

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales · Charity number 314210

Details

Other names THE HISPANIC COUNCIL, CANNING HOUSE

Status Registered

Legal form Charitable company

Company number [00383775](#)

Registered 1963-01-15

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: THE ADVANCEMENT OF KNOWLEDGE AMONG THE INHABITANTS OF THE BRITISH EMPIRE AND THE COUNTRIES OF LATIN AMERICA AND SPAIN OF THE CULTURE, LANGUAGES AND ECONOMICS OF THESE COUNTRIES

Activities: THE HISPANIC AND LUSO BRAZILIAN COUNCIL IS A NON-POLITICAL REGISTERED CHARITY WHOSE AIM IS THE STRENGTHENING OF UNDERSTANDING AND FOSTERING OF CLOSER UK RELATIONSHIPS WITH LATIN AMERICA, SPAIN AND PORTUGAL.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** BRITISH COMMONWEALTH COUNTRIES OF LATIN AMERICAN AND SPAIN
- Argentina
- Belize
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Ecuador
- El Salvador
- Guatemala
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru
- Portugal
- Spain
- Venezuela

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£472,935	£911,337	-	-
2024-03-31	£457,101	£806,953	-	-
2023-03-31	£392,552	£909,872	-	-
2022-03-31	£424,817	£819,539	-	-
2021-03-31	£528,447	£727,957	£15,046,224	9

Trustees

Name	Role	Appointed
Alexander Brennan		2024-12-01
Carla Ferreira		2024-12-01
Cristobal Pollman		2024-12-01
Dr Irene Mia		2026-04-10
Dr Lourdes Casanova		2023-08-01
Dr Luis Oganés		2026-05-08
Ed Poulton		2020-06-26
Fiona Clouder		2023-08-01
Gui Silva		2020-06-26
Jaime Gornsztejn		2025-06-23
Marcelo Scenna		2021-01-26
Marcial Echenique		2020-06-26
Maria Dolores Vallenilla		2025-09-26
Nicholas McCall		2020-06-24
Rodolfo Milesi		2020-06-26
Vitoria Nabas		2020-06-26

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales - Charity number 314210

Accounts

Company number: 00383775

Registered charity number: 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ADMINISTRATIVE AND STATUTORY DETAILS

Board of Trustees	Alexander Brennan	- Appointed 01/12/2024
	Carla Ferreira	- Appointed 01/12/2024
	Cristobal Pollman	- Appointed 01/12/2024
	Dr Lourdes Casanova	
	Ed Poulton	
	Fiona Clouder	
	Gui Silva	
	Irene Mia	- Resigned 19/12/2024
	Marcelo Scenna	
	Marcial Echenique	
	Nicholas McCall (Chair)	
Rodolfo Milesi		
Vitoria Nabas		
Chief Executive Officer & Secretary	Jeremy Browne	
Company registration number	00383775	
Charity registration number	314210	
Registered office	Floor 9 50 Broadway London SW1H 0BL	
Accountants	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS	
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS	
Solicitors	Collyer Bristow LLP 4 Bedford Row London WC1R 4TF	
Investment Managers	Evelyn Partners 45 Gresham St London EC2V 7BG	

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their report and audited financial statements for the year ended 31 March 2025 which have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative information

The Hispanic and Luso Brazilian Council is a charitable company, limited by guarantee, and was registered in May 1973 under company registration number 00383775 and charity registration number 314210. The organisation is an amalgamation of the two original councils registered in November 1943 as The Hispanic Council and the Luso Brazilian Council.

The Hispanic and Luso Brazilian Council uses the working name "Canning House" and the principal operating address is Floor 9, 50 Broadway, London, SW1H 0BL.

The Trustees, who are also directors, who served in the period were:

Alexander Brennan (Appointed 01/12/2024)	Carla Ferreira (Appointed 01/12/2024)
Cristobal Pollman (Appointed 01/12/2024)	Dr Lourdes Casanova
Ed Poulton	Fiona Clouder
Gui Silva	Irene Mía (Resigned 19/12/2024)
Marcelo Scenna	Marcial Echenique
Nicholas McCall (chair)	Rodolfo Milesi
Vitoria Nabas	

The Charity is supported by a number of honorary non-executive appointments, as follows:

Honorary President:

Lord Jeffrey Moutevans

Honorary Vice-Presidents:

Lord Brennan of Bibury, QC

Chris Bryant, MP

Prof Victor Bulmer-Thomas, CMG OBE

Alan Charlton CMG CVO

Lord Clarke, CH, QC, PC

Dr Enrique Garcia

Baroness Hooper, CMG

Sir Mark Moody-Stuart, KCMG

Néstor Osorio Londoño

The Rt Hon Michael Portillo

HE Ambassador Iván Romero-Martínez

Horacio Rossi

Sally Unwin, OBE FCIB

The Board of Trustees oversee the Charity, which is managed day to day by the Chief Executive Officer, Jeremy Browne.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management Governing document

The Hispanic and Luso Brazilian Council is a charitable company limited by guarantee and the governing document is the Memorandum and Articles of Association dated 9 November 1943, taken from The Hispanic Council, upon amalgamation.

