

**THE FRANCIS HEAD BEQUEST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 DECEMBER 2023**

CHARITY No. 277018
THE FRANCIS HEAD BEQUEST

Charity Information

Trustees	The Management Committee of The Society of Authors
Charity Number	277018
Charity Offices	c/o The Society of Authors 24 Bedford Row London WC1R 4EH
Independent Examiner	Simon Goodridge FCA Knox Cropper LLP Chartered Accountants 65 Leadenhall Street London EC3A 2AD
Bankers	HSBC The Peak 333 Vauxhall Bridge Road Victoria London SW1V 1EJ
Investment Managers	LGT Wealth Management UK LLP 14 Cornhill London EC3V 3NR

THE FRANCIS HEAD BEQUEST

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REPORT OF THE TRUSTEES OF THE FRANCIS HEAD BEQUEST

YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for the year ended 31st December 2023. The Trustees have adopted the provisions of the Accounting and Reporting by Charities, Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019).

Trustees

The Management Committee of the Society of Authors is the permanent Trustee of the charity (the "Trustees") and has acted throughout the year.

Investment powers and Risk Management

The Trust Deed authorises the Trustees to make and hold investments using the Capital Funds of the charity. These are shown in detail in the notes to the financial statements. The principal area of risk concerns the management of the investments, the income from which provides the main source of funds from which the awards are paid. The investments are therefore kept under constant review by the investment managers.

Constitution, objects and policies

This charity was constituted under the Will of the late Mary Francis Guelbi Head for the advancement of education generally and in particular to further and promote education by providing grants for the benefit and assistance of contemporary writers in the English language over the age of 35 who whether by reason of disablement or otherwise are in financial difficulty and who whether male or female were born in England, Scotland, Wales or Northern Ireland. The policy of the Francis Head Bequest continues to be to pay grants in accordance with the Trust Deed.

Public Benefit

In reviewing the charity's aims and objectives and in planning future activities, the Trustees refer to the Charity Commission's general guidance on public benefit.

Reserves Policy

The Trustees policy is to operate on the basis of being able to continue to generate sufficient incoming resources to use toward meeting their charitable objectives and to accord with their principal terms. The Trustees are of the opinion that the funds remain sufficient to enable them to continue this ongoing objective. The charity has sufficient but not excessive funds to service its objective of making future charitable distributions.

Financial Review

The results for the year ended 31st December 2023 are attached and show a Net decrease in funds of £39,214 (2022: £41,374 decrease) before adding the realised gain on sale of investments of £2,075 (2022: £2,194 loss) and unrealised increase in the market value of investments of £35,126 (2022: £118,312 loss). Grants and awards totalling £46,000 (2022: £48,000) were paid in the year, helping 23 authors (2022: 26), and other expenditure incurred amounted to £19,480 (2022: £19,781). The investments appear in the Balance Sheet at their market value of £723,421 (2022: £748,445). The Accumulated Fund carried forward at the year-end stands at £759,870 (2022: £761,883) and the Trustees consider that the charity has sufficient income and capital to meet its obligations in the foreseeable future.

REPORT OF THE TRUSTEES OF THE FRANCIS HEAD BEQUEST

YEAR ENDED 31 DECEMBER 2023

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales, the Charities Act 2011, 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 its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

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

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

Approval

This report was approved by the Trustees on 16th May 2024 and signed on their behalf.



Vanessa Fox O'Loughlin – Chair of the Management Committee, The Society of Authors

THE FRANCIS HEAD BEQUEST

YEAR ENDED 31st DECEMBER 2023

Independent Examiner's Report to the Trustees of The Francis Head Bequest

I report to the trustees on my examination of the accounts of the Francis Head Bequest for the year ended 31st December 2023.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act).

I report in respect of my examination of the Trust's accounts as required 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.

Independent Examiner's statement

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

- a) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- b) the accounts do not accord with those records; or
- c) 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 the requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other 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.



Simon Goodridge FCA
Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
EC3A 2AD

Date: 24 May 2024

THE FRANCIS HEAD BEQUEST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31st DECEMBER 2023

		-----Unrestricted Funds-----	
	Notes	2023	2022
		£	£
Income			
Investment Income - Dividends	2	26,113	26,389
- Bank Interest		153	18
Total Income		<u>26,266</u>	<u>26,407</u>
Expenditure			
Raising Funds:			
Investment Management Fees		3,726	3,954
Charitable Activities	3	61,754	63,827
Total Expenditure		<u>65,480</u>	<u>67,781</u>
Net Income/(expenditure) before Investment Gains/(losses)		<u>(39,214)</u>	<u>(41,374)</u>
Net gains/(losses) on investments	6	37,201	(120,506)
Net income/(expenditure)		<u>(2,013)</u>	<u>(161,880)</u>
Reconciliation of funds:			
Total funds brought forward		761,883	923,763
Total funds carried forward		<u><u>£759,870</u></u>	<u><u>£761,883</u></u>

