



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

*A United Kingdom Charity, created in 1823, registered with the Charity Commission of England and Wales -
Registered Charity Number 243880*

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

**FOR THE YEAR ENDED 31ST DECEMBER
2019**



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INDEX

GENERAL INFORMATION	PAGE 2
REPORT OF TRUSTEES.....	PAGE 3
STATEMENT OF TRUSTEES RESPONSIBILITIES	PAGE 12
INDEPENDENT EXAMINER'S REPORT.....	PAGE 13
STATEMENT OF FINANCIAL ACTIVITIES.....	PAGE 14
BALANCE SHEET.....	PAGE 15
NOTES TO THE ACCOUNTS.....	PAGE 16



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

GENERAL INFORMATION

Patron

Lord Llewellyn of Steep

HBM Ambassador to France

Honorary Trustee

George Bauermeister

The Ambassador's nominative Trustee

Fiona Anderson Astolfi

Trustees

Richard Hallows

Chairman (since 14th March 2019)

Julia Kett

Chairman (until 14th March 2019)

Jonathan Eastwood

Deputy Chairman

Frances Meadows

Honorary Secretary

Guy Mullaly (since 16th May 2019)

Honorary Treasurer (since 25th June 2019)

Douglas Anderson

Honorary Treasurer (until 25th June 2019)

Julia Howes

Honorary Welfare Secretary

Kim Borel

Steven Collins (since 9th April 2019)

Pamela Conger

Jonathan Goatly

Sarah Hardenberg (since 14th March 2019)

Kate Hart (until 24th July 2019)

Dr. Gunita Jolly-Paul

Shirley Jones

Alison Tardivel, MBE

Assistants to the Board

Juliette Price (since 7th January 2019)

Anne Boit (until 20th May 2019)

Registered office

22 Chancery Lane, London WC2A 1LS

Office in France

12 rue Barbès, 92300 Levallois, France

Charity registration number

243880

Bankers

Lloyds Bank PLC

8/10 Waterloo Place, London SW1Y 4BE

HSBC

1 rue Danton, 75006 Paris

Independent Examiner

Gordon Spinks ACA, Dixon Wilson

22 Chancery Lane, London WC2A 1LS

Investment Manager

Cazenove Capital Management Ltd

1, London Wall Place, London Wall, London EC2Y 5AU



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THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

REPORT OF TRUSTEES

The Trustees of the British Charitable Fund have pleasure in submitting their report and accounts for the year ended 31 December 2019.

I. Introduction and Brief Summary of Report

Section A of this report will set out how the British Charitable Fund (“the Charity” or “the BCF”) helped the British community in France during 2019 and our intentions for the future. We will provide the details of the £ 250,524 of grants that were distributed during the year and summarise our projections for 2020, particularly in the light of the coronavirus pandemic and the departure of the U.K. from the European Union. We will outline our preparations to put in a place a fundraising campaign to help cover the currently increasing needs of the less fortunate among the British community in France.

Section B gives an overview of our structure, operating methods, and the controls thereon.

Section C comments on the financial results for 2019, followed by the 2019 Annual Accounts and the conclusions of the review by the independent firm of accountants.

SECTION A: SUPPORT TO BENEFICIARIES

2. The Objective of the BCF

The objective of the Charity, set out in its governing Scheme, is to provide relief ***“to British nationals or, in exceptional cases, persons who have lost their British nationality by marriage, who are resident in or near Paris or exceptionally, in other parts of France, and who are in conditions of need, hardship or distress, in such manner as they shall think fit, including the payment of costs of study for a profession, trade or calling. In deciding such application, the Trustees shall normally give priority to persons having a connection with the United Kingdom by way of ancestry or residence”***.

It has been recognised by the Trustees that, in view of the changing geographical distribution of the British population in France, intervention outside the Paris region is no longer seen to be exceptional.

3. Discretionary Grants

To meet this objective, the Charity makes a wide range of discretionary grants to members of the British community in France. We aim to help our beneficiaries maintain a minimum standard of living, to reassure our many elderly beneficiaries that, if they need us, we shall help them on a long-term basis and to assist younger families and individuals through short-term difficulties. Gaining the confidence of the families and individuals who we help is an important part of our work; many of our beneficiaries require moral as well as financial support.

