

FRANCO-BRITISH SOCIETY

Registered Company Number: 00152104

Registered Charity Number: 214096

REPORTS AND ACCOUNTS For the Year Ended 31 January 2017



FIELD SULLIVAN LIMITED
CHARTERED ACCOUNTANTS

NEPTUNE HOUSE
70 ROYAL HILL
LONDON
SE10 8RF

FRANCO-BRITISH SOCIETY

Company Information

Directors: Lord Watson of Richmond
P McCoy FCA

Secretary: I.S.J. Gault

Registered Office: 3 Dovedale Studios
465 Battersea Park Road
London
SW11 4LR

Registered Company No: 00152104 (England and Wales)

Registered Charity No: 214096

Independent Examiner: Field Sullivan Limited
Chartered Accountants
Neptune House
70 Royal Hill
London
SE10 8RF

Investment Custodians: Charles Stanley & Co. Limited
25 Luke Street
London
EC2A 4AR

Company Website: <http://www.franco-british-society.org>

FRANCO-BRITISH SOCIETY

Report of the Directors for the Year Ended 31 January 2017

The directors present their report and the audited financial statements of the company for the year ended 31 January 2017. This is also a trustees' report required by the Charities Act 2006 and all trustees are directors.

Constitution

The Franco-British Society is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

Objects of the charity

The Franco-British Society is dedicated to encouraging closer relations between Britain and France. It acts as a focus for those individuals, groups and companies who wish to keep in touch with France, her history, language and current affairs, through a range of educational and cultural activities.

Directors and trustees

The directors during the year under review were:

Lord Watson of Richmond

P McCoy FCA

Appointment of council members

All members are circulated with invitations to nominate council members prior to the AGM. When considering appointing new council members the council has regard to any specialist skills that the Society needs.

Council members' Induction and training

New members are made aware of their legal obligations, guidance on public benefit, the content of the Memorandum and Articles of Association and the financial state of the Society together with forecasts for the current year.

Review of Activities

During the year a programme of monthly events was carried out to encourage the cultural and educational links between Britain and France. The literary prize was awarded in recognition of furthering Franco-British relations.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and activities and in the planning of future activities. It is the judgment of the Trustees that activities in pursuit of the above objectives fully meet the public benefit test, which they have kept in mind in planning programmes for the charity. In delivering services and in the appointment of volunteers and trustees the charity operates a strict policy of no discrimination on any grounds.

Results

The net resources deficit for the year before unrealised losses amounted to £4,757.

Reserves policy and risk management

The trustees seek to maintain a level of reserve income that the charity will require to sustain its programme of events. Free reserves amounted to £1,451 at 31 January 2017. Major risks that the charity faces are examined each year and systems developed to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

Investment policy

It is considered that the most appropriate policy for investing funds is a balanced managed portfolio of equity and fixed interest securities with a medium/low risk category.

FRANCO-BRITISH SOCIETY

Report of the Directors for the Year Ended 31 January 2017 (continued)

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report, which has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, was approved by the Board on 2 May 2017 and signed on its behalf by:



I S J Gault – Secretary
Franco British Society

Date

11/5/2017

FRANCO-BRITISH SOCIETY

Statement of Financial Activities
and
Income and Expenditure Account
For the Year Ended
31 January 2017

	<u>Restricted Funds</u>	<u>Endowment Funds</u>	<u>Unrestrict- ed Funds</u>	<u>Total Funds</u>	<u>Restricted Funds 2016</u>	<u>Endowment Funds 2016</u>	<u>Unrestrict- ed Funds 2016</u>	<u>Total 2016</u>
	£	£	£	£				£
<u>Incoming Resources</u>								
Incoming resources from generating funds - Voluntary Income:								
- Subscriptions & Donations	-	-	5,283	5,283	-	-	4,272	4,272
- Investment Income	196	743	292	1,231	212	874	352	1,438
Incoming resources from charitable Educational activities	-	-	<u>31,020</u>	<u>31,020</u>	-	-	<u>32,769</u>	<u>32,769</u>
Total incoming resources	<u>196</u>	<u>743</u>	<u>36,595</u>	<u>37,534</u>	<u>212</u>	<u>874</u>	<u>37,393</u>	<u>38,479</u>
<u>Resources Expended</u>								
Cost of generating funds:								
- Costs of generating voluntary income	-	-	743	743	-	-	1,128	1,128
Charitable educational activities	-	-	40,014	40,014	-	-	43,192	43,192
Grants Payable	-	-	100	100	600	-	100	700
Governance costs	-	-	<u>1,434</u>	<u>1,434</u>	-	-	<u>1,398</u>	<u>1,398</u>
Total resources expended	-	-	<u>42,291</u>	<u>42,291</u>	<u>600</u>	-	<u>45,818</u>	<u>46,418</u>
Net Income /(expenditure) before other recognised gains and losses	196	743	(5,696)	(4,757)	(388)	874	(8,425)	(7,939)
Surplus/(loss) on Investment Assets	<u>1,074</u>	<u>3,706</u>	<u>1,059</u>	<u>5,839</u>	<u>(406)</u>	<u>(1,677)</u>	<u>(674)</u>	<u>(2,757)</u>
Net movement in funds	<u>1,270</u>	<u>4,449</u>	<u>(4,637)</u>	<u>1,082</u>	<u>(794)</u>	<u>(803)</u>	<u>(9,099)</u>	<u>(10,696)</u>
Reconciliation of funds								
Total funds brought forward	<u>8,977</u>	<u>39,505</u>	<u>6,088</u>	<u>54,570</u>	<u>9,771</u>	<u>40,308</u>	<u>15,187</u>	<u>65,266</u>
Total funds carried forward	<u>10,247</u>	<u>43,954</u>	<u>1,451</u>	<u>55,652</u>	<u>8,977</u>	<u>39,505</u>	<u>6,088</u>	<u>54,570</u>

