



CHARITY COMMISSION
FOR ENGLAND AND WALES

British Council Benevolent Fund			Charity No (if any)	161805	
Annual accounts for the period					
Period start date	18/03/2015	To	Period end date	31/03/2016	

Section A Statement of financial activities

Recommended categories by activity	Guidance Notes	Restricted			Total funds	Prior year funds
		Unrestricted funds	income funds	Endowment funds		
		£	£	£	£	£
		F01	F02	F03	F04	F05
Incoming resources						
Income and endowments from:						
Donations and legacies	S01	11,367	3,414	-	14,781	7,463
Charitable activities	S02	2,634	3,348	-	5,982	4,125
Other trading activities	S03	10	-	-	10	-
Investments	S04	10,068	-	-	10,068	15,526
Separate material item of income	S05			-	-	-
Gift Aid	S06	2,761.97	-	-	2,762	373
Total	S07	26,841	6,762	-	33,603	27,487
Resources expended						
Expenditure on:						
Raising funds	S08	-	-	-	-	-
Charitable activities	S09	44,373	12,350	-	56,723	25,811
Separate material item of expense	S10					
Overseas Loans' write off	S11	52	-	-	52	-
Exchange rate differences	S12	44,425	12,350	-	56,775	26,859
Total						
Net income/(expenditure) before investment gains/(losses)	S13	- 17,584	- 5,588	-	- 23,172	628
Net gains/(losses) on investments	S14	- 33,916	-	-	- 33,916	46,662
Net income/(expenditure)	S15	- 51,499	- 5,588	-	- 57,087	47,290
Extraordinary items	S16	-	-	-	-	-
Transfers between funds	S17	-	-	-	-	-
Other recognised gains/(losses):						
Gains and losses on revaluation of fixed assets for the charity's own use	S18	-	-	-	-	-
Other gains/(losses)	S19	1,000	-	-	1,000	-
Net movement in funds	S20	- 50,499	- 5,588	-	- 56,087	47,290
Reconciliation of funds:						
Total funds brought forward	S21	-	-	-	-	-
Total funds carried forward	S22	- 50,499	- 5,588	-	- 56,087	

Testing Leadsheet

[Incoming Res](#)

[Expenditure Sch](#)

Section B Balance sheet

	Guidance Notes	Unrestricted funds £ F01	Restricted income funds £ F02	Total this year £ F04	Total last year £ F05
Fixed assets					
Intangible assets	B01	-	-	-	-
Tangible assets	B02	-	-	-	-
Heritage assets	B03	-	-	-	-
Investments	B04		-	-	
Total fixed assets	B05	-	-	-	-
Current assets					
Unsecured Loans	B06	2,935	-	2,935	7,686
Debtors	B07	22,693	-	22,693	108,509
Investments	B08	607,922	-	607,922	458,837
Cash at bank and in hand	B09	101,597	-	101,597	191,872
Total current assets	B10	735,147	-	735,147	766,905
Creditors: amounts falling due within one year	B11	53,153	-	53,153	28,824
Net current assets/(liabilities)	B12	681,994	-	681,994	738,081
Total assets less current liabilities	B13	681,994	-	681,994	738,081
Creditors: amounts falling due after one year	B14	-	-	-	-
Provisions for liabilities	B15	-	-	-	-
Total net assets or liabilities	B16	681,994	-	681,994	738,081
Funds of the Charity					
Endowment funds	B17	-		-	-
Restricted income funds	B18		-	-	-
Unrestricted funds	B19	681,994		681,994	738,081
Revaluation reserve	B20			-	
Total funds	B21	681,994	-	681,994	738,081