To qualify for help, applicants must be British nationals, with a minimum of two years residence in France, and have income and capital (or savings) below certain thresholds set by the Trustees each year.

The Charity sees its principal role as the topping-up of existing resources by way of Regular (long-term) or Temporary (short term) grants. These are intended as a contribution towards basic essential outgoings such as food, housing and heating. They encapsulate our approach to aid distribution; in 2019



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

they accounted for 69% of aid distributed. It is not the current policy of the Trustees to make loans or to repay personal debts.

We also award specific support grants:

- Sundry grants are wide-ranging and may include the provision of white goods, the cost of essential household repairs, or contributions towards exceptional household bills
- Medical grants for medical and related expenses, essential dental work, or spectacles
- Heating grants
- Clothing grants
- Christmas grants
- Education grants
- Repatriation grants
- Grants for services to the British Community

All cases are followed closely, and the amounts, duration and suitability of individual grants are carefully considered and monitored by the Welfare Committee. We ask everyone seeking assistance from the Charity to ensure that they are receiving their full entitlement to pensions and allowances from the British, French and other relevant authorities. It is not the Charity's role to replace such income, but to supplement it, if the aggregate does not provide an amount on which a person is able to live in reasonable circumstances.

4. Beneficiaries and Aid Distributed in 2019

4.1 Profile of Beneficiaries

The BCF helped 103 different households during 2019. As in previous years, the majority of beneficiaries were over 60 and ill health remains an important factor in many of their situations. Some 36% of all grants are made to beneficiaries whose hardship is medically related. Other significant contributory factors are the deterioration of the exchange rate, for those on fixed Sterling incomes, and separations, divorces and bereavements, leaving one party of the couple with little or no income, often minimal previous work experience and sometimes with young children to support.

The overall characteristics of the beneficiaries remain stable. The majority live in the area of western France favoured by British families initially moving to France to improve their quality of life before or during retirement. A frequent problem for those who would like to return to the UK is the difficulty of selling their home at a price anywhere near what they paid for it. Houses chosen for their romantic and isolated surroundings are often an unattractive proposition to those potential buyers for whom proximity to shops and public transport is essential. The rural housing market in France has been depressed for some years. For many not only do they have to suffer the hardships of their economic situation, they also have to get over the bitterness of broken dreams.



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

4.2 Analysis of aid distribution by types of grants made in 2019

Types of grants	2019		2018	
	£	€	£	€
Regular & Temporary Grants	£173 152	199 125 €	£175 324	199 870 €
Special Support Grants :				
Sundry Grants	£ 38 824	44 648 €	£ 27 750	31 635 €
Heating	£ 17 573	20 209 €	£ 21 580	24 600 €
Christmas	£ 9 348	10 750 €	£ 8 026	9 150 €
Educational	£ 3 177	3 654 €	£ 5 311	6 055 €
Medical	£ 2 616	3 009 €	£ 3 670	4 184 €
Clothing	£ 2 609	3 000 €	£ 3 070	3 500 €
Repatriation	£ 2 574	2 960 €	£ 5 140	5 860 €
British Community	£ 651	750 €	£ 2 632	3 000 €
	£250 524	288 105 €	£252 503	287 854 €

In euro terms, the total of grants distributed during 2019 at € 288,105 remained stable in comparison with the previous year (€ 287,854 in 2018). A marginal move in the average exchange rate, from €1.14 in 2018 to €1.15 in 2019, caused a slight reduction in the Sterling cost of the grants.

The special support grants are used to handle specific situations which are not of an on-going nature and will vary in the light of the specific circumstances; by way of example, heating grants can be increased or decreased depending on the severity of winter conditions.

Sundry Grants are used to meet the unexpected bills which go beyond the regular possibilities of the beneficiaries; by way of example, the replacement of a broken domestic appliance or repairs to a vital car, the lack of which would make shopping impossible in areas of the countryside not serviced by public transport. In 2019 Sundry Grants rose to € 44,648 compared to € 31,635 in 2018.

5. Referrals and working with other charities and organisations

The majority of our applicants come to the Charity directly; others come via referrals from the British Consulates, English-speaking Churches, other UK charities working in France (notably the armed forces Charity SSAFA and the Royal British Legion) and the French social services.