FRANCO-BRITISH SOCIETY

Company no. 00152104

Balance Sheet

at

31 January 2017

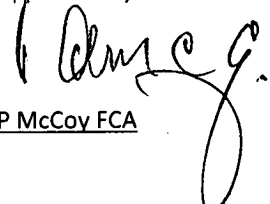
	Notes	<u>2017</u>		<u>2016</u>	
		£	£	£	£
Fixed Assets					
Tangible assets	3		796		995
Investments	4		<u>54,858</u>		<u>51,935</u>
			55,654		52,930
Current Assets					
Debtors	5	1,175		2,191	
Cash at bank and in hand		<u>1,711</u>		<u>3,209</u>	
		<u>2,886</u>		<u>5,400</u>	
Creditors: Amounts falling due within one year					
	6	<u>2,888</u>		<u>3,760</u>	
Net Current (Liabilities)Assets			<u>(2)</u>		<u>1,640</u>
Total Assets Less Current Liabilities			<u>55,652</u>		<u>54,570</u>
The funds of the charity:					
Restricted Funds	7		10,247		8,977
Endowment Funds			43,954		39,505
Unrestricted Funds			<u>1,451</u>		<u>6,088</u>
Total charity funds			<u>55,652</u>		<u>54,570</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

Approved by the Board on 2 May 2017 and signed on its behalf by:


P McCoy FCA

FRANCO-BRITISH SOCIETY

Notes to the Accounts for the Year Ended 31 January 2017

1. ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value. This is in accordance with the Companies Act 2006, Charities Act 2011 and the Charities Statement of Recommended Practice (FRS102). The Trustees have evaluated the funding and the operating activities and reserves position and have no material uncertainties about the Charity's ability to continue as a going concern. This is the first year that the accounts have been prepared in accordance with FRS102. Accordingly, the date of transition to FRS102 was 1 February 2016. In the transition to FRS102 no measurement or recognition adjustments were made and there are no restatements included in the financial statements.

(b) Fund Accounting

Unrestricted funds comprise the accumulated surplus that is available for the use at the discretion of the Council in furtherance of the objects of the charity.

Restricted funds are subject to special conditions imposed by the donor and are to be used to provide music scholarships.

The endowment fund represents a capital sum for generating income for scholarships.

Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to the categories of income:

Voluntary income comprises all incoming resources from membership subscriptions and donations. Voluntary income is recognised on a receivable basis as is Gift Aid.

Investment income comprises income from common investment funds and interest received from interest bearing deposits and securities.

Incoming Resources from Charitable Activities comprise event receipts from educational activities.

Resources Expended

Expenditure is accounted for on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

FRANCO-BRITISH SOCIETY

Notes to the Accounts
for the Year Ended
31 January 2017

1. ACCOUNTING POLICIES (cont'd)

- (b) **Governance costs** include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(c) Pensions

The charity does not operate a pension scheme.

(d) Fixed Assets and Depreciation

Expenditure of a capital nature is capitalised at cost as fixed assets.

Depreciation is provided on reducing balance basis at a rate of 20% per year.

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

FRANCO-BRITISH SOCIETY

Notes to the Accounts for the Year Ended 31 January 2017

2. OPERATING DEFICIT

The deficit for the year is stated after charging:

	<u>2017</u> £	<u>2016</u> £
Independent Examiner's remuneration	1,434	1,398
Depreciation - owned asset	<u>199</u>	<u>421</u>

3. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u> £
<u>Cost</u>	
At 1 February 2016	3,097
At 31 January 2017	<u>3,097</u>
<u>Depreciation</u>	
At 1 February 2016	2,102
Charge for year	<u>199</u>
At 31 January 2017	<u>2,301</u>
<u>Net Book Value</u>	
At 31 January 2016	<u>995</u>
At 31 January 2017	<u>796</u>