Principal activities

The mission of the Charity is to be the UK's leading forum for informed comment, contacts and debate on Latin American politics, economics and business. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America, Spain and Portugal. This is achieved through a comprehensive programme of corporate, current affairs and cultural events and publications.

Governing body

The governing body of the organisation is the Board of Trustees. The Trustees are elected at the Annual General Meeting (AGM) or in the interim are appointed to fill a casual vacancy and stand for election at the next AGM. One-third of the Trustees retire from office but are eligible for re-election at the AGM.

Corporate governance structures and procedures are well established and were further improved through the addition of a Nominations Committee in November 2016 for consideration of future Trustees, honorary Vice-Presidents and CEO appointments, and of a Remunerations Committee in July 2021 (see further below).

Trustee training

Potential Trustees are identified by members of The Board and are considered first by the Nominations Committee against the criteria of eligibility, competence, experience, specialist skills and the objective of achieving diversity and balance on The Board. New Trustees are normally familiar with Canning House through their work in business or public service, but full training can be provided to all board members if required in order to assist them with their duties as Trustees.

Organisational management

The Board of Trustees are legally responsible for the overall strategic direction and control of the organisation. The Board meets at least four times a year to track the performance of the organisation against the annual budget, which is agreed by the Trustees at the beginning of the financial year. The Board also regularly reviews performance against the strategy, which focuses on the medium term (5 years).

The oversight of financial issues, risk governance and regulatory compliance is the responsibility of the Finance and General Purposes (F&GP) Committee, which also meets four times a year, prior to each board meeting. Trustees on the committee include: Nick McCall, Vitoria Nabas, Marcelo Scenna and Gui Silva. The committee is chaired by Ian Perrin, COO and Deputy CEO.

The day-to-day running of the organisation is delegated to the Chief Executive Officer. The CEO attends meetings of The Board of Trustees, as well as the Finance and General Purposes Committee and the Remunerations Committee.

Staff remuneration

The remuneration of the CEO is set by The Board of Trustees; the appropriateness of the remuneration is set at the beginning of the individual's contract (including reference to comparisons with other charities) and performance is reviewed annually against pre-specified objectives and KPIs.

The remuneration of other charity staff is delegated to the CEO with the objective that they are, in a fair and responsible manner, rewarded for their individual contributions to the Charity's success, within the limits of the Charity's annually agreed budget. The Remunerations Committee also offers guidance and advice to the CEO on remuneration policies such as overall team and pay structure, the policies governed by the staff guidebook, including staff benefits (season ticket loans, health plans), and the team bonus policy.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Group structure

Canning House Limited (CHL) was formed in 1997 as a wholly owned trading subsidiary of the charitable company. The activities of CHL are focused primarily on corporate activity, including the organisation of conferences, seminars and events on the development of the economic and business environment of Latin America. These events are generally open to the public (subject to capacity constraints), with corporate members and other notable or important guests typically being given priority access.

The Head of Corporate Affairs and the Corporate Affairs Assistant are principally dedicated to corporate activities, with the efforts of other team members divided to various extents between corporate and strictly charitable activities. An approximate allocation of non-dedicated staff time is agreed annually with the auditors.

The entire net profit of CHL is donated annually to the parent company under a deed of covenant created on 11 December 2018. Conversely, in the event that CHL makes a financial loss, under the terms of an ongoing letter of support dated 26 October 2020, the HLBC Trustees undertake to under-write CHL's activities for the current financial year ending 31 March 2025, and for all future years thereafter as necessary.

Stakeholder relationships and charitable activities

The organisation works closely with the Latin American and Iberian Embassies and other UK, Latin American and multilateral organisations that exist to promote stakeholder relationships and related activities between the UK and specific Latin American countries. The organisation regularly runs joint events with these organisations to showcase particular countries and issues. Representatives of these organisations regularly attend and speak at Canning House events. The organisation also collaborates with UK universities with interests in Latin American research and studies, and with other charities and NGOs.

Risk management

The Board of Trustees and the Finance and General Purposes Committee (F&GP) have, in recent years, been focused on key financial risks to the organisation, and necessary mitigation measures, in response to the aftermath of the Covid-19 pandemic plus post-Brexit uncertainties on corporate membership income. The F&GP has also initiated discussions with the investment portfolio managers regarding ESG-related issues pertaining to the portfolio.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

STRATEGIC REPORT

Objectives of the Charity

The general aim of the organisation is the advancement of knowledge in the UK of the culture, languages, history, politics, economics and business of the countries of Latin America while furthering the broad relationship between the UK and these countries. These objectives are achieved in a non-partisan manner.

Mission and strategic aims

The mission of the organisation is to build understanding and relationships between the UK and Latin America. Its goal is to be the UK's leading forum for contacts, thought leadership and pragmatic debate on Latin American political, economic, and social trends, current affairs, and business risks and opportunities. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America and Iberia. The strategic aim is to do this in a financially sustainable manner.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's aims and objectives as well as in planning future activities.

Objectives for the year and the future

The organisation's objectives for the financial year were to:

- Support the mission by a full annual programme of events relevant to corporate and individual members, as well as to partners and stakeholders;
- Publish newsletters and in-depth reports and undertake research on Latin America and Iberia;
- Maintain and seek to grow the organisation's membership and revenue from fees, sponsorship and donations to achieve financial sustainability, whilst fulfilling its mission.

