

*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 31<sup>ST</sup> DECEMBER 2021**



# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS**

### **REPORT AND ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

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# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS**

### **REPORT AND ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

#### **GENERAL INFORMATION**

##### **Patron**

Lord Llewellyn of Steep (Until 31<sup>st</sup> July, 2021)

HBM Ambassador to France

Dame Menna Rawlings (From 1<sup>st</sup> August, 2021)

HBM Ambassador to France

##### **Honorary Trustee**

George Bauermeister (†30<sup>th</sup> July, 2021)

##### **The Ambassador's Nominative Trustee**

Fiona Anderson Astolfi

##### **Trustees**

Richard Hallows

Chairman

Guy Mullaly

Honorary Treasurer

Julia Howes

Honorary Welfare Secretary

Jonathan Eastwood (until 22<sup>nd</sup> October 2020)

Kim Borel

Iain Cheyne

Steven Collins

Elaine Colville (since 24<sup>th</sup> June 2021)

Pamela Conger

Jonathan Goatly

Sarah Hardenberg (until 25<sup>th</sup> March 2021)

Dr Gunita Jolly-Paul

Shirley Jones

Tim Jones (since 25<sup>th</sup> March 2021)

Note: The positions of Deputy Chairman and Honorary Secretary have temporarily not been filled.

##### **Administrative Assistant**

Juliette Price

##### **Registered Office**

22 Chancery Lane, London, WC2A 1LS

##### **French Association Office in France**

12 rue Barbès, 92300 Levallois Perret

##### **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, Schroder & Co. Ltd.

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

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## **THE BRITISH CHARITABLE FUND, PARIS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

#### **REPORT OF THE TRUSTEES**

The Trustees of the British Charitable Fund have pleasure in submitting their report and accounts for the year ended 31 December 2021. The structure and activity of the Charity have changed little in recent years, leading to a certain repetition of basic, but essential, information from year to year.

The information on page 2 forms an integral part of this report.

#### **1. Introduction & Summary of this Report**

Section A of this report sets out how the British Charitable Fund (“the Charity” or “the BCF”) helped the British community in France during 2021 and plans for the future. We will provide details of the £ 250,914 (€ 290,558) of grants that were distributed during the year.

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

Section C presents the financial results for 2021, including the 2021 annual accounts and the conclusions of his review by the independent examiner.

### **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 long 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 whom 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 financial assets below specific thresholds, revised 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) general grants. These are mainly intended as a contribution towards basic essential outgoings such as

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food, housing and heating. In 2021 they represented 77% of aid distributed. The cost of heating in winter is also relieved by specific heating grants. 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 repairs or contributions towards exceptional household bills;

Medical grants are for essential medical, dental and optical work and related expenses, often completing state or other insurance reimbursements;

Heating grants;

Clothing grants;

Christmas grants;

Education grants;

Repatriation grants.

All cases are followed closely; the amounts, duration and suitability of individual grants are carefully considered and monitored by the Welfare Team. Everyone seeking assistance from the Charity is expected to ensure that they are receiving their full entitlement to pensions and allowances from the British, French and any 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 2021**

##### **4.1 The social environment; still affected by Covid-19 and post "Brexit" registration**

Few had foreseen the duration of the Covid pandemic in France; by preventing family reunions and visits, including those by BCF Welfare Team Members, it continued to be a major influence on the social life of our beneficiaries during 2021, even when confinements were lifted. Reduced family contact underlined the loneliness and isolation of many of our older beneficiaries. Visits by Team Members to their beneficiaries remained suspended, making it more difficult to provide moral support, an important part of the assistance the BCF brings to those who seek its help. This is accentuated by the fact that over 40% (65) of our beneficiaries live alone.

A high level of welfare spending at the start of the year caused the management of the association, the British Charitable Fund in France, to advise all its beneficiaries that the available resources would be focussed on their fundamental needs of food, housing and heating. Other items, which might have been funded in the past, would have to take a lower priority. The result was a significant reduction in expenditure classed as "Sundry" compared to the prior year's level. In this context, after a broader clothing grant in January, assistance with clothing was only given on a case-by-case basis, instead of being provided to all who had been eligible under the previous allocation approach.