Trustees' Annual Report for the period

Period start date			Period end date		
18	3	2015	31	03	2016
From			To		

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Sheila Lumsden, OBE	Manchester	Since October 2010	British Council Board of Trustees
2	Firzana Perveen	Manchester	Appointed pre-2010	British Council Board of Trustees
3	Stephanie Ashcroft	Manchester	Since November 2011	Director HR (delegated by British Council Board of Trustees)
4	Mark Herbert	London - Chair	Since November 2011	Director HR (delegated by British Council Board of Trustees)
5	Eleanor Hart	London	Since November 2015	Director HR (delegated by British Council Board of Trustees)
6	Andrew Spells	London	Since November 2015	Director HR (delegated by British Council Board of Trustees)
7	Jane Costello	London	Since November 2015	Director HR (delegated by British Council Board of Trustees)

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

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Section B Structure, governance and management

Description of the charity's trusts

Type of governing document (eg. trust deed, constitution)	Trust Deed
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	Trustees nominated from across the British Council workforce and approved by Director HR with approval delegated from the British Council's Board of Trustees.

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- Trustees' consideration of major risks and the system and procedures to manage them.

1. ORGANISATIONAL STRUCTURE

The Benevolent Fund is a subsidiary charity of the main Charity, the British Council. The original Benevolent Fund was set up in 1948 and is administered by a Committee of Management. The Benevolent Fund, Charity Number 209131-1 ceased to exist in its former status as a linked Charity to the British Council. Trust Deeds were altered by a Scheme dated 18 March 2015 and amended by a Resolution under Section 280 Charities Act 2011, bringing the new Independent Charity into being. The succeeding "British Council Benevolent Fund" Charity no 161805, commenced its operations on March 18th 2015.

The Committee of Management currently comprises 7 Trustees, one as Chair and also a Secretary (from HR Department), a Treasurer (from Finance Department) and a representative of the British Council Association (BCA) for retired staff.

All but one of the Committee members is a serving British Council member of staff, with the Chair of the BCA (retired member of staff) representing the interests of retired staff.

All of the Committee members reside in England.

The Trustees are as named on the first page.

Other officers of the Fund for 18 March 15 – 31 Mar 16 were ;

- Secretary – Beatrice Pryde (PA to Director HR)
- Treasurer – Nick Santas (with further financial support from Graham Davey). The services of both Nick Santas and Graham Davey are provided to the Benevolent Fund, free of charge.

There are colleagues in each of the 5 UK offices who volunteer to co-ordinate fundraising activities, particularly during the Benevolent Fund Week and Christmas fundraising.

The intranet and SharePoint sites are maintained by both Stephanie Ashcroft and the Secretary with support from Firzana Perveen.

2. INDUCTION AND TRAINING OF TRUSTEES

There was no specific training for Trustees during 15/16 but finance colleagues have continued to give support in ensuring clear financial reporting at each meeting, both written and verbal, to the benefit of all Trustees.

3. SYSTEMS & PROCEDURES TO MANAGE RISK

The Committee of Management has continued to meet on a bi-monthly basis (6 times per year) and the Chair is in regular email contact with the Treasurer and Secretary. Any potential or realised risks, along with the system and procedures to manage them are discussed at each of the bi-monthly meetings and the Committee continually seeks to improve processes.

With the support of the Secretary, a list of current applications and grants/loans is maintained to enable Trustees to easily review applications and money spent at each meeting.

The Committee strives to ensure on going effective management of grants and in particular loan repayments.

The British Council's internal full financial audit team have examined and approved the annual accounts for 15/16. Any recommendations for control improvements made by Internal Audit are taken on board to improve systems.

Section C

Objectives and activities

Summary of the objects of the charity set out in its governing document

The British Council Benevolent Fund's charitable purpose is the alleviation of financial hardship for British Council employees, contractors and temporary staff, both past and present, and their families.

It is open to all payroll employees irrespective of where they are based globally. The overriding criterion for assistance being immediate need and financial difficulty; support is given for example when such difficulty arises as a result of illness, bereavement, natural disaster such as earthquakes/floods or in areas of conflict.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

Support takes the form of a one-off grant (usually to a maximum of £2,000 but occasionally up to £3,000 or more if it is deemed appropriate and 5 out of 6 Trustees agree) or an interest free loan (usually to a maximum of £2,000) repayable from salary on a monthly basis over a reasonable period usually within 2yrs but up to 3yrs maximum.