The first two objectives have been met in full, with excellent feedback from all stakeholders, as a result of which the organisation's public reputation has been greatly enhanced. The achievement of the third objective is more long-term, as progress on this front has been seriously hampered by – inter alia - the impact of the Covid-19 pandemic. However, since the arrival of the new CEO in June 2022, the corporate programme and offer has been refreshed, in an attempt to halt the decline in corporate revenue seen in previous years, with significant positive progress having been made over the past three years, despite plateauing in recent months.

Impact of Covid-19 Pandemic

During the COVID-19 pandemic, Canning House closed its offices. All staff members worked remotely from home until October 2021, when a phased return to the office was implemented. All events were transferred online, and event fees were scrapped. Whilst these changes allowed the organisation to continue to operate and attract an audience from much further afield, the downside was that revenue from events and corporate memberships decreased. However, with the arrival of a new CEO – Jeremy Browne - in 2022, a return to normal office working, and an increase in corporate membership revenues, the negative impact caused by the pandemic on the organisation's operations and finances appears to be diminishing year on year.

Activities of the Charity

Canning House hosted c50 events and meetings during the past year, ranging from webinars, roundtable briefings, panel discussions and large thematic conferences, on a variety of different topics relating to current affairs, elections, geopolitics, culture, history, the environment, and a number of corporate-related topics, such as finance, mining and infrastructure. On the flagship side of things, Canning House organised another successful edition of the UK-Brazil Conversa, hosted by Fundação Getúlio Vargas in São Paulo, and the LatAm Outlook entered its sixth successful year to a packed audience in central London.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Achievements and Performance

With the arrival of the new CEO in June 2022, Canning House undertook a comprehensive review of all activities and operations, with the aim of improving quality and outreach, whilst also putting the organisation on a sounder financial footing. In practical terms this meant reducing operational costs where possible, whilst increasing income from corporate membership.

For the financial year 2024-25, income from corporate membership decreased from £126k to £122k. This represents a significant and important turnaround in the organisation's finances, halting the decline in corporate membership revenues seen over the past seven years. Although this increase in revenue is not enough to cover the operational costs of the organisation, it does buck the trend of diminishing revenues seen in recent years, and indicates that there is demand in the private sector to engage with organisations like Canning House.

Income from corporate memberships accounted for 84% of annual gross non-investment income of £122k, with £4k also coming from individual membership subscriptions. Sponsorship was received from various different sources for multiple events. Canning House Limited received £4000 from Redfern Legal for the reception at the Tech Conference; £4000 from ERG for the Renewables Conference, and USD \$5000 from CAF for the Infrastructure Conference in Madrid. The Hispanic and Luso Brazilian Council also received an additional £5000 from AngloAmerican for the Conversa.

The organisation also received significant in-kind contributions from corporate members and other groups wishing to partner and collaborate with Canning House. Most notably, these included: Citi, who hosted the Latin American Finance Conference in their London headquarters in Canary Wharf; Google, who hosted the Technology Roundtable; AngloAmerican, who hosted the Mining Conference in December; and Casa de América, who hosted the Infrastructure Conference in Madrid. With regards to reducing expenditure, the organisation has managed to keep operational costs the same level at £839k.

This was primarily achieved by ending the Canning House-LSE research fellowship, and also minimising event expenditure wherever possible.

The organisation moved into new offices in June 2023, located at 50 Broadway, opposite St James' Park tube station, leaving Wigmore Street when the lease expired after the fifth year. The new office space has been purposefully fitted-out for the organisation's requirements, with a boardroom for in-house roundtable meetings, a meeting room, a kitchen, and modern staff work area with 8 desks for the team. The decision to move new premises was in-part taken so that Canning House could once again host its own in-person events, whilst significantly improving the working environment for the staff. The location is also much better for Canning House's stakeholders, being a brief walk from the FCDO and Parliament, and a short tube ride from the City.

Although the office space is larger than the previous office in Wigmore Street, and the total costs are therefore more expensive, in terms of costs per square meter it is cheaper than both previous offices in Wigmore Street and Belgrave Square.

It is also pertinent to mention that staff turnover has dramatically reduced over the past couple of years, with only one permanent member of staff leaving throughout the duration of the year.

In addition to operating income, the Charity's investment portfolio yielded gross dividend and interest income of £310k, up from £307k in 2023-2024. After deducting fund management fees, the net dividend and interest yield from the portfolio was £256k this year, compared to £256k the previous year; no movement.

The total operating loss before realised gains/losses for FY 2024-25 stood at a loss of £438k, as opposed to a loss of £349k the previous financial year. The realised loss on investments totalled £228k this year, compared to a loss of 498k the previous financial year, meaning that the total operating loss including realised gains/losses on investment stood at a loss of £666k this financial year, compared with a loss of £847k for the previous financial year.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Public Programme

Current Affairs, Culture & Communications

Throughout the reporting period, Canning House continued to inform and engage its audiences on key current affairs through a diverse range of outputs, including seminars, webinars, weekly newsletters, Canning Papers, and blog posts.