The Welfare Team worked closely with the Consulates, and with the three associations (the International Organisation for Migration, the Soldiers, Sailors, Airmen and Families Association, the Franco-British Network) selected by the British government, with the Church of England, to help members of the British resident population in France to meet their registration obligations. Their aim was to persuade all BCF beneficiaries to apply for their continuing right to

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reside in France, if that was their intention. The Team played a similar role in encouraging beneficiaries to obtain vaccination against Covid.

Where repatriation was the most sensible option, the Welfare Team made every effort to facilitate execution of this often profoundly upsetting decision.

Once again, the Trustees express their sincere appreciation of the dedication and care with which the Welfare Team, coordinated by Julia Howes, carries out its activities and manages the stress among its members, which inevitably results from exposure to numerous tragic sets of circumstances.

#### **4.2 The Numbers and Profiles of Beneficiaries**

The BCF provided financial support to 153 (167 in 2020) people making up 105 (114 in 2020) households, during the year. 8 people were repatriated. The tendency noted last year, to receive an increasing number of requests for intervention from younger people, does not seem to have persisted. The number of beneficiaries whose ages fell between 61 and 70 was almost the same as those over 70 (35 and 38 respectively) while the number being helped with ages between 40 and 60, at 52 in that 20-year range, was well below the 73 in the older ranges. The proportion of beneficiaries aged below 60 fell from last year's 55% to 44%.

For a growing number of beneficiaries, the presence of mental health issues is a key factor. When these are sufficiently serious to render impossible direct communication with the beneficiary, the Welfare Team members reinforce links with the French authorities, both to have a protective guardianship established ("tutelle") and to try to ensure that the interests of the beneficiary are really being protected. As the general population in France ages, so the structures for handling such cases are becoming overstretched in several areas. The BCF in France works extremely closely with the Consulates to manage the relations with the French local authorities in this context.

The obligation for British residents, who wish to remain in France, to register with the French authorities has had a side effect of providing a figure for the number of such residents. No longer recorded at the Consulates, the current number of registered British residents in France is now established at some 165,000. That would suggest that the beneficiaries who apply to the BCF for help only represent 0.1% of this population. While it would be reassuring to feel that hardship among the British in France was so limited, we often ask ourselves if there are many in situations of difficulty who, for whatever reason, do not address themselves to us. Our limited resources could be quickly put under pressure if the numbers seeking our support rose significantly. It is certainly the case that there is much local solidarity among the members of our British Community, and we take this opportunity to thank those, whether organised into associations or acting personally, who share the burden with us.

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#### 4.3 Analysis of aid distribution by types of grants made in 2021

	2021		2020	
	£	€	£	€
Types of Grants:				
Regular & Temporary Grants	£ 192,789	223,250 €	£ 195,062	220,420 €
Special Support Grants:				
Sundry Grants	£ 22,588	26,155 €	£ 40,214	45,442 €
Heating	£ 12,863	14,895 €	£ 21,535	24,334 €
Christmas	£ 7,556	8,750 €	£ 9,823	11,100 €
Repatriation	£ 8,326	9,642 €	£ 7,328	8,281 €
Medical	£ 2,668	3,089 €	£ 5,581	6,307 €
Educational	£ 2,570	2,976 €	£ 3,288	3,715 €
Clothing	£ 1,554	1,800 €	£ 2,699	3,050 €
British Community	£ -	€ -	£ -	€ -
	£250,914	290,558 €	£285,530	322,649 €

The total of grants distributed has dropped back by 12% in Sterling but only 10% in Euros due to the exchange rate effect; the main elements of the reduction, in thousands of Euros, were the fall in Sundry Grants, already mentioned, by € 19, in Heating Grants by € 9 due to the milder winter and in Medical Grants by € 3. Repatriation grants remain, unsurprisingly, close to the previous year's level.

