Colchester, Essex
Christchurch Primary, Rhyl, Denbighshire

Highlights Of The Year

We responded to requests for Buoyed Up in 2018 from a number of new schools: Letham Primary, St Martha's Primary, Stanley Primary, Hazelmere Junior School and Christchurch Primary.

The addition of these new schools in turn led to the creation of new maritime, World Of Work and sailing partnerships. We also continued to benefit from the generous in-kind support of partners who have remained with us since the early years of Buoyed Up. For example:

1. New partner, Northern Marine hosted the pupils of St Martha's for their half-day working maritime experience.
2. Apprentices from Spirit Aero Systems in Ayrshire inspired the children of Stanley Primary with their Meet The Skipper sessions for the first time.
3. Colwyn Bay Watersports delivered five days of sailing in north Wales for Christchurch Primary.
4. Prestwick Sailing Club coped with over 70 pupils from Stanley Primary by dividing the year group into two sailing weeks.
5. BAeSystems apprentices shared their work experience and determination to get on in life with pupils in several of our existing partner schools.
6. Staff members from V Ships not only organised another memorable World Of Work visit for the pupils of Saracen Primary, but helped to deliver Meet The Skipper sessions in other partner schools.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Challenges and Lessons Learned

1. We had hoped to organise one big Meet The Skippers event for all of our Scottish schools at a venue in Glasgow, but found that timings and the co-ordination of multiple speakers proved too difficult and we had to abandon the idea.
2. We have aspirations to link our partner schools in the UK with those we have supported in South Africa and Australia. The aim is simply to broaden the Buoyed Up connection for all of the children, so that children in different countries get a first-hand insight into how others are living, through the Buoyed Up experience. Until we find more sustainable sources of funding, however, for our programmes overseas it is harder to establish regular contact.
3. We were delighted to start Buoyed Up in Wales in 2018. One of the early challenges, however, has been to build enough partnerships to deliver and fund the programme. We are now making progress and look forward to working more closely with a wide range of maritime partners and funders so that it will be possible to sustain and grow the Welsh programme.
4. Through the Buoyed Up Log Book and our website, we are striving to create future activity signposts for the children so that they can use the confidence and enthusiasm built up through the Buoyed Up experience to pursue new motivation-building activities at secondary school in their teenage years. To do that we need the engagement of destination secondary schools as well as other charities and community organisations. Whilst some have been willing to engage, in truth many have not had the time or opportunity to do so as yet. We will continue to try and strengthen these links as we firmly believe that the benefit and impact of Buoyed Up will be increased by connection with secondary schools and teenage-orientated organisations.

Buoyed Up Costs

As indicated in previous reports, year-on-year we have been striving to reduce the cost per child of delivering Buoyed Up. We have made progress in recent years in reducing the project delivery cost from £450 per child, as it was in our pilot year of 2014, to below £300 per child. Our growing number of In-Kind partners have helped to make this possible, making cash grants and donations go further, paying for more children to participate in Buoyed Up and giving us more confidence to respond to growing demand.

Between 2020 and 2022 we aim to reduce that cost further, as well as finding more partners willing to help bear the cost of specific travel and sailing costs.

We continue to operate without payroll employees or office costs. We are strongly supported by the considerable voluntary efforts of our partners and the schools themselves. Whilst our Director continues to undertake all project coordination, delivery, partnerships, fundraising and general management on a low monthly fee basis, we recognise the imperative of building infrastructure to ensure effective delivery and sustainable growth. We are planning changes in this respect in the coming year, subject to income growth.