As part of its broader Current Public Affairs programme, Canning House addressed a wide array of topics via both virtual and in-person events across key sectors. On 25 April 2024, a roundtable was convened to mark the fiftieth anniversary of Portugal's Carnation Revolution, which signified the country's transition from autocratic rule in 1974. In May 2024, Luis Almagro, Secretary General of the Organization of American States, delivered an overview of the state of democracy and human rights in the region. He was joined by Tamara Sujú, Executive Director of the CASLA Institute, who provided an update on Venezuela, human rights, and the role of the International Criminal Court in pursuing justice for victims.

During this period, Canning House also hosted election briefings on Panama, the Dominican Republic, Venezuela, and Uruguay. Each event featured four expert speakers—both UK-based and from the respective countries—who offered diverse perspectives on the electoral landscape. In the case of Mexico, a series of in-person and online seminars explored the 2024 presidential election, covering public opinion, security, economic, and political dimensions. The London-based seminar brought together a UK academic and three distinguished speakers from Mexico, who self-funded their travel to participate. Discussions focused on the election's potential outcomes and regional implications within a multidisciplinary framework.

In July, Canning House Research Fellow Layla Zaglul Ruiz presented her report, *Adding Value to Coffee and Cacao in Latin America*, in a webinar featuring former President of Costa Rica Carlos Alvarado Quesada, ECLAC Washington Office Director Andrés Valenciano Yamuni, and Vanússia Nogueira, Executive Director of the International Coffee Organization. In October, Professor Andrés Rugeles launched his book *América Latina: La Visión de sus Líderes* at an event supported by Brennan & Partners, where he discussed the region's most pressing challenges based on interviews with 30 Latin American leaders.

In November, Canning House welcomed over 20 Brazilian mayors participating in an immersion programme in the UK, coordinated by KES and the Indigo Foundation. The initiative aimed to explore best practices in governance, public service delivery, and economic development. A Business Breakfast provided an opportunity to engage with Baroness Chapman, UK Minister for Latin America, who outlined the UK Government's regional priorities, including climate change, education, and trade.

The first event of 2025 was the Latin American Societies Forum, which brought together UK-based Latin American societies and NGOs for a constructive and informative dialogue. The evening began with an introduction on how Canning House can support and amplify the impact of these organisations. Representatives from 20 societies and chambers of commerce shared insights into their activities and enjoyed a relaxed networking environment.

As is tradition, Canning House hosted its annual summer networking reception in early July. This year's event took place at Lima Cantina, a Peruvian restaurant in Covent Garden. The gathering welcomed guests from the diplomatic corps, Parliament, government, corporate sector, academia, journalism, and the Latin American community in London, including several international attendees.

Thought Leadership, Policy, and Research

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

With the support of the Fundação Getúlio Vargas' School of Business Administration (FGV-EAESP), the 2024 edition of the Canning House UK-Brazil Conversa was held on 13 September in São Paulo. The event convened over 40 distinguished speakers across three plenary sessions, seven thematic panels, and four keynote addresses. Discussions focused on critical global and bilateral issues including climate change, trade, energy transition, health, geopolitics, and technological innovation—emphasising opportunities for UK-Brazil collaboration. Keynote speakers included Virgínia de Ângelis Oliveira de Paula, Brazil's National Secretary of Planning; Dr Francisco Gaetani, Brazil's Extraordinary Secretary for State Transformation; Eduardo Leite, Governor of Rio Grande do Sul; and the Rt Hon. Ed Miliband MP, UK Secretary of State for Energy Security and Net Zero, who contributed via a recorded message. The event was generously supported by corporate member Anglo American, with Diageo sponsoring the networking reception.

In the lead-up to the Convention on Biological Diversity (CBD) COP16, held in October 2024 in Cali, Colombia, Professor Monique Simmonds OBE, Deputy Director of Science at the Royal Botanic Gardens, Kew, delivered a presentation on the potential of the bioeconomy, with a particular focus on Latin America. In November, Canning House hosted a roundtable in collaboration with the Tecnológico de Monterrey, exploring the question: "Should Judges Be Elected?" The discussion examined themes of democracy, judicial independence, and the separation of powers in the Latin American context.

December marked the launch of LatAm Outlook 2025, Canning House's flagship annual publication, at Prince Philip House. The event attracted over 200 attendees from government, diplomacy, civil society, business, and academia. Baroness Chapman delivered the keynote address, followed by presentations from Control Risks, Itaú, the Department for Business and Trade, Ipsos, the Stockholm Environment Institute, the International Crisis Group, and Michael Stott, Latin America Editor at the Financial Times. Together, these contributions offered a comprehensive analysis of Latin America's current position in global affairs, encompassing political, economic, commercial, social, and environmental dimensions.

On 6 February 2025, Canning House convened a roundtable with Professor Anand Menon, foreign policy expert at King's College London and Director of the think tank UK in a Changing Europe (UKICE). Professor Menon provided a strategic overview of the United Kingdom's current political and economic landscape to a select audience of senior Latin American stakeholders.

A notable milestone was the inaugural meeting of the Canning House Latin American Academic Forum, held on 13 February. The Forum aims to foster academic collaboration, knowledge exchange, and community-building among UK-based scholars focused on Latin America. Chaired by Professor Laurence Whitehead (Nuffield College, University of Oxford), the meeting brought together over 30 academics from across the UK.