Where the Charity is unable to help an applicant because the profile or the type of assistance requested falls outside the scope of the Charity's Scheme, every effort is made to suggest other organisations or charities which might be approached.



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

6. Projections for 2020 and fundraising preparations

The grant support accorded in the first four months of 2020 is 10% higher than in the equivalent period in 2019; the major area of increase is in the flexible, sundry grants.

The stricter future regulation of residence is expected to lead to a higher number of people seeking help to return to the U.K. Added to this, the Covid-19 virus has significantly reduced employment in certain activities favoured by the British in France, notably in the personal service, house renovation and hospitality sectors. Both these factors are expected to continue the upward trend in requirements for grant support from the BCF.

Significant donation income in recent years has helped the Charity handle the current historically high level of requests for its support. To promote the continuation of this income, the Trustees are preparing a more proactive approach to fundraising on both sides of the Channel. Success will be essential to ensure that the Charity will continue to be able to fulfill its vocation, namely that all eligible persons in distressed circumstances may find the BCF a source of significant support.

SECTION B: STRUCTURE OF THE BCF, OPERATING PROCEDURES AND CONTROLS

7. Structure and Management

The British Charitable Fund, Paris, was founded in 1823 by the future British Ambassador, Lord Granville; in 1895 it received a substantial endowment under the will of Colonel Hylton Briscoe. The BCF is governed by a revised Scheme (the "Scheme") authorised by the Charity Commission on the 16th February 1987. Under the terms of that Scheme, the Charity established a legally autonomous association in Levallois, France, called The British Charitable Fund in France, responsible for the detailed distribution of the support grants to the beneficiaries, as laid down by the Charity in the agreement between the two organisations. The administrative costs of the association are met by funding from the Charity.

The Patron of the BCF is the British Ambassador to France, who may also serve as an ex-officio Trustee and appoint a nominative Trustee.

The Charity is administered and managed by the Board of Trustees, which is responsible for its effective governance and for safeguarding its assets. The Board consists of not less than 10 and not more than 16 members, who serve for a term of five years and are eligible for re-election. The officers are appointed each year at the first Ordinary Meeting and are eligible for re-election. All Trustees give their time freely and without remuneration.

8. Governance - The Board of Trustees

There is a broad range of expertise and experience represented on the Board of Trustees. The Executive Committee, formed of the Charity's officers and senior Trustees, keeps the skill requirements for the management and development of the Charity under review and is responsible for initiating any search for new Trustees, delegating to a Nomination Committee the role of interviewing and recommending candidates for trusteeship. Trustees are approved by the full Board in General Meeting.

Each new Trustee receives from the Chairman an introduction to the history, structure and management of the Charity and to the Charity Commission guidance, as well as copies of the governing documents, key policies, the latest Annual Report and Accounts and the minutes of recent



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

Board meetings. To reinforce their ability to handle their responsibilities effectively, the trustees participate in relevant training courses.

9. Operational Policies and Management

All policies are reviewed and adopted by the Board of Trustees. The Executive Committee meets every two months to review all aspects of the BCF's operations.

The Welfare Committee, which manages relations with beneficiaries within the association, holds annually twelve Case Meetings, three Committee Meetings for the preparation of the reports for the association to transmit to the Board of Trustees, and one annual Policy/Procedure review meeting. Specific committees of Trustees may be established as required notably to handle activities in relation to Finance and Communication/Events.

All decisions and recommendations of the committees are subjected to Board approval.

The Charity employs one assistant and during 2019 made use of two non-trustee volunteers for specific assignments, under the supervision of one of the Trustees.

10. Risk Statement

The Trustees confirm that the major risks to which the Charity is exposed, as identified by them, have been reviewed and that systems have been established to manage these risks. The Trustees review risks on a regular basis.

11. Public Benefit Statement

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act, 2011, namely to have due regard to the public benefit guidance published by the Charity Commission.

12. Safeguarding Policy

The Trustees confirm that the Charity has a written safeguarding policy.

13. Funding for Grants

The Charity does not receive any financial support from national or local governments.

Grants are funded from the investment income of the original Hylton Briscoe bequest endowment fund, from the capital and income of the non-restricted General Fund and from donations, gifts and legacies received.