THE FRANCIS HEAD BEQUEST

BALANCE SHEET

31st DECEMBER 2023

	Notes	£	2023	£	2022	£
FIXED ASSETS						
Quoted Investments – at Market Value	4		723,421		748,445	
CURRENT ASSETS						
Cash held by Investment Managers		37,726		6,946		
Cash at bank		<u>1,478</u>		<u>9,148</u>		
		39,204		16,094		
CURRENT LIABILITIES						
Amounts due within one year	7	<u>(2,755)</u>		<u>(2,656)</u>		
Net Current Assets			36,449		13,438	
TOTAL NET ASSETS			<u>£759,870</u>		<u>£761,883</u>	
Represented by:						
ACCUMULATED FUND						
Unrestricted Funds			759,870		761,883	
TOTAL UNRESTRICTED FUNDS			<u>£759,870</u>		<u>£761,883</u>	

Approved by the Trustees on 16th May 2024 and signed on their behalf by



Vanessa Fox O'Loughlin – Chair of the Management Committee, The Society of Authors

The notes form part of these Financial Statements

THE FRANCIS HEAD BEQUEST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023

1. ACCOUNTING POLICIES

- a) These financial statements have been prepared in accordance with the Financial Reporting Standard 102 and the Charities SORP (FRS102 second edition) and in compliance with the Charities Act 2011.

The charity is a public benefit entity under FRS102.

- b) The income from investments and bank interest received represent the actual income receivable in the year.
- c) Awards paid include all amounts payable in the year in accordance with the terms of the Trust Deed.
- d) Other expenditure is included on the basis of amounts payable for the year.
- e) The quoted investments are included in the Financial Statements at market value to comply with the Statement of Recommended Practice.
- f) The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events and conditions that might cast significant doubt on the ability of the charity to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

The Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. INVESTMENT INCOME

	2023 Gross Income £	2022 Gross Income £
NON GOVERNMENT BOND FUNDS		
ASC (Offshore) Global Fixed Interest Fund Z Income	3,633	3,777
ASC (Offshore) Sterling Fixed Interest Fund Z Income	2,617	2,251
MULTI ASSET CHARITY INVESTMENT FUNDS		
ASC Income Fund Z	<u>19,863</u>	<u>20,361</u>
TOTAL	<u><u>£26,113</u></u>	<u><u>£26,389</u></u>

THE FRANCIS HEAD BEQUEST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023

3. CHARITABLE ACTIVITIES

	2023	2022
	£	£
Direct		
Awards paid	46,000	48,000
Indirect		
Assessors Fees	2,500	3,000
Administration Costs	10,962	10,440
Other	498	677
Governance		
Independent Examination Fee	1,794	1,710
	<u>£61,754</u>	<u>£63,827</u>

4. INVESTMENTS

	Cost	Market Value
	£	£
NON GOVERNMENT BOND FUNDS		
ASC (Offshore) Global Fixed Interest Fund Z Income	78,985	65,808
ASC (Offshore) Sterling Fixed Interest Fund Z Income	72,304	65,153
	<u>151,289</u>	<u>130,961</u>
MULTI ASSET CHARITY INVESTMENT FUNDS		
ASC Income Fund Z	573,957	592,460
	<u>£725,246</u>	<u>£723,421</u>
Totals at – 31 st December 2023		
	<u>£725,246</u>	<u>£723,421</u>
31 st December 2022	<u>£786,519</u>	<u>£748,445</u>

5. MOVEMENT IN COST OF INVESTMENTS

	2023	2022
	£	£
Cost at 1 January 2023	786,519	817,273
Disposals		
ASC Income Fund Z	<u>(61,273)</u>	<u>(30,754)</u>
		(30,754)
Cost at 31 December 2023	<u>£725,246</u>	<u>£786,519</u>

THE FRANCIS HEAD BEQUEST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2023

6. MOVEMENT IN MARKET VALUES OF INVESTMENTS

	2023	2022
	£	£
Market Value at the beginning of the year	748,445	901,000
Disposal Proceeds	(62,225)	(32,049)
Investment Gains	<u>37,201</u>	<u>(120,506)</u>
	(25,024)	(152,555)
Market Value at End of Year	<u>£723,421</u>	<u>£748,445</u>
Realised gains/(losses)	2,075	(2,194)
Unrealised gains/(losses)	35,126	(118,312)
	<u>£37,201</u>	<u>£(120,506)</u>

7. CREDITORS AND ACCRUALS

	2023	2022
	£	£
Investment Managers' Fees	961	946
Professional Fees	1,794	1,710
	<u>£2,755</u>	<u>£2,656</u>

8. RELATED PARTY DISCLOSURES

The Society of Authors, which is the corporate Trustee of the charity, carried out management services for the charity and charged a management fee for the year amounting to £10,962 (2022 £10,440). There were no other related party transactions in the year.

9. REVIEW OF FUNDS

During the year ended 31 December 2022 the Trustees reviewed the charity's investment policy. The review identified that the charity has a permanent endowment, however for at least the last 10 years the Trustees have informally followed a total return basis to allow capital returns to fund some of the charity's annual expenditure. Following legal advice, the Trustees passed a resolution on 26 May 2022 in accordance with s282 Charities Act 2011 that the objects of the Trust to which the fund is subject could be carried out more effectively if the capital of the Fund could be expended as well as income accruing to it, rather than just income. This resolution has been sent to the Charity Commission.

The Trustees have also reported to the Charity Commission on the historical position. The Charity Commission have confirmed that the charity has taken appropriate steps to address the matter and that the resolution is now effective.