To mark International Women's Day, Canning House hosted two events. The first featured Dr Malu Gatto, who launched her book *Resistance to Gender Quotas in Latin America*, with Emeritus Professor Maxine Molyneux serving as discussant. The second event, held in partnership with the UCL Institute for Innovation and Public Purpose (IIPP) under the leadership of Professor Mariana Mazzucato, explored the transformative role of women economists in Latin America.

Complementing these events, Canning House published several Canning Papers, including: *Opportunities for an Enhanced UK–Latin America Relationship*, *What Does the US Election Mean for Latin America?* and *Closing the Gender Gap in Latin America*. Additionally, over a dozen blog articles were released, offering expert insights on topics ranging from electoral dynamics to regional security challenges.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Corporate Programme

Conferences

Over the past financial year, Canning House has continued to expand its Corporate Programme, successfully enhancing trade and investment links between the United Kingdom, Latin America, and Iberia across key sectors. While primarily designed for a business audience, all events within this programme remained open to the public and free of charge.

In May, the UK–Latin America Finance Conference was held as part of UK FinTech Week. Following the previous year’s partnership with JP Morgan, the 2024 edition was co-hosted with Citi and featured a keynote address by the Lord Mayor of the City of London. With 196 attendees, this was the most well-attended corporate event of the reporting period.

Building on the success of prior collaborations with Google, Canning House partnered with the company once again to deliver the only regional conference dedicated to Latin America during London Tech Week. The event attracted over 120 participants and featured a fireside chat with the Co-Founder of Globant, an Argentine multinational software firm. Due to high demand, plans were made to relocate next year’s conference to Google’s London headquarters in King’s Cross to accommodate a larger audience. The networking reception, sponsored by Redfern Legal, also led to the firm joining Canning House as a full corporate member in October 2024.

In October, the Energy and Renewables Conference was held with the support of corporate member ERG International, marking the second co-hosted event with this partner. The conference facilitated renewed engagement with former corporate member Eversheds Sutherland and featured contributions from leading industry stakeholders including AECOM, Bosch, and Mott MacDonald.

In November, Canning House hosted a roundtable featuring Professor Sir Mark Walport, former Chief Scientific Adviser to the UK Government, laying the foundation for future dialogue in the science and innovation sector. The calendar year concluded in December with the annual Mining Conference, held in partnership with Anglo American for the third consecutive year. Senior representatives from Anglo American, including the Corporate Affairs Director and Group Head of Strategy, participated. Due to increased interest, the event was relocated to a larger venue within Anglo American’s headquarters, with attendance rising from 54 guests in 2022 to 133 in 2024.

The reporting cycle concluded in March 2025 with the Energy and Infrastructure Conference in Madrid—Canning House’s first event in the city in over a decade. Co-hosted with Casa de América and supported by the Spanish Chamber of Commerce in London and the British Chamber of Commerce in Madrid, the conference aimed to engage key Spanish energy and infrastructure firms operating in British and Latin American markets. This initiative also aligned with Canning House’s remit to strengthen ties with Spain, Portugal, and Latin America. Sponsored by CAF Development Bank, the event successfully established institutional relationships with Spanish firms Iberdrola, Repsol, and BBVA. It also attracted senior British government officials, including the British Ambassador to Spain and the British Trade Commissioner for Latin America and the Caribbean, further enhancing the event’s profile and credibility.

Roundtables

The Canning House Business Breakfast Roundtable series continued to attract high-level engagement throughout the reporting period. Distinguished guest speakers included two senior Latin American government officials: the Minister of Foreign Affairs of Chile and the Governor of Córdoba Province, Argentina. In February, former President of Ecuador Guillermo Lasso led a discussion, while in September, the Head of Macro-Economic Research for Latin America provided an in-depth analysis of regional macroeconomic forecasts.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

A dedicated series of roundtables focused on the UK general election was also successfully delivered, offering corporate members and stakeholders strategic political insights. In May, the Minister for Trade Policy, the Rt Hon. Greg Hands MP, addressed attendees, followed by analytical sessions with Jim Murphy of Arden Strategies in June and the Financial Times Political Editor in July. These discussions continued post-election, with Baroness Chapman, Minister for Latin America and the Caribbean, participating in November, and Douglas Alexander, Minister of State for Trade Policy, joining in February. These engagements significantly strengthened Canning House's relationship with the newly elected UK Government. Additionally, in October, a roundtable examined the implications of the US presidential election for Latin America, featuring Julián Ventura, former Mexican Ambassador to the United Kingdom.

Other Initiatives

At the request of corporate member PromPerú, Canning House curated a private tour of the Peruvian exhibition at the British Museum in September, complemented by a focused discussion on trade and investment opportunities. This exclusive event attracted participation from corporate members including ERG International, Pearson, and Redfern Legal, as well as leading firms such as Amazon, Citi, and DP World. Key institutional stakeholders, including representatives from the Inter-American Development Bank and the Scotch Whisky Association, were also in attendance. This initiative exemplified Canning House's capacity to deliver bespoke, high-value support to its corporate members.

Financial review

The Statement of Financial Activities (on page 17) shows an overall fund surplus of £13,819,455 at the year-end, which included £324,914 of restricted funds. The remaining funds are unrestricted and are available for use by the Trustees at their discretion, but in accordance with the Charity's aims and objectives.