SECTION C: FINANCIAL RESULTS AND CONTROL

14. The Accounts

In order to ensure a true and fair view of the Charity's overall financial position the attached set of accounts combines the accounts of the British Charitable Fund, Paris and the British Charitable Fund in France.

14.1 Reserves Statement

The General Fund, the Charity's unrestricted fund, valued at the end of 2019 at £1,315,688 permits any shortfall from the Charity's investment and donation income in a given year to be fully covered. All income is applied to the Charity's objective over a period of time. The Trustees' reserve policy is reviewed annually.

14.2 Income and Expenditure – Statement of Financial Activities

The 2019 accounts have been prepared in accordance with the 2019 Statement of Recommended Practice (SORP) for Charity Accounts.



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

Total income in 2019 was £ 300,288, which included investment income from the General and Endowment portfolios of £ 84,407 and a significant donation of £ 152,542 from the British Association of Nice (BAN), funds which had already been earmarked for welfare use. The Trustees take this opportunity to reiterate their gratitude to the officers and members of the BAN for this important donation.

Total expenditure in 2019 was £ 398,581, which included grants to beneficiaries of £250,524, general and exceptional expenses of £ 140,906 and fund-raising expenses of £ 7,151. The exceptional expenses in 2019 included a one-off cost of £ 30,622 relating to the retirement of the long-serving permanent assistant in the Levallois office. The expenses were adversely affected by exchange losses of £ 9,164 (2018 £2,748).

Benefits in kind are recorded both as donations and as expenses. The British Charitable Fund in France's office in Levallois is provided free of charge by the Hertford British Hospital Charity; as such, the Statement of Financial Activities includes an estimate of the value as a rental charge with a corresponding value being shown as a donation.

With the improvement in the level of stock markets in 2019, realised gains on the sales of investments were £ 28,256 and the year-end valuation of the portfolios, substantially improved from the previous year-end level, gave rise to unrealised book profits of £323,692.

Due to the careful management by our fund managers, the coronavirus pandemic, which hit the securities markets worldwide in March 2020, had a less-marked negative effect on the BCF's investments; as at 31st May 2020, the BCF portfolios were at 95% of their 31 December 2019 values. The adequacy of cash reserves had obviated the need to sell investments during the market crisis.

The substantial unrealised gains in 2019 are reflected in the accounts and have resulted in total income exceeding total expenditure by £ 253,655.

The Balance Sheet as at 31 December 2019 shows net assets of £ 3,117,146 of which £ 1,801,458 (58% of the total) relates to the Endowment Fund and £ 1,315,688 relates to the General Fund (42% of the total).

14.3 Projections for 2020

For the financial year 2020 the income generated by the investments will remain below historical levels. The volatility in securities markets due to the ongoing coronavirus pandemic makes it hazardous to comment on their likely movements for the remaining months of 2020. The net result for the year may be affected again by substantial levels of unrealised profits or losses.

Equally we cannot anticipate a repetition of the significant one-off donations that the BCF has received in the past years and our intended fundraising campaign is unlikely to have a significant effect on the 2020 results.

For these reasons, we anticipate in the latter part of 2020 the need to sell certain investments held in the General Fund portfolio to make up for the shortfall in income in relation to the forecasted welfare and general expenditure.



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

15. Investment Policy and the Management of the Portfolios

15.1 Investment Policy

Our guidelines, mandates and instructions to our investment managers, Cazenove Capital, Schroder & Co Limited, London, state the importance of low-risk and conservative management, with the generation of income from dividends, interest payments and, if necessary, the realisation of capital gains on the sale of shares. The Trustees state as a priority the maintenance of capital values.

The General Fund is classified as “progressive risk” reflecting our need for greater capital growth from the portfolio to supplement the income generated. The Endowment Fund is classified as “intermediate risk” reflecting the Trustees’ desire to limit risk to the capital.

Our managers also have the following restrictions in place:

- The Endowment Fund is permanently endowed; distribution is restricted to realised income and capital gains.
- The COIF fund units cannot be sold without the Trustees’ prior permission.

The Trustees regularly review the investment policy, with any amendments being adopted in General Meeting prior to the issue of new instructions to the fund managers.