The sundry grant total covers a variety of items. In certain cases, people who can normally make ends meet, just need help for a single unexpected cost. Repairs to a vital vehicle or to their house, or the replacement of a domestic appliance, are typical uses of these grants. They remain the second category of grants in importance, but some 44% below the prior year's total.

British Community grants are resumed in 2022.

#### 4.4 Tribute to George Bauermeister, Honorary Trustee

George Bauermeister, Trustee of the Charity from 2006 to 2018, passed away on 30th July 2021. Forced by ill health to abandon an active role in 2017, he had been named Honorary Trustee for life after the termination of his final five-year mandate in 2018. A distinguished accountant, George had joined when the Victoria Fund, with which he was associated, was merged into the Charity in 2006. Initially member of the Welfare Committee, he became Honorary Secretary of Welfare in 2010, a post he retained until his departure in 2017. George had also been a significant donor to the Charity, preferring to remain anonymous when he made his most generous gift. His final years were overshadowed by the effects of his illness and by the passing away of his long-time partner, Madeleine, in 2020.

The Trustees recognise his essential contribution, primarily in the Welfare activity but also as an active Finance Committee member. George has been greatly missed since his departure four years earlier.

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#### **5. Referrals and working with other Charities and Organisations**

Many of our applicants come to the Charity directly, having heard of the BCF from friends or found it on the internet; 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. The close working relationship with the Consulates remains a cornerstone of our action and allows us to appreciate all that they do to assist British residents suffering misfortune.

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

#### **6. Projections for 2022 and Fundraising Activity**

As the effect of the Covid restrictions falls away, the BCF in France Welfare Team can restart visits to beneficiaries, to the considerable relief of both. At the time of writing, visits may still only be made to those who have been fully vaccinated. It will become apparent during the year when this restriction can be lifted. The Welfare Team has been reinforced with two new members, Anna-Marie Griffiths and John Quayle, who will allow the BCF to spread the beneficiary contact work and to improve the focus on each case.

The number of beneficiary households is varying quite widely; from 99 in September 2021, it fell to 63 by February, 2022 but rose to 83 by the end of April, 2022. Most of the variance is in the number of people living alone, going at the same dates from 68 to 41, then back up to 60. There was a rush for people to obtain up-to-date passports during the residence registration period, with a number coming to the BCF for help with the cost. That is unlikely to continue, but it has little effect on the overall spending levels; the reduction in the number of temporary grants, from some €15,500/month in early 2021 to some € 11,000 in 2022 has a significant effect. On the other side, the steep rises in fuel costs caused the BCF to authorise a further heating grant in February; it remains to be seen if further assistance will be needed for that reason, as the French government has intervened to limit the cost increases billed to individuals. The two effects balanced out for the first four months; we expect a somewhat lower total welfare cost for the full current year than in 2021.

Donation support in 2021 remained close to the prior year's level, with some 75% coming from the Hertford British Hospital Corporation (HBHC). The Boards of Trustees of the two long-standing British charities in France are examining the possibility of a more formal link between the two at some future date, as the expected resources of the HBHC in the longer term would allow it to meet the needs of the BCF. The RBL remains a constant source of support, carrying all the costs of those beneficiaries whom it has referred to the BCF. Both these charitable organisations receive sincere thanks from the BCF Board.

Meanwhile, the BCF organisation, in the UK and in France, prepares to celebrate the 200th anniversary of the Charity next year. Given the limitations of our resources, which are of course destined in priority to meeting the needs of our beneficiaries, we will be seeking some specific sponsor support for the celebrations. The principal objective will be to widen the awareness of the BCF in both countries, and the appreciation of its action. The BCF will also be able to express its gratitude to all those who have supported it over past years.