Plans for future periods

Canning House will continue to host a regular programme of events designed to benefit diplomats, business leaders, civil society organisations, and the wider public. These events will focus on core areas of interest, including current affairs, politics, economics, and business.

A new series of country-specific summits is planned, building on the success of the annual UK–Brazil Conversa, with a revised format. Each year, one summit will be held in Latin America and another in London, rotating among Argentina, Brazil, and Mexico—the region's three G20 economies. The inaugural Mexico–UK Summit is scheduled to take place in Mexico City in April 2025, featuring sector-specific panels on financial services, technology, and trade policy. The Argentina–UK Summit will follow in London in November.

Corporate conferences will remain a key component of the programme, reinforcing strategic partnerships across sectors. The Finance Conference with Citi will return during UK FinTech Week in May 2025, with participation from the newly appointed Lord Mayor of the City of London. Similarly, Google will again host the Latin America Tech Conference during London Tech Week in June 2025, this time at its King's Cross headquarters to accommodate growing demand. Redfern Legal, which became a corporate member following last year's event, will once again sponsor the networking reception.

In December 2025, the Mining Conference with Anglo American will return as a central feature of Resourcing Tomorrow Week, now relocated to a larger venue. Interest from firms such as Citi and Herbert Smith Freehills in joining the panels has already been confirmed.

The Canning House Business Breakfast Roundtable Series, now firmly established, will continue to provide a platform for timely and high-level engagement between policymakers and corporate stakeholders. In May 2025, President Daniel Noboa of Ecuador will participate in an investors' roundtable, accompanied by four Ecuadorian ministers. This event will offer corporate members priority access and will coincide with President Noboa's delivery of the Canning Lecture—a tradition of keynote addresses by Latin American heads of state at Canning House since 1997, and the first such lecture since 2021.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Also in May, Dame Emily Thornberry, Chair of the Foreign Affairs Select Committee, will join a breakfast roundtable to discuss key foreign policy issues. In June, Canning House will collaborate with BIVA, Mexico's second-largest stock exchange, to host a high-level roundtable at its London offices, featuring the Deputy Governor of the Banco de México, further strengthening financial ties between the UK and Latin America's second-largest economy.

The seventh edition of LatAm Outlook - Canning House's flagship annual publication - is scheduled for launch in December. Additional planned activities include webinars on the BRICS Summit and COP30, continued election analysis, and another joint event with Casa de América in Madrid.

These forthcoming initiatives reflect Canning House's growing influence in business-to-government and government-to-government relations, and its ongoing role in facilitating strategic dialogue between key stakeholders in the UK and Latin America.

Risks and uncertainties

Given the organisation's dependence upon two principal income streams – corporate membership and investment income - the principal financial risks facing the organisation are:

- Corporate membership numbers
- Stock market fluctuations impacting the value and/or income stream of the investment portfolio.

The uncertainties surrounding the speed and extent of economic recovery from the pandemic in both the UK and Latin America, added to those surrounding the impact on UK companies of the final implementation arrangements for Brexit, have undoubtedly impacted corporate memberships; even those companies which have renewed have taken longer to decide to do so – leading to several instances in the past of delayed renewals and waived fees. However, upon arrival of the new CEO, after undertaking a review of the existing structure and pricing, he implemented a one-tier membership package costing a flat fee of £12,000, thus removing the muddled multi-tiered system that had been implemented by his predecessor.

Furthermore, the unprecedented Russian invasion of Ukraine in March 2022 caused jitters in financial markets, impacting the value of assets around the world. This had a significant impact on the value of the Canning House endowment portfolio. However, the current value of the portfolio of c£13m still provides plenty of insurance for Canning House to survive this period even if these uncertainties persist into 2024.

The continued growth this year in our reputation for serious and significant research, reports, commentary and events, the increased reach of those events to larger and more international audiences, and the publication of the fourth edition of our LatAm Outlook, have all greatly augmented our position not only as the leading UK forum on UK-Latin American bilateral relations, but also as an internationally recognised thought leader on Latin American developments in general.

Reserves and investment policy

Following the sale of No. 2 Belgrave Square, in 2013 the Board of Trustees invested the proceeds (c. £12m) in an investment portfolio managed by Evelyn Partners (formerly known as Smith and Williamson Investment Management LLP). The Board established a reserves policy which was intended to maintain the value of the capital realised from the sale, after allowing for inflation (RPI+1%).

Initially, only income from the portfolio in the form of dividends and interest has been drawn from the portfolio, with capital gains as well as surplus income being reinvested. But as a result of the recent economic turmoil, and owing to ongoing expenditure already committed by the previous CEO, capital within the portfolio has been drawn down on. However, the new CEO has made it a priority to reverse this trend and cut profligate expenditure across all aspects of the organisation's operations.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

In June 2019, the Board confirmed that the investment portfolio is a strategic fund to be applied to strategic and quality investments in pursuit of the Charity's Mission and Objects and to the financing of appropriate loss-making charitable activities of Canning House – such as the LatAm Outlook - that cannot be covered by other income sources. It is to be deployed wisely and appropriately over time, in such a way as to preserve Canning House's ability to continue to fund such strategic opportunities not only in the short-term but also over the medium- and long-term.