All applications must be received through the Country Director or Head of Department who act as sponsors to the applicant.

Two Trustees must approve applications up to £2,000 (of which one is the Chair or Acting Chair in their absence); applications up to £3,000 must be approved by at least three Trustees and five out of six Trustees for anything over £3,000. All applications received must be confirmed as true and valid by the Country Director for overseas staff (current and retired); by Head of Department for UK staff and by HR/last line manager/BCA for UK retired staff.

Applications can be made at any time throughout the year to ensure the response can be timely and appropriate. The impact of the grant can be very real and positive, e.g. access to medical care for staff members, elderly parents, spouses or young children, the repair of a house due to natural disasters, support for bereavement costs otherwise unaffordable or support to help with initial rent deposit to provide secure housing are just some of the types of cases dealt with on an annual basis.

Beneficiaries can be any British Council employee, and as per p22/23 of the Charity Commission's guidance on Charities and Public Benefit is deemed to meet the exception to the general rule on charities, that in this instance as an *employee benevolent fund concerned with the relief of poverty of people who are connected by a common employer* it does meet the criteria for public benefit and charitable status. The new Trust Deeds that came into effect on March 18th 2015 and govern the 15/16 accounts have broadened the definition of beneficiaries to include contractors.

Provided that 'staff' shall include those who work as an employee or a contractor for*:

- a) the British Council;
- b) any wholly or partly owned subsidiary of the British Council;
- c) any wholly or partly owned subsidiary of BC Trading Limited; or
- d) any organisation offering services to any of those listed in a) - c).

*(extract of updated Trust deeds that came into effect on 18/03/2015)

There are also small Christmas grants dispensed to help alleviate hardship at that time. These applications can be sent by any line manager on behalf of an employee.

There are on-going small quarterly grants to a number of retired staff or their spouses in financial hardship, (three in the UK and one overseas).

Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- Contribution made by volunteers.

The Committee wishes to thank all of those who have supported the Benevolent Fund over the year. In particular staff, both current and retired, who have supported the Benevolent Fund on a regular basis or given generously to the Christmas Appeal through a cheque or payroll giving.

There was again the annual Christmas fundraising in UK offices, particularly London and Manchester and thanks to all those who baked, gave of their time, bought and ensured a continuing income stream to support the Benevolent Fund.

And finally, thanks to all at the British Council Association for their continued support of the Benevolent Fund.

The Benevolent Fund is especially grateful to staff and ex-members of staff who have covenanted faithfully over the years to the Benevolent Fund.

Summary of the main achievements of the charity during the year

As a result of a decision to expand the number of Grants awarded, in 2015/16 grants totalling £56,723 (£25,811 in 14/15) and loans totalling £4,140 were made to serving and retired colleagues.

The grants were comprised;

One-off grants - £ 46,508 (increase from £20,351 in 14/15)

Quarterly grants - £ 3,903 (increase from £3,600 in 14/15)

Christmas Grants - £ 6,312 (increase from £1,860 in 14/15).

Loans were made to 4 individuals (2 in the UK and 2 o'seas).

One off grants were paid to a total of 102 individuals (17 in 14/15) – 98 were to overseas colleagues (29 in Nepal and 43 in Chennai were for natural disasters) and 4 to colleagues in the UK.

Christmas Grants were paid to 51 individuals, 44 being overseas.

Section E

Financial review

Brief statement of the charity's policy on reserves

There is no exclusive policy on reserves except to ensure that funds are sufficient to meet the objectives of the Fund.

Details of any funds materially in deficit

There are no funds materially in deficit.

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

The Fund's principal sources of funds include donations, gifts and proceeds of sales and social events and legacies. Funds are also generated through investment income and growth.

Total income for 15/16 was £33,603 compared to £27,487 in 14/15.