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#### **SECTION B: STRUCTURE OF THE BCF, MANAGEMENT AND POLICIES**

##### **1. Structure and Management**

The British Charitable Fund, Paris, was founded in 1823 by the future British Ambassador, Lord Granville; in 1895 it was promised a substantial endowment, some £ 90,000, under the will of Colonel Hylton Briscoe. Litigation prevented the funds being transferred to the BCF till 1900, when the first “Scheme” was set up under the aegis of the Charity Commission. The BCF is governed by a revised Scheme authorised by the Charity Commission on the 16th February 1987. Under the terms of the revised 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, on guidelines laid down by the Charity. An additional agreement between the two organisations clarifies their relations. 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 of Trustees, for one year, and are eligible for re-election.

The French Association is managed by a board of directors (“Conseil d’Administration”) elected by its members annually in their Annual General Meeting, also for one year.

All Trustees and Administrateurs give their time without remuneration.

##### **2. Governance - The Board of Trustees**

A broad range of expertise and experience is represented on the Board of Trustees. In order to maintain the effective coordination of the activities in France and in the U.K., a Coordination Committee, composed of the officers of the two entities, has replaced the previous Executive Committee of the Charity. This group keeps the skill requirements of the Charity and the Association under review and initiates the search for new Trustees or members of the association. The further interviewing and recommendation of candidates is delegated to a nominations committee drawn from the relevant entity. Trustees of the U.K. Charity are appointed by the full Board of Trustees; members of the French Association are appointed by the Conseil d’Administration.

Each new Trustee receives 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 Board meetings. To reinforce their ability to handle their responsibilities effectively, the Trustees participate in relevant training courses.

##### **3. Operational Policies and Management**

All policies are reviewed and adopted by the Board of Trustees of the UK Charity. The Coordination Committee meets as required, normally every two months, to review all aspects of the BCF’s operations.

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The Welfare Committee of the French Association, which manages relations with beneficiaries, holds monthly Case Meetings, and annually three Committee Meetings, for the approval of the reports which the association transmits 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 has no employees; the French Association employs one administrative assistant.

#### **4. 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.

#### **5. 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.

#### **6. Safeguarding Policy**

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

#### **7. 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, INVESTMENTS AND COMMUNICATION**

### **1. 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.

### **2. Reserves Statement**

The General Fund, the Charity's unrestricted fund, valued at the end of 2021 at £1,076,364, permits any shortfall from the Charity's investment and donation income each year to be fully covered. All income is applied to the Charity's objective over a period. The Trustees' reserve policy is reviewed annually.

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#### **3. Income and Expenditure – Statement of Financial Activities**

The 2021 accounts have been prepared in accordance with the 2019 Statement of Recommended Practice (SORP) for Charity Accounts.

Total income in 2021 was £ 155,093 which included investment income from the General and Endowment portfolios of £ 57,345.

Total expenditure in 2021 was £ 343,077 which included grants to beneficiaries of £ 250,914, general expenses of £ 90,854 and fundraising expenses of £ 1,309. The apparent increase in general expenses arises from moves in the £/€ exchange rate. The total includes exchange losses of some €8,000 in 2021, while the 2020 total benefitted from exchange gains of the same amount.

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 Corporation; the Statement of Financial Activities includes an estimate of the value as a rental charge with a corresponding value being shown as a donation.

Net realised losses on the sales of investments were £ 12,581 and the year-end valuation of the portfolios gave rise to unrealised book profits of £ 259,039. The return during the year on the two funds was some 10%. The Trustees renew their appreciation of the performance achieved by the fund managers, within the conservative guidelines agreed with them.

For 2021 total expenditure of £ 343,077 was balanced by income of £ 155,093 and net investment gains of £ 246,458 to provide a positive result for the year of £ 58,474, recovering the negative result recorded in 2020.

The Balance Sheet as at 31 December 2021 shows net assets of £ 3,118,209 of which £ 2,041,845 (65% of the total) relates to the Endowment Fund and £ 1,076,364 relates to the General Fund. The increase in the Endowment Fund proportion of the assets reflects the accumulation of capital gains in that Fund.

#### **4. Projections for 2022**

For the financial year 2022, as in 2021, the income generated by the investments will remain below historical levels, although interest rates are expected to rise in the face of higher levels of inflation.