The Board's Finance & General Purposes Committee (F&GP) undertook an in-depth strategic review with the organisation's investment portfolio advisors, Evelyn Partners in July 2021. Any shortfalls on operating costs will continue to be covered by income transfer to the organisation to maintain activities at current levels; this is expected to continue to be met primarily from interest and dividends.

As at 31st March 2025 the Hispanic & Luso Brazilian Council investment portfolio was valued at £13,422,694. A solid period of performance over the preceding 12 months, with the underlying investments appreciating +6.5%, and this was ahead of the long-term target return of CPI +2%. By comparison, the UK Government bond market, as represented by the Markit iBoxx GBP Gilts Index), delivered a negative total return of -1.8%. Meanwhile both UK and global equities continued to deliver positive returns – perhaps the most surprising change has been the outperformance of the former versus the US as the more attractive valuations have caught the attention of investors..

Global Equity market performance during the year has remained relatively narrow with the large US technology stocks still principal drivers of return. However, we have seen as mentioned a change in tack from US exceptionalism and investors seeking to diversify exposures driven by the new era of US Tariffs. The balance and diversification within the Hispanic & Luso Brazilian Council portfolio, in terms of asset class, geographic and sectoral exposure, has resulted in a solid outperformance versus global equities. In addition we have seen a benefit from positioning in shorter dated fixed income securities delivering a positive return whilst the exposure to gold has also been a strong support to the non-equity component.

The year ahead looks challenging; geopolitics and populism control the economic narrative, leading to a fragmentation of long standing global relationships and a more fragile global economy as a result. However, there are positives and in particular the changing stimulus dynamic in Europe and Asia whilst corporate earnings remain resilient despite supply chain and price uncertainty. This still leaves a path for the portfolio to make progress but mindful of the impact of periods of volatility and tail risks.

The Trustees require the investment manager(s) to be sensitive to the underlying purpose and principles of the Charity and its partners, and to try to avoid any investments in contravention of these whilst also highlighting areas of potential sensitivity. Particular attention should be paid to Environmental, Social & Governance (ESG) factors when selecting investments. Furthermore, the Trustees require the investment manager(s) to apply an appropriate level of due diligence in terms of ESG analysis within the underlying investment process.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

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 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.

Auditors

Dixon Wilson Audit Services LLP, Chartered Accountants are auditors to the charitable company for 2024-25. In accordance with section 485 of the Companies Act, a resolution on the appointment of auditors for 2025-26 will be put at a General Meeting.

Statement of disclosure to auditor

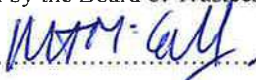
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 04/1/25 and signed on their behalf by:

.....


N McCall

Chair

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Opinion

We have audited the financial statements of The Hispanic and Luso Brazilian Council (the 'charitable parent company') and its subsidiary (the 'charitable group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group's and of the charitable parent company's affairs as at 31 March 2025 and of the charitable group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees Report; or
- sufficient accounting records have not been kept; or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector, and jurisdictions in which it operates, and considered the risk of acts by the charitable company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, UK Charity Law as well as UK financial reporting standards applicable for UK charitable companies.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of consultants used for accounting outsourcing.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

6 November 2025

Date: _____

Dixon Wilson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including statement of income and expenditure)
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 Unrestricted funds	2025 Restricted funds	2025 Total funds	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds
Income and endowments from:							
Donations and legacies	3	13,000	-	13,000	-	-	-
Other trading activities	4	132,142	-	132,142	130,179	-	130,179
Investments	5	<u>315,162</u>	<u>12,631</u>	<u>327,793</u>	<u>315,062</u>	<u>11,860</u>	<u>326,922</u>
Total income		460,304	12,631	472,935	445,241	11,860	457,101
Expenditure on:							
Raising funds	6	(53,966)	-	(53,966)	(51,244)	-	(51,244)
Charitable activities	7	(838,428)	(1,441)	(839,869)	(702,428)	(34,672)	(737,100)
Governance costs	9	<u>(17,502)</u>	<u>-</u>	<u>(17,502)</u>	<u>(18,609)</u>	<u>-</u>	<u>(18,609)</u>
Total expenditure		(909,896)	(1,441)	(911,337)	(772,281)	(34,672)	(806,953)
Net gains on investments		<u>606,340</u>	<u>-</u>	<u>606,340</u>	<u>387,802</u>	<u>-</u>	<u>387,802</u>
Net movement in funds		156,748	11,190	167,938	60,762	(22,812)	(37,950)
Reconciliation of funds							
Balance at 1 April 2024		<u>13,337,793</u>	<u>313,725</u>	<u>13,651,517</u>	<u>13,277,030</u>	<u>336,537</u>	<u>13,613,567</u>
Balance at 31 March 2025	21	<u>13,494,541</u>	<u>324,915</u>	<u>13,819,455</u>	<u>13,337,793</u>	<u>313,725</u>	<u>13,651,517</u>