Income increased by £6,116, this increase being largely due to the £7,318 increase in donations and legacies compared to 14/15.

Gift aid income increased by £2,389 due to the re-calculation of prior year reclaims.

Activities for generating funds made £5,982 for 15/16 which was a 45% increase on last year's total of £4,125. The Christmas Fair raised £4,210; this is higher than the £2,506 raised in 14/15.

Investment income showed a decrease of £5,458 in 15/16 £10,068 compared to £15,526 in 14/15. This is due to switching from Income to Accumulation investment units.

Cash reserves at 31/03/2016 stood at £101,597 compared to the £191,872 at the beginning of the year. £98,810 was received in cash from the sale of an M&G holding which took place at year end in 14/15. £183,000 was subsequently invested on the Schroeders Accumulation Fund for Charities. The Trustees agreed to this holding for the additional flexibility it provides in accessing cash for the purposes of the Fund in the years to come, while preventing the erosion of our long term capital.

The Fund continued to hold an investment in M&G's Charibond Income Fund and in Charifund Income and Accumulation Funds.

The value of the Fund's investments increased to £607,922 (£458,837 in 14/15) due to the aforementioned portfolio restructure completed at the beginning of the financial year. This increase was a combination of the £183,000 placement and a £33,916 net loss in the fair value of our investment portfolio in line with overall investment market weakness.

The total value of the Fund's assets (investment & cash reserves) were valued at £735,147 a decrease from the £766,905 in 14/15. This was due to the movements explained above, and Grants paid

exceeding Income.

Section F Other optional information

Most of the applications are from overseas staff, current and retired. Payments to staff in the UK are usually made through the Benevolent Fund's own bank account via cheque arrangements. Overseas payments are made through the British Council's financial system and a journal for repayment by the Benevolent Fund is then made. At year end, the Benevolent Fund owed £27,056 in overseas cash payments to the British Council. This was paid in full in September 2016. The Benevolent Fund has continued to be able to support the applications it has received throughout the year without reducing investment funds and maintaining the bank account at a level agreed by Trustees.

Apart from paying out grants and loans no other expenditure was incurred in 15/16.

There were no changes made to the Rules of the Fund. The annual accounts and annual report for 15/16 will be presented to the British Council Board of Trustees on the 13th December 2016.

Sarah Firth (PA to Director HR) was appointed Secretary to the Benevolent Fund in September 2016. Jane Costello stepped down as a Trustee in December 2016. Recruitment for the role will commence soon.

Section G Declaration

The trustees declare that they have approved the accounts and the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)



Full name(s)

Mark Herbert

Position (e.g. Secretary, Chair, etc)

Chair

Date

12 - January - 2017

Independent examiner's report on the accounts



CHARITY COMMISSION
FOR ENGLAND AND WALES

Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name

British Council Benevolent Fund

**On accounts for the
year ended**

31 March 2016

**Charity
no (if any)**

1161805

Set out on pages

(remember to include the page numbers of additional sheets)

**Respective
responsibilities of
trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

**Basis of independent
examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent
examiner's statement**

In connection with my examination, no matter has come to my attention (other than that disclosed below *)

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

* Please delete the words in the brackets if they do not apply.

Signed:

Date:

19/01/17

Name:

Audrey Haaxman - Director Internal Audit & Risk

Relevant professional qualification(s) or body (if any):

Dutch qualified accountant (RA)
(www.nba.nl)

Address:

10 Spring Gardens

London

SW1A 2BN

Section B

Disclosure

Only complete if the examiner needs to highlight material problems.(E.g. accounting records have not been kept in accordance with s132 of the Charities' Act 2011 and those accounts do not comply with the requirements of the 2008 Regulations setting out the form and content of charity accounts; any material expenditure or action which appears not to be in accordance with the trusts of the charity; any failure to be provided with information and explanations by any past or present trustee, officer or employee; and any material consistency between the accounts and the trustees' annual report.)

Give here brief details of any items that the examiner wishes to disclose.