We gratefully acknowledge the core contributions of Unilever PLC, The Gannochy Trust, Badenoch & Co and The Matheson Todd Trust. We are working to expand our core funding partners and also to innovate in generating more unrestricted income. More about these initiatives will follow in the next Report.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Buoyed Up Evaluation

We produce a Buoyed Update which we send to our funders and delivery partners at the end of each calendar year. As well as highlighting case studies and actual feedback from the children recorded in our easy-to-complete forms after the World Of Work and sailing activities, we provide an evaluation of the changes in pupil attitudes and behaviour. Whilst we recognise that there are many influences on a child's life at this age, the six criteria we measure are a valuable indicator. With help from class teachers we can see whether an individual is 'Below Expectations' (red); 'Meeting Expectations' (amber); or 'Exceeding Expectations' (green) against the six criteria below, before and after Buoyed Up:

Level of attendance

Level of enthusiasm and motivation

Open to new learning and experience

Attitude and behaviour

Level of engagement

Attitude to health and fitness

Of the evaluations we have received to date, we have noted a marked improvement in the majority of the pupils in each category.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW

Income

We are very grateful to our funding partners whose restricted and unrestricted grants have made it possible to deliver Buoyed Up in 2018/19. In particular, we would like to acknowledge the generosity of:

Core Investors:

Unilever PLC
The Gannochy Trust
Badenoch & Co
The Matheson Todd Trust

Project Funders:

Allied Vehicles Group
Martin Connell Charitable Trust
D J H Currie Memorial Trust
Gwendoline and Margaret Davies Charity
Hugh Fraser Foundation
The Hedley Foundation
The Ironmongers' Company
W M Mann Foundation
The Stanley Morrison Charitable Trust
Hugh Stenhouse Foundation
M M Wyllie Charitable Trust

In-Kind Partners:

BAe Systems
Belfast Harbour
City of Glasgow College
Clyde Marine Training
Northern Marine
The Seamanship and Pilotage Trust of the Clyde Cruising Club
Spirit Aero Systems
Thomas Tunnock Ltd
V Ships
Witherby Publishing Group

These grants and financial contributions from other trusts, organisations and companies, have made the growth of Buoyed Up possible in 2018/19. The continuing support of our core funders has also brought greater stability.

Balance Sheet

Demand for Buoyed Up is growing each year and we are striving to diversify our income.

With regard to the balance between income and expenditure in one financial year, at present most of the project delivery expenditure for Buoyed Up in the UK is between April and July, whilst income received for that delivery was largely between November and March in the previous financial year.

Working with the Foundation's accountants, Martin Aitken & Co, we will continue to seek ways in which the overall financial position can be stated, giving a true and accurate reflection of how and when funds are raised and spent.

Reserves policy and going concern

The charity has unrestricted reserves of £55,678 (2018 - £62,426) as shown on the balance sheet.

The Board of Trustees have reviewed the likely outcome for the next 12 months taking account of historic trends and performance since the balance sheet date. The trustees consider the charity to be a going concern as it is in a position to meet its financial liabilities as they fall due and will be able to do so for a period of at least 12 months from the date the accounts are signed.

SIR THOMAS LIPTON FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustee recruitment and appointment

The charity ensures that new trustees have skills that will complement the existing structure of the Board and has put in place procedures to ensure adequate training and induction is given.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees review the risks affecting the charity at Board meetings and take appropriate action to mitigate any matters arising.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC377753

Registered Charity number

SC041451

Registered office

PO Box 26332
Rowallan Lane
Glasgow
G76 6AZ

Trustees

R Fisher
Dr T Flinn
J Matheson
Mrs S Robertson OBE
I Ruff
D Hudson

Key management personnel

L Brady

Auditors

Martin Aitken & Co Ltd
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

SIR THOMAS LIPTON FOUNDATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Sir Thomas Lipton Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on18/12/19..... and signed on its behalf by:



.....
Dr T Flinn - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF SIR THOMAS LIPTON FOUNDATION

Opinion

We have audited the financial statements of Sir Thomas Lipton Foundation (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 9 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report, prepared for the purposes of company law are included in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included in the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Report of the Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF SIR THOMAS LIPTON FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report included within the Report of the Trustees and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

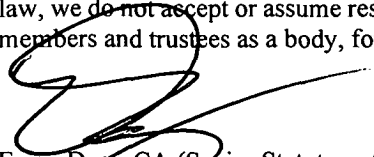
We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ewen Dyer, CA (Senior Statutory Auditor)
for and on behalf of Martin Aitken & Co Ltd
Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Caledonia House