While the financial situation of the Charity is sound, during 2022 the Trustees are considering moving to apply the Charity Commission guidance of 2013, which would permit the accumulated capital gains in the Endowment Fund to be made available to fund expenditure to meet the Charity's objectives, under certain conditions. This would obviate the need to sell investments held in the General Fund portfolio, to make up for the expected shortfall in income by comparison to the expected welfare and general expenditure.

#### **5. Investment Policy and the Management of the Portfolios**

##### **5.1 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, when necessary, the realisation of capital gains on the sale of shares. The Trustees retain the priority of the maintenance of capital values.

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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 has been restricted to realised income and capital gains.

The COIF fund units within the Endowment Fund cannot be sold without the Trustees’ prior permission.

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

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

<b>Asset Class</b>	<b>General Fund Range %</b>	<b>Endowment Fund Range %</b>
Fixed interest	0-30	10-50
Equities	50-80	25-60
Alternative	0-30	0-35
Cash	0-20	0-20

The portfolio is split in line with these agreed percentages. The range for Fixed Interest holdings in the Endowment Fund was extended from 20–50 to 10–50 early in the year, in the expectation of interest rate rises.

#### **5.2 Investment Performance 2021**

There was a weak start to the year, with both funds showing a small negative return after the first two months. Thereafter, monthly returns varied; May, July, September and November all proved difficult, with March and the even months providing nearly all of the return in both funds. The backdrop was continuing central bank support for bond markets and generally very low or negative interest rates across all market areas. The stability of economic prospects was somewhat upset by Russian military activity close to the Ukraine frontier towards the end of the year, and unusually aggressive actions by the People’s Republic of China towards Taiwan, but neither prevented December seeing a return during the month of just over 1%, taking the two funds together.

Inflationary pressures, notably in the key economies of the USA and Germany, had begun to be a sensitive issue during the second half of the year, but they were not yet expected to be of long duration. Nevertheless, the question of raising interest rates received increasing attention, with the risks of obstructing future growth.

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The following performance and benchmark data for 2021, has been provided by Cazenove.

	<b>12-month total returns</b>
ENDOWMENT FUND	10.2%
GENERAL FUND	9.9%
FTSE ALL SHARE GBP	18.3%
FTSE GVT ALL STOCK GBP	-5.2%
MSCI AC WORLD GBP	19.6%

The mix of assets in both the Endowment and the General Funds leads to the expectation that the return on each fund should fall between the equity and bond indexes. In detail, it was noted that the performance in North American markets fell well below the relevant benchmarks, while in emerging markets, the contrary was true.

#### **5.3 The Investment Portfolios in 2022**

The reality of higher inflation rates, due in part to the Russian invasion of Ukraine, has brought rising interest rates into policy options. Executed at different speeds, except in China, where the policy of intermittent close downs to quell pockets of Covid has already depressed activity, they raise the question of whether this approach to easing demand will not cause a recession in major economies. Interest rates are so far from levels which could have been considered threatening in the past that their psychological effect may weigh more heavily than their real influence on economic decisions. In any case, it seems likely that growth will be slowed to reduce the political pressures arising from losses of purchasing power due to inflation.

In that context, the outlook for investment markets is cloudy. January saw negative trends in both funds, with February still negative but improving. March gave a positive result, but April fell back, so both funds remained in negative territory after four months. It will be an opportunity for active managers to show their merits, as index-linked funds seem unlikely to shine.

#### **6. Fundraising & Communications**

The Charity's fundraising and communications activities retain 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 may require our assistance.

During 2021 the BCF received donations and gifts totalling £ 97,726, some 4% below last year's level. We take this opportunity to thank all the organisations and friends, including the Hertford British Hospital Corporation and the Royal British Legion, whose generosity made up this sum. As always, we hope that the information in this report will reinforce their confidence in the effective use of their funds.