The table below shows the current asset allocation ranges as percentages of the assets of the relevant fund:

Asset Class	General Fund Range	Endowment Fund Range
Fixed interest	0 – 30	20 – 50
Equities	50 – 80	25 – 60
Alternatives	0 – 30	0 – 35
Cash	0 – 20	0 – 20

15.2 Investment Performance 2019

The year opened with the expectation that the sharp falls in equity markets suffered in the last quarter of 2018 would be followed by a somewhat shaky recovery, in a context of slowing world-wide economic growth.

In reality, the year saw a stronger resurgence of confidence than expected, with full recovery of the 2018 weakness and a return to unexpectedly high levels of the major equity markets by the year-end.

As a result, after having absorbed drawings of £ 326,574 during the year to finance the welfare activity, the Endowment and General portfolios moved respectively in 2019 from £ 1,603,511 to £ 1,801,458 and from £ 1,118,092 to £ 1,095,371.



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS

REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

The following performance data for 2019, and comparisons to market moves, has been provided by Cazenove. The General Fund is more sensitive to equity markets than the Endowment Fund.

<u>Total returns</u>	<u>12 months</u>
Endowment Fund	+ 15.5%
General Fund	+ 16.1%
FTSE All Share	+ 19.1%
FTSE Gov't All Stock	+ 6.9%
MSCI World	+ 21.7%

15.3 Investment Portfolio 2020

As mentioned above, the coronavirus pandemic had a sharp negative effect on the securities markets. Since April 2020 both the portfolios have largely recovered to their levels at the start of the year, but the outlook remains extremely vulnerable to reactions both to the political and to the economic environment.

Political stability is under the cloud of ongoing tensions between the US and China, with the situation in Hong Kong bringing other countries into the ring. The US itself seems likely to experience a turbulent election campaign, and the European Union will be finally closing the conditions of the departure of the United Kingdom.

The threat of renewed restrictions to maintain control over the virus remains valid across the world; the progressive reduction in state support to private companies, to compensate for the costs of the first wave of restrictions, will lead to a clearer perception of the longer-term economic damage caused by the virus.

To balance these significant sources of uncertainty, it can be hoped that the steady support to markets by the world's principal central banks and the increased state spending, which is widely planned to accelerate economic recovery, will be sufficient to avoid any severe market upset, but there can be no certainty of this. An outlook of continued high market volatility seems likely.

16. Fundraising & Communications

The Charity's fund-raising and communications activities have two objectives:

- 1) To advise the British and broader Anglophile community of the BCF's welfare activity, and to solicit their support to be able to continue to meet the needs of their less-fortunate compatriots, and
- 2) To make the BCF known to those British citizens resident in France who may have fallen into financial difficulties and as such may require our assistance.

To widen awareness of the activities of the BCF, a musical evening for the benefactors and friends of the BCF was held in November 2019 in the outstanding surroundings of the Paris residence of



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

our patron, His Excellency The British Ambassador to France. The musicians of the British School of Paris provided a remarkable programme, which was most warmly received.

During 2019 the BCF received donations and gifts totalling £ 215,881 of which, as mentioned above, £152,542 was donated by the British Association of Nice, to whom we are immensely grateful. We would also like to take this opportunity to thank all the other organisations and friends, including the Hertford British Hospital Charity and the Royal British Legion, who gave us donations in 2019. We are confident that they are able to see that their funds have been put to good use and we hope they will continue their generosity in 2020. We would also like new donors to join them, so supporting the vital help that the BCF gives to the British community in France.

With this in mind, we would ask that all who wish to support our cause should either contact the Charity by email at office@bcfparis.org or connect to our website <http://bcfparis.org/>. Full details of the tax advantages relating to charitable giving are explained on our website.

The BCF continues to search for new donors; new campaigns to raise funds are being launched in the U.K. and in France and programmes of communications via the website and other communication tools are in constant evolution.

Further significant events and other fund-raising activities are being planned for 2023, the 200-year anniversary of the creation of the BCF in 1823.

In conclusion, we cannot over-emphasise the BCF's need for donations, gifts, and legacies in order to ensure that we can continue to do our part; we hope that many of those reading this report will be interested in helping us make a difference to the lives of the less-fortunate members of the British community in France.