89 Seaward Street

Glasgow

G41 1HJ

Date: 18/12/19

SIR THOMAS LIPTON FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME FROM					
Donations and legacies		<u>10,000</u>	<u>52,269</u>	<u>62,269</u>	<u>126,834</u>
Total		10,000	52,269	62,269	126,834
 EXPENDITURE ON					
Raising funds		4,231	-	4,231	4,278
Charitable activities					
Buoyed up		<u>12,517</u>	<u>66,939</u>	<u>79,456</u>	<u>77,824</u>
Total		16,748	66,939	83,687	82,102
NET INCOME/(EXPENDITURE)		(6,748)	(14,670)	(21,418)	44,732
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>62,426</u>	<u>14,670</u>	<u>77,096</u>	<u>32,364</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>55,678</u></u>	<u><u>-</u></u>	<u><u>55,678</u></u>	<u><u>77,096</u></u>

The notes form part of these financial statements

SIR THOMAS LIPTON FOUNDATION (REGISTERED NUMBER: SC377753)

**BALANCE SHEET
AT 31 MARCH 2019**

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	4	35,510	34,133
Cash at bank		<u>25,644</u>	<u>46,059</u>
		61,154	80,192
CREDITORS			
Amounts falling due within one year	5	(5,476)	(3,096)
		<u>55,678</u>	<u>77,096</u>
NET CURRENT ASSETS			
		<u>55,678</u>	<u>77,096</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>55,678</u>	<u>77,096</u>
NET ASSETS			
		<u>55,678</u>	<u>77,096</u>
FUNDS	7		
Unrestricted funds		55,678	62,426
Restricted funds		<u>-</u>	<u>14,670</u>
TOTAL FUNDS		<u>55,678</u>	<u>77,096</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 18/12/19 and were signed on its behalf by:



Dr T Flinn - Trustee

SIR THOMAS LIPTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£).

Going concern

The financial statements have been prepared on a going concern basis, which the trustees believe to be appropriate for the reasons set out in the Trustees' Report.

Income

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

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Consists of the cost of audit and accounts preparation, and any other financial services and expenditure incurred in compliance with the legal requirements of the charity.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not undertake charitable activities. Support costs consist of governance costs which support the charity's activities. These costs have been allocated to expenditure of charitable activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

SIR THOMAS LIPTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like accounts receivable.

Debt instruments like accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Judgements

The charity considers on an annual basis the judgements that are made by Trustees when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The Trustees consider there are no such significant judgements that require to be individually disclosed.

Information and key sources of estimation uncertainty

In the application of the charity's accounting policies, management are required to make 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. The Trustees consider there are no such significant estimates that require to be individually disclosed.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

Trustees were reimbursed travel costs of £138 for the year ended 31 March 2019 (2018: £220).

The above transactions were incurred by 1 trustee (2018: 1).

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME FROM			
Donations and legacies	<u>60,234</u>	<u>66,600</u>	<u>126,834</u>
Total	60,234	66,600	126,834

SIR THOMAS LIPTON FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	4,278	-	4,278
Charitable activities			
Buoyed up	<u>5,419</u>	<u>72,405</u>	<u>77,824</u>
Total	<u>9,697</u>	<u>72,405</u>	<u>82,102</u>
NET INCOME/(EXPENDITURE)	50,537	(5,805)	44,732
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>11,889</u>	<u>20,475</u>	<u>32,364</u>
TOTAL FUNDS CARRIED FORWARD	<u>62,426</u>	<u>14,670</u>	<u>77,096</u>

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	-	133
Prepayments and accrued income	<u>35,510</u>	<u>34,000</u>
	<u>35,510</u>	<u>34,133</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	3,000	2,000
Accruals and deferred income	<u>2,476</u>	<u>1,096</u>
	<u>5,476</u>	<u>3,096</u>

6. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	Total 2019 funds £	Total 2018 funds £
Current assets	60,404	750	61,154	80,192
Current liabilities	<u>(4,726)</u>	<u>(750)</u>	<u>(5,476)</u>	<u>(3,096)</u>
	<u>55,678</u>	<u>-</u>	<u>55,678</u>	<u>77,096</u>