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For those who are unfamiliar with the options for supporting our activity, please either contact the Charity by email at [office@bcfparis.org](mailto: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; the focus for new campaigns to raise funds in the U.K. and in France will be the Charity's bicentenary next year. Our plans for communications over the last two years have suffered from the uncertainty linked to the periodic resurgence of Covid threats. As the investment outlook is most unclear, we wish to stress our dependence on the goodwill of the British community in France; we hope that the bicentenary will also enable us to revive the interest of prior times in the U.K.

The Report of the Trustees was approved by the Trustees of the Charity in the meeting held on

Signed on behalf of the Trustees by the Chairman Mr. Richard Hallows

Dated: 20th October, 2022



Mr. Richard Hallows

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## **THE BRITISH CHARITABLE FUND, PARIS**

### **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 the 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 the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods 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 reasonable steps for the prevention and detection of fraud and other irregularities.

## THE BRITISH CHARITABLE FUND, PARIS

### REPORT OF THE TRUSTEES AND ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021

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#### 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 2021.

#### **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 the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the 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 the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



.....  
G SPINKS ACA  
DIXON WILSON  
22 Chancery Lane  
London WC2A 1LS

25<sup>th</sup> October 2022

# Helping the British Community in France since 1823

## THE BRITISH CHARITABLE FUND, PARIS

### ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021

#### STATEMENT OF FINANCIAL ACTIVITIES

31.12.2020			31.12.2021				
Endowment Fund £	General Fund £	Total Fund £		Endowment Fund £	General Fund £	Total Fund £	
			<b>INCOME :</b>				
-	101 876	<b>101 876</b>	-Donations & Legacies	(2)	-	97 726	<b>97 726</b>
-	66 396	<b>66 396</b>	-Investment Income	(3)	-	57 345	<b>57 345</b>
-	-	-	-Other Income		-	22	<b>22</b>
	168 272	<b>168 272</b>	<b>TOTAL INCOME</b>		-	155 093	<b>155 093</b>
			<b>EXPENDITURE :</b>				
-	2 119	<b>2 119</b>	Fundraising Expenses	(4)	-	1 309	<b>1 309</b>
			Charitable Activities :				
-	285 530	<b>285 530</b>	Grants to Beneficiaries	(5)	-	250 914	<b>250 914</b>
6 386	73 938	<b>80 324</b>	Support & Governance expenses	(6)	6 553	84 301	<b>90 854</b>
-	3 006	<b>3 006</b>	Retirement & other non-recurring expenses	(7)	-	-	<b>-</b>
6 386	364 593	<b>370 979</b>	<b>TOTAL EXPENDITURE</b>		6 553	336 524	<b>343 077</b>
(19 671)	(8 368)	<b>(28 039)</b>	<b>REALISED GAINS/(LOSSES) ON THE SALE OF INVESTMENTS</b>		(11 067)	(1 514)	<b>(12 581)</b>
116 153	57 182	<b>173 335</b>	<b>UNREALISED GAINS/(LOSSES) ON THE REVALUATION OF INVESTMENTS</b>		167 679	91 360	<b>259 039</b>
96 482	48 814	<b>145 296</b>	<b>NET GAINS/(LOSSES) ON INVESTMENTS</b>		156 612	89 846	<b>246 458</b>
90 096	(147 507)	<b>(57 411)</b>	<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		150 059	(91 585)	<b>58 474</b>
(1 558)	1 558	-	<b>TRANSFER BETWEEN FUNDS</b>	(11)	1 790	(1 790)	<b>-</b>
88 538	(145 949)	<b>(57 411)</b>	<b>NET MOVEMENT FOR THE YEAR</b>	(11)	151 849	(93 375)	<b>58 474</b>
1 801 458	1 315 688	<b>3 117 146</b>	<b>TOTAL FUNDS AS AT 1 JANUARY</b>	(11)	1 889 996	1 169 739	<b>3 059 735</b>
£1 889 996	£ 1 169 739	<b>£ 3 059 735</b>	<b>TOTAL FUNDS AS AT 31 DECEMBER</b>	(11)	£ 2 041 845	£ 1 076 364	<b>£ 3 118 209</b>