The Report of The Trustees was approved by the Trustees of the Charity in the Meeting held on 24 September 2020

Signed on behalf of the Trustees by the Chairman Mr. Richard Hallows and the Treasurer Mr. Guy Mullaly

Dated: 24 September 2020

Mr. Richard Hallows

Mr. Guy Mullaly



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

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

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

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



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BRITISH CHARITABLE FUND PARIS

I report to the trustees on my examination of the accounts of the Fund for the year ended 31 December 2019.

Responsibilities and basis of report

As the charity trustees of the Fund you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act"). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed. I report in respect of my examination of the Fund's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(B) of the Act.

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

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

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

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

Mr. G. SPINKS ACA: *Gordon Spinks*
DIXON WILSON 22 Chancery Lane, WC2A 1LS

DATE : 9 October 2020



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

STATEMENT OF FINANCIAL ACTIVITIES
For the Year ended
31st DECEMBER 2019

<u>31.12.2018</u>			<u>31.12.2019</u>				
Endowment Fund £	General Fund £	Total Funds £		Endowment Fund £	General Fund £	Total Funds £	
			INCOME :				
-	248 960	248 960	Donations & Legacies	(2)	-	215 881	215 881
-	87 789	87 789	Investment Income	(3)	-	84 407	84 407
-	1 834	1 834	Other Income		-	-	-
-	338 583	338 583	TOTAL INCOME		-	300 288	300 288
			EXPENDITURE :				
-	8 410	8 410	Fundraising Expenses	(8)	-	7 151	7 151
			Charitable Activities :				
-	252 503	252 503	- Grants to Beneficiaries	(4)	-	250 524	250 524
6 429	91 806	98 235	- Support & Governance expenses	(5)	6 029	93 818	99 847
-	-	-	- Retirement & other non-recurring expenses	(6)	-	41 059	41 059
6 429	352 719	359 148	TOTAL EXPENDITURE		6 029	392 552	398 581
547	919	1 466	REALISED GAINS / (LOSSES) ON THE SALE OF INVESTMENTS		9 396	18 860	28 256
(108 531)	(144 273)	(252 804)	UNREALISED GAINS / (LOSSES) ON THE REVALUATION OF INVESTMENTS		193 645	130 047	323 692
(107 984)	(143 354)	(251 338)	NET GAINS / (LOSSES) ON INVESTMENTS		203 041	148 907	351 948
(114 413)	(157 490)	(271 903)	NET INCOME / (EXPENDITURE) FOR THE YEAR		197 012	56 643	253 655
2 017	(2 017)	-	TRANSFER BETWEEN FUNDS	(11)	935	(935)	-
(112 396)	(159 507)	(271 903)	NET MOVEMENT FOR THE YEAR	(11)	197 947	55 708	253 655
1 715 907	1 419 487	3 135 394	TOTAL FUNDS AS AT 1 JANUARY	(11)	1 603 511	1 259 980	2 863 491
£1 603 511	£1 259 980	£ 2 863 491	TOTAL FUNDS AS AT 31 DECEMBER	(11)	£1 801 458	£1 315 688	£3 117 146

Registered Office : 22 Chancery Lane, London WC2A 1LS, United Kingdom



Helping the British Community in France since 1823

THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

BALANCE SHEET
as at
31st DECEMBER 2019

31.12.2018 £			31.12.2019 £
	<u>FIXED ASSETS</u>	(notes)	
1 603 511	<i>Investment Portfolio - Endowment Fund</i>	(7)	1 801 458
1 118 092	<i>Investment Portfolio - General Fund</i>	(7)	1 095 371
2 721 603			2 896 829
	<u>CURRENT ASSETS</u>		
4 560	<i>Debtors</i>	(9)	6 402
157 901	<i>Cash at Bank</i>		241 391
162 461			247 793
	<u>CURRENT LIABILITIES</u>		
(20 573)	<i>Creditors</i>	(10)	(27 476)
£ 2 863 491	<u>NET ASSETS AT 31 12 2019</u>		£ 3 117 146
	<u>CHARITABLE FUNDS</u>		
£ 1 603 511	<i>Endowment Fund</i>	(11)	£ 1 801 458
£ 1 259 980	<i>General Fund</i>	(11)	£ 1 315 688
£ 2 863 491	<u>FUNDS AT 31 12 2019</u>		£ 3 117 146