SIR THOMAS LIPTON FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

7. MOVEMENT IN FUNDS

	At 1/4/18 £	Net movement in funds £	At 31/3/19 £
Unrestricted funds			
General fund	62,426	(6,748)	55,678
Restricted funds			
Buoyed Up	10,559	(10,559)	-
Travel costs	<u>4,111</u>	<u>(4,111)</u>	<u>-</u>
	14,670	(14,670)	-
TOTAL FUNDS	<u>77,096</u>	<u>(21,418)</u>	<u>55,678</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,000	(16,748)	(6,748)
Restricted funds			
Buoyed Up	49,239	(59,798)	(10,559)
Travel costs	-	(4,111)	(4,111)
Event Costs	<u>3,030</u>	<u>(3,030)</u>	<u>-</u>
	52,269	(66,939)	(14,670)
TOTAL FUNDS	<u>62,269</u>	<u>(83,687)</u>	<u>(21,418)</u>

Comparatives for movement in funds

	At 1/4/17 £	Net movement in funds £	At 31/3/18 £
Unrestricted Funds			
General fund	11,889	50,537	62,426
Restricted Funds			
Buoyed Up	20,175	(9,616)	10,559
Travel costs	<u>300</u>	<u>3,811</u>	<u>4,111</u>
	20,475	(5,805)	14,670
TOTAL FUNDS	<u>32,364</u>	<u>44,732</u>	<u>77,096</u>

SIR THOMAS LIPTON FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

7. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,234	(9,697)	50,537
Restricted funds			
Buoyed Up	61,600	(71,216)	(9,616)
Travel costs	<u>5,000</u>	<u>(1,189)</u>	<u>3,811</u>
	66,600	(72,405)	(5,805)
TOTAL FUNDS	<u>126,834</u>	<u>(82,102)</u>	<u>44,732</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/17 £	Net movement in funds £	At 31/3/19 £
Unrestricted funds			
General fund	11,889	43,789	55,678
Restricted funds			
Buoyed Up	20,175	(20,175)	-
Travel costs	<u>300</u>	<u>(300)</u>	<u>-</u>
	20,475	(20,475)	-
TOTAL FUNDS	<u>32,364</u>	<u>23,314</u>	<u>55,678</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	70,234	(26,445)	43,789
Restricted funds			
Buoyed Up	110,839	(131,014)	(20,175)
Travel costs	5,000	(5,300)	(300)
Event Costs	<u>3,030</u>	<u>(3,030)</u>	<u>-</u>
	118,869	(139,344)	(20,475)
TOTAL FUNDS	<u>189,103</u>	<u>(165,789)</u>	<u>23,314</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

7. MOVEMENT IN FUNDS - continued

During the year, the charity received funding of £49,239 for the Buoyed Up programme. The charity has expended £59,798 for the project during the year from restricted funds as at the year end. As at 31 March 2019, all restricted funds received for the Buoyed Up programme had been fully expended.

During the year, the charity received £3,030 for event costs, all of which were expended during the year.

During the year, the charity expended £4,111 for travel costs in furthering the objectives of the charity.

8. RELATED PARTY DISCLOSURES

Included in other debtors is £Nil (2018: £133) owed by L Brady, key management personnel, to the charity.

During the year the charity received management consultancy services totalling £13,500 (2018: £11,591) from Brady Associates Ltd; a company in which L Brady is a director. At the year end the balance due to Brady Associates Ltd was £3,000 (2018: £2,000).

9. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our auditors to prepare and submit the financial statements.

10. COMPANY LIMITED BY GUARANTEE

The Sir Thomas Lipton Foundation is a company limited by guarantee in the terms of the Companies Act 2006. The liability of each member is limited to the sum of £1. In the event of the winding up or dissolution of the company, in terms of the Memorandum of Association, any surplus assets shall be transferred to some other charitable body or bodies having objects similar to the company.