# Helping the British Community in France since 1823

## THE BRITISH CHARITABLE FUND, PARIS ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021

### BALANCE SHEET

as at 31<sup>st</sup> December 2021

31.12.2020 £			31.12.2021 £
	<b><u>FIXED ASSETS</u></b>	(notes)	
1 891 612	Investment Portfolio - Endowment Fund	(8)	2 043 445
1 077 083	Investment Portfolio - General Fund	(8)	898 902
2 968 695			2 942 347
	<b><u>CURRENT ASSETS</u></b>		
3 943	Debtors	(9)	1 107
109 284	Cash at Bank		190 150
113 227			191 257
	<b><u>CURRENT LIABILITIES</u></b>		
(22 187)	Creditors	(10)	(15 395)
£ 3 059 735	<b><u>NET ASSETS AT 31 12 2021</u></b>		£ 3 118 209
	<b><u>CHARITABLE FUNDS</u></b>		
£ 1 889 996	Endowment Fund	(11)	£ 2 041 845
£ 1 169 739	General Fund	(11)	£ 1 076 364
£ 3 059 735	<b><u>FUNDS AT 31 12 2021</u></b>		£ 3 118 209

The Financial Statements on Pages 16 to 24 were approved by the Trustees on 20th October, 2022 and were signed on their behalf by:



G. MULLALY  
Treasurer



R. HALLOWS  
Chairman

# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS**

### **ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

### **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 impact of the Covid-19 pandemic in 2020 and 2021 on the value of the Charity's portfolios has been 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 affect 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.

##### **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.

# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS** **ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

### **NOTES TO THE ACCOUNTS**

#### **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 and taken into the specific fund to which they relate.

#### **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.

#### **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.

# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS** **ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

### NOTES TO THE ACCOUNTS

#### 2. Donations and Legacies

	<b>Endowment Fund £</b>	<b>General Fund £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
From Institutions, Community Groups, Trusts & Foundations.	-	72 194	72 194	57 965
From Individuals	-	6 966	6 966	24 884
Donation in kind - Nominal office rent.	-	18 566	18 566	19 027
	<b>£ -</b>	<b>£ 97 726</b>	<b>£ 97 726</b>	<b>£ 101 876</b>

#### 3. Investment income

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Listed investments	57 345	66 264
Interest on other deposits	-	132
	<b>£ 57 345</b>	<b>£ 66 396</b>

#### 4. Fundraising expenses

	<b>2021</b>	<b>2020</b>
Communications & website development	389	838
Fundraising expenses – Sundry (Fondation de France, Just Giving)	920	1 281
	<b>£1 309</b>	<b>£2 119</b>

# Helping the British Community in France since 1823

## THE BRITISH CHARITABLE FUND, PARIS ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021

### NOTES TO THE ACCOUNTS

#### 5. Charitable Activities : Grants to Beneficiaries

	Total 2021 £	Total 2020 £
Type of Grant:		
Regular & Temporary	192 789	195 062
Sundry	22 588	40 214
Heating	12 863	21 535
Christmas	7 556	9 823
Repatriation	8 326	7 328
Medical	2 668	5 581
Education	2 570	3 288
Clothing	1 554	2 699
	250 914	285 530

#### 6. Charitable activities: support and governance costs

	Endowment Fund £	General Fund £	Total 2021 £	Total 2020 £
Salary & social security, pension and related staff costs	-	45 642	45 642	45 862
Nominal office rent	-	18 566	18 566	19 027
Investment management costs	6 553	4 645	11 198	8 840
Cost of independent examination	-	5 422	5 422	4 969
Accountancy and advisory services	-	854	854	442
Other costs including Trustee expenses	-	7 234	7 234	8 894
Cancellation of 2020 Provision for Website Redesign	-	(6 300)	(6 300)	-
Exchange losses / (gains)	-	8 238	8 238	(7 710)
Total	£ 6 553	£ 84 301	£ 90 854	£ 80 324
Number of staff			1	1
Remuneration			£ 32 643	
Social security & pension contributions			£ 12 999	
<b>Total</b>			<b>£ 45 642</b>	

No employee received over £ 60 000 in 2021 or 2020.