The Financial Statements on Pages 14 to 22 were approved by the Trustees on 24 September 2020 and were signed on their behalf by :

Mr Richard Hallows
Chairman of the Board

Mr Guy Mullaly
Treasurer

Registered Office : 22 Chancery Lane, London WC2A 1LS, United Kingdom



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FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS

1. Accounting policies

Basis of accounting and assessment of going concern basis

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with 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 the Republic of Ireland (FRS 102) as it applies from 1st January 2019.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Covid-19 pandemic in 2020 has had a negative effect on the value of the Charity's portfolios but this impact has been limited and controlled by means of the conservative portfolio management conducted by the BCF's fund managers, Cazenove Capital; as such, as at the date of this report, the pandemic should not effect the Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's financial statements.

The Charity presents its financial statements in pounds sterling as this is considered to be its principal functional currency.

Income recognition

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.

Donations are recognised when the Charity has been notified in writing of both the amount and the settlement date.

Legacy gifts are recognised when it is probable that the legacy gift will be received. A legacy receipt is normally probable when there has been a grant of probate, the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy and any conditions attached to the legacy are either within the control of the Charity or have been met. Legacy income is recognised at the fair value receivable based on the information available. This is usually the expected cash amount to be distributed to the Charity from the estate.

Grants payable

Grants payable are recognised once the payment to the beneficiary has been authorised.

Allocation of support and governance costs

Support and governance costs are allocated to "charitable activities" with the exception of fundraising expenses.

Governance costs include the cost of the independent examination by the external firm of chartered accountants.



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FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

Depreciation

Depreciation, if applicable, is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful economic life as follows:

Office furniture – five years.

Fixed asset investments

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

The Charity does not acquire put options, derivatives, or other complex financial instruments. The main form of financial risk faced by the Charity is that of volatility in equity and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or subsectors.

Gains and losses on Investments

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired on or after the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are recorded in the Statement of Financial Activities.

Currency Translation

For year-end accounting purposes, monetary assets and liabilities denominated in euros have been translated at the year-end rate. Exchange differences have been taken to the Statement of Financial Activities.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts.

Fund allocations

The Endowment Fund represents the current value of investments and deposits from the permanent endowment. Net interest and dividend income are available for distribution. The General Fund is available for distribution and corresponds to the value of all assets not included in the Endowment Fund. Gains and losses on investments are accounted for as increases and decreases in the specific fund to which they relate.

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are measured at their transaction value and are subsequently measured at their settlement value.



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REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

2. Donations and legacies

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
From Institutions, Community Groups, Trusts & Foundations.	-	185 788	185 788	33 601
Legacy - adjustment	-	-	-	(23 515)
From Individuals	-	11 873	11 873	220 453
Donation in kind - Nominal office rent.	-	18 220	18 220	18 421
	<u>£ -</u>	<u>£ 215 881</u>	<u>£ 215 881</u>	<u>£ 248 960</u>

3. Investment income

	Total 2019 £	Total 2018 £
Listed investments	84 212	87 278
Interest on other deposits	195	511
	<u>£ 84 407</u>	<u>£ 87 789</u>

4. Charitable activities: grants to beneficiaries

	No. of Beneficiaries per grant type 2019	Total 2019 £	Total 2018 £
Types of grants:			
Regular & Temporary	110	173 152	175 324
Sundry	69	38 824	27 750
Heating	109	17 573	21 580
Christmas	111	9 348	8 026
Educational	8	3 177	5 311
Medical	10	2 616	3 670
Clothing	17	2 609	3 070
Repatriation	3	2 574	5 140
British Community	1	651	2 632
		<u>£ 250 524</u>	<u>£ 252 503</u>



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REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

5. Charitable activities: support and governance costs

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
Salary & Social security, pension and related staff costs	-	45 770	45 770	48 643
Nominal office rent	-	18 220	18 220	18 421
Investment management costs	6 029	6 906	12 935	11 792
Cost of independent examination	-	5 448	5 448	5 964
Accountancy and advisory services	-	661	661	84
Other costs including Trustee expenses	-	7 649	7 649	10 583
Exchange (gains)/losses	-	9 164	9 164	2 748
Total	£ 6 029	£ 93 818	£ 99 847	£ 98 235
Number of staff			1	1