FRANCO-BRITISH SOCIETY

Notes to the Accounts
for the Year Ended
31 January 2017

4. FIXED ASSET INVESTMENTS

	<u>2017</u> £	<u>2016</u> £
Market Value at 1 February 2016	51,935	66,287
Additions	18,453	64,732
Disposal	(21,369)	(60,786)
Unrealised Gain	<u>5,839</u>	<u>(18,298)</u>
Market Value at 31 January 2017	<u>54,858</u>	<u>51,935</u>

Listed UK Investments:

3243	Aviva Invstrs UK Strat Bnd	3,558	3,412
1769	Legg Mason Inv Fnds IF Wstn Bnd Inc	2,082	1,902
3398	JO Hambro Cap Mng UK Eqty Inc	4,377	3,663
1676/2406	Man Fnd Mngnt UK GLG Undrvl Ast Pr	2,161	2,686
1723/2484	Old Mtl UK Alpha Acc Units Nav	2,203	2,663
5608	Stndrd Lf Inv UK Eq Inc	2,995	2,996
556	Aviva Inv Eq Inc	-	671
358	Axa Frmlgtn Unt Man US Grwth Acc	-	610
839	UBS Asst Mngnt US Eq Acc	-	630
2.44	Vngrd Inv UK US Eq Indx	932	652
1954	Blckrck Fnd Mngrs Cont Eu Inc D Units	2,816	2,525
710	Blckrck Fnd Mngrs Eu Dyn Fd Acc	710	836
268	JO Hambro Cap Mngnt Jpn Hdg Dis Nv	428	412
642	Schroder Un Trst Asian Alph Pls Z Acc	521	372
3113	Artemis Fnd Mngrs Glob Inc Unts	3,071	2,392
2611/3264	BNY Mlin Fnd Mngrs Nwtm Gbl Inc	3,997	3,985
2132/2650	M&G Inv Mngrs Gbl Div Fnd	4,542	3,910
3866	Abrdn Inv Fnd Abrdn Prop Trst	-	3,931
5040	Lgl&Gen Un Trst Mngrs UK Prop Inc	-	2,710
4622	Thrdndl Inv Fnds UK Prop Trst Inc	-	4,079
1398	BNY Mlin Fnd Mngrs Absol Insght WAc	-	1,455
3449/2486	BNY Mlin Fnd Mngrs Real Ret	3,914	2,738
3296	Stndrd Lf Gbl Absol Ret Strt In Acc	-	2,705
3352	AXA Fnd Mngrs Sterl	3,479	-
331	Blckrck Fnd Mngrs	1,009	-
249	Legal & Gen Unt Trst US Ind	1,102	-

FRANCO-BRITISH SOCIETY

Notes to the Accounts for the Year Ended 31 January 2017

4 Listed UK Investments (Contd)

936	Aberdeen Unt Trst Mngrs Prop Shs	1,581	-
1443	Invesco Fnd Mngrs Perpet G Trgt	3,409	-
6797	Jupiter Unt Trst Mngrs	3,932	-
15.38	Vanguard Inv Series	2,039	-
		<u>54,858</u>	<u>51,935</u>

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2017</u> £	<u>2016</u> £
Prepayments and accrued income	<u>1,175</u>	<u>2,191</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Income received in advance	487	688
Other creditors	<u>2,401</u>	<u>3,072</u>
	<u>2,888</u>	<u>3,760</u>

7. RESTRICTED FUNDS

	Balance At 1.2.2016 £	Investment revaluation and Incoming Resources £	Outgoing Resources £	Balance At 31.1.2017 £
Piano Fund	<u>8,977</u>	<u>1,270</u>	=	<u>10,247</u>

Purpose of Restricted Funds:

Piano fund: to provide funds for musical scholarships and other piano costs

FRANCO-BRITISH SOCIETY

Notes to the Accounts
for the Year Ended
31 January 2017

8. ALLOCATION OF NET ASSETS BETWEEN FUNDS

	<u>Tangible Fixed Assets</u> £	<u>Investments</u> £	<u>Current Assets</u> £	<u>Current Liabilities</u> £	<u>Net Assets</u> £
Restricted Fund	-	10,247	-	-	10,247
Permanent Endowment Fund	-	43,954	-	-	43,954
Unrestricted Funds	<u>796</u>	<u>657</u>	<u>2,886</u>	<u>(2,888)</u>	<u>1,451</u>
	<u>796</u>	<u>54,858</u>	<u>2,886</u>	<u>(2,888)</u>	<u>55,652</u>

10. TRUSTEES EXPENSES

No Trustee was or will be reimbursed any expenses in respect of the year under review.

Independent Examiner's Report to the Trustees of The Franco-British Society

I report on the financial statements of the company for the year ended 31 January 2017, which are set out on pages 3 to 10

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for the year under section 144(1) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as 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 financial statements 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:

1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met; or

2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Tim Sullivan FCA

Date: 2/4/17

Field Sullivan Limited • Chartered Accountants

Neptune House, 70 Royal Hill, London SE10 8RF