# Helping the British Community in France since 1823

## THE BRITISH CHARITABLE FUND, PARIS ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021

### NOTES TO THE ACCOUNTS

#### 7. Retirement and other non-recurring expenses

Restructure costs - Third-party consultancy	-	-	-	3 006
Total	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 3 006</u>

#### 8. Investments

	Endowment Fund £	General Fund £	Total 2021 £	Total 2020 £
Market value at 1 January	1 865 221	996 418	2 861 639	2 843 527
Purchases at cost	437 827	320 221	758 048	842 138
Disposals at cost or 1 January valuation	(453 474)	(541 828)	(995 302)	(997 361)
Net gains on revaluation	167 679	91 360	259 039	173 335
Market value at 31 December	<u>2 017 253</u>	<u>866 171</u>	<u>2 883 424</u>	<u>2 861 639</u>
Cash awaiting investment	26 192	32 731	58 923	107 056
Total	<u>£2 043 445</u>	<u>£898 902</u>	<u>£2 942 347</u>	<u>£2 968 695</u>

#### 9. Debtors

	2021	2020
Donations receivable	1 000	3 853
Other debtors	107	90
	<u>£1 107</u>	<u>£3 943</u>

#### 10. Creditors: amounts falling due within one year

	2021	2020
Accruals	8 200	15 372
Payroll social security and holiday pay	7 195	6 815
	<u>£15 395</u>	<u>£22 187</u>

# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS** **ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

### NOTES TO THE ACCOUNTS

#### 11. Movement in funds

	<b>Endowment Fund £</b>	<b>General Fund £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
At 1 January	<b>£ 1 889 996</b>	<b>£ 1 169 739</b>	<b>£ 3 059 735</b>	<b>£3 117 146</b>
Transfer between Funds	<b>1 790</b>	<b>(1 790)</b>	<b>-</b>	<b>-</b>
Surplus/(Deficit) for the year	<b>150 059</b>	<b>(91 585)</b>	<b>58 474</b>	<b>(57 411)</b>
At 31 December	<b>£ 2 041 845</b>	<b>£ 1 076 364</b>	<b>£ 3 118 209</b>	<b>£ 3 059 735</b>

#### Represented by :

Portfolios	<b>2 043 445</b>	<b>898 902</b>	<b>2 942 347</b>	<b>2 968 695</b>
Sundry debtors	<b>-</b>	<b>1 107</b>	<b>1 107</b>	<b>3 943</b>
Cash at bank and in hand	<b>-</b>	<b>190 150</b>	<b>190 150</b>	<b>109 284</b>
Creditors	<b>(1 600)</b>	<b>(13 795)</b>	<b>(15 395)</b>	<b>(22 187)</b>
Total	<b>£ 2 041 845</b>	<b>£ 1 076 364</b>	<b>£ 3 118 209</b>	<b>£ 3 059 735</b>

#### 12. Trustees' expenses reimbursed

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Beneficiary visits & other beneficiary costs	<b>822</b>	<b>-</b>
Meeting Costs	<b>425</b>	<b>-</b>
	<b>£ 1 247</b>	<b>£ -</b>

The Trustees did not receive any remuneration for their services as Trustees. Three trustees had expenses reimbursed in 2021. No trustees had expenses reimbursed in 2020.

# *Helping the British Community in France since 1823*

## **THE BRITISH CHARITABLE FUND, PARIS** **ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

### **13. Financial Assets & Liabilities**

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

<b>Endowment Fund £</b>	<b>General Fund £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>£ 2 043 445</b>	<b>£ 898 902</b>	<b>£ 2 942 347</b>	<b>£2 968 695</b>

### **Investment Portfolios**

### **14. Related Party Transactions**

Apart from the reimbursements of expenses cited in note 12 above, there have been no transactions with related parties in 2021 which require disclosure.

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