6. Retirement and other non-recurring expenses

Salary & Social security, pension and related staff costs - Exceptional	-	30 622	30 622	-
I.T. Project costs	-	5 637	5 637	-
Restructure costs - Third-party consultancy	-	4 800	4 800	-
Total	£ -	£ 41 059	£ 41 059	£ -

7. Investments

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
Market value at 1 January	1 537 307	1 061 207	2 598 514	2 912 185
Additions at cost	212 080	327 850	539 930	258 670
Disposals at cost or 1 January valuation	(174 237)	(444 372)	(618 609)	(319 538)
Net gains / (losses) on revaluation	193 645	130 047	323 692	(252 803)
Market Value at 31 December	1 768 795	1 074 732	2 843 527	2 598 514
Cash awaiting investment	32 663	20 639	53 302	123 089
Total	£1 801 458	£1 095 371	£2 896 829	£2 721 603

The market value is taken from the valuation supplied by the investment manager at the year end, adjusted for any impairment losses.



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REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

8. Fundraising expenses

	2019	2018
Communications & Website Development	6 615	3 325
Fundraising Expenses - sundry (Fondation de France, Justgiving)	536	5 085
	<u>£ 7 151</u>	<u>£ 8 410</u>

9. Debtors

	2019	2018
Donations receivable	6 386	3 857
Other debtors	16	703
	<u>£ 6 402</u>	<u>£ 4 560</u>

10. Creditors : amounts falling due within one year

	2019	2018
Accruals	21 364	13 116
Payroll social security and holiday pay	6 112	7 457
	<u>£ 27 476</u>	<u>£ 20 573</u>

11. Movement in funds

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
At 1 January	1 603 511	1 259 980	2 863 491	3 135 394
Surplus/(Deficit) for the year	197 012	56 643	253 655	(271 903)
Transfers between funds	935	(935)	-	-
At 31 December	<u>£1 801 458</u>	<u>£1 315 688</u>	<u>£3 117 146</u>	<u>£2 863 491</u>
Represented by :				
Portfolios	1 801 458	1 095 371	2 896 829	2 721 603
Sundry debtors	-	6 402	6 402	4 560
Cash at bank and in hand	-	241 391	241 391	157 901
Creditors	-	(27 476)	(27 476)	(20 573)
Total	<u>£1 801 458</u>	<u>£1 315 688</u>	<u>£3 117 146</u>	<u>£2 863 491</u>



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THE BRITISH CHARITABLE FUND, PARIS
REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

12. Trustees' expenses reimbursed

	Total 2019 £	Total 2018 £
Entertainment costs	151	666
Travel costs - Beneficiary visits etc	1 306	1 877
Office Supplies etc	279	-
Event Costs	374	-
Sundry	333	-
Training expenses	-	395
	£ 2 443	£ 2 938

The Trustees did not receive any remuneration for their services as Trustees. A total of 7 Trustees had expenses.

13. Financial Assets & Liabilities

The following are financial assets & financial liabilities that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at amortised cost :

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
Financial Assets				
Debtors	-	6 402	6 402	4 560
Cash at bank & on hand	-	241 391	241 391	157 901
	£ -	£ 247 793	£ 247 793	£ 162 461
Financial Liabilities				
Creditors	-	21 364	21 364	13 116
	£ -	£ 21 364	£ 21 364	£ 13 116



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REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2019

NOTES TO THE ACCOUNTS (CONTINUED)

The following are financial assets that qualify as basic financial instruments are initially recognised at their transaction value and subsequently measured at their fair market value as at the balance sheet date, using the closing quoted market price :

	Endowment Fund £	General Fund £	Total 2019 £	Total 2018 £
Investment Portfolios	<u>£1 801 458</u>	<u>£1 095 371</u>	<u>£2 896 829</u>	<u>£2 721 603</u>

14. Significant Post Balance Sheet Events

The coronavirus pandemic has had a significant negative effect on the world stock markets. Cazenove, the BCF fund managers, have attempted, wherever possible, to minimise the effect on the BCF portfolios. As of 31 May 2020 the BCF portfolio was showing an unrealised loss of 5.02 % on the values as at 31 December 2019, down from £ 2 896 829 at 31 December 2019 to £ 2 751 124 at 31 May 2020.