The notes on pages 20 to 30 form part of these financial statements.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group		Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed assets					
Tangible fixed assets	12	68,889	93,744	68,889	93,744
Intangible assets	13	9,856	3,500	9,856	3,500
Investments	14	<u>13,352,777</u>	<u>13,161,522</u>	<u>13,352,779</u>	<u>13,161,523</u>
		13,431,522	13,258,766	13,431,523	13,258,767
Current assets					
Stocks	15	3,498	3,498	3,498	3,498
Debtors and prepayments	16	109,738	42,866	606,462	575,203
Cash at bank and in hand	17	<u>467,224</u>	<u>579,331</u>	<u>384,868</u>	<u>452,676</u>
		580,460	625,695	994,828	1,031,377
Creditors: amounts falling due within one year	18	<u>(192,527)</u>	<u>(232,944)</u>	<u>(111,383)</u>	<u>(168,486)</u>
Net current assets		<u>387,933</u>	<u>392,751</u>	<u>883,445</u>	<u>862,891</u>
Total assets		<u>13,819,455</u>	<u>13,651,517</u>	<u>14,314,968</u>	<u>14,121,658</u>
Creditors: amounts falling due after more than one year	18	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets		<u>13,819,455</u>	<u>13,651,517</u>	<u>14,314,968</u>	<u>14,121,658</u>
Funds represented by:					
Restricted funds		324,914	313,725	324,914	313,725
Unrestricted funds		<u>13,494,541</u>	<u>13,337,792</u>	<u>13,990,054</u>	<u>13,807,933</u>
Total funds	21	<u>13,819,455</u>	<u>13,651,517</u>	<u>14,314,968</u>	<u>14,121,658</u>

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its Statement of Financial Affairs for the financial year.

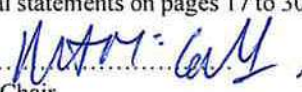
The annual accounts have been produced in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, and the Charities Act 2011 and applicable regulations.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

For the year ended 31 March 2025, the Charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 17 to 30 were approved by the Trustees on 04/11/25 and signed on their behalf by:

.....  ,
N McCall - Chair

Company registration number - 00383775

Charity registration number - 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities	23	(1,476,284)	(1,122,221)	(1,431,986)	(1,142,520)
Cash flows from investing activities					
Dividend income		310,225	307,826	310,225	307,826
Interest income		17,568	19,096	17,568	19,096
Proceeds from the sale of investments		3,886,242	3,733,943	3,886,242	3,733,943
Purchase of investments		(2,841,038)	(2,927,846)	(2,841,038)	(2,927,846)
Purchase of tangible fixed assets		-	(76,318)	-	(76,319)
Purchase of intangible assets		(8,820)	(3,500)	(8,820)	(3,500)
Net cash (used in) provided by investing activities		<u>1,364,177</u>	<u>1,053,201</u>	<u>1,364,177</u>	<u>1,053,200</u>
Change in cash and cash equivalents in the year		(112,107)	(69,020)	(67,809)	(89,321)
Cash and cash equivalents at the beginning of the year		<u>579,331</u>	<u>648,351</u>	<u>452,675</u>	<u>541,996</u>
Cash and cash equivalents at the end of the year		<u>467,224</u>	<u>579,331</u>	<u>384,866</u>	<u>452,675</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

a) Company information

The Hispanic and Luso Brazilian Council is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charities Commission. The principal address and registered office is Floor 9, 50 Broadway, London SW1H 0BL.

b) Basis of preparation of annual accounts

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hispanic and Luso Brazilian Council meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The principal accounting policies are set out below.

The effects of events relating to the year ended 31 March 2025 which occurred before the date of approval of the financial statements by the Trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2025 and the results for the year ended on that date.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Annual membership subscriptions are recognised in equal monthly instalments over the period of membership. Donations and sponsorship are recognised when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability. Event fees and room hire are recorded when the services are provided. Dividend and interest income are recognised when the Charity has the right to receive payment.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

e) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs for trading for fundraising purposes.

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

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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.

f) Tangible fixed assets and depreciation

All tangible fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Plant and machinery	-	20% straight line
Office fit out	-	5 years straight line

g) Intangible assets and amortisation

Intangible assets acquired are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses over the useful economic life of that asset as follows:

Website development	-	20% straight line
CRM project	-	5 years straight line

h) Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction cost. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in equity instruments

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the SOFA. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in the SOFA. Other investments are measured at cost less impairment in the SOFA.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. Accounting policies (continued)

j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purposes only of the cash flow statement. Cash balances held as part of a fixed asset investment portfolio are presented as part of fixed asset investments.

k) Operating lease agreements

Rentals in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessors are charged to the Statement of Financial Activities SOFA on a straight-line basis over the period of the lease.

l) Pension costs

The charity operates a defined contribution scheme for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are charged to the SOFA as they fall due.

m) Taxation

The Hispanic and Lusio Brazilian Council is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively to charitable purposes.

n) Grants

Grants are accounted for under the accruals model of accounting as permitted by FRS102. Grants of a revenue nature are recognised in the SOFA in the same period as the related expenditure.

o) Going concern

There are no material uncertainties about the Charity's ability to continue in operational existence for the foreseeable future. The Charity holds sufficient liquid reserves to meet its financial obligations as they currently fall due, and for the foreseeable future.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary. The summary financial performance of the Charity alone is:

	2025	2024
	£	£
Income	<u>339,337</u>	<u>330,519</u>
	339,337	330,519
Expenditure on charitable activities	(688,122)	(607,092)
Net gains/(losses) on investments	<u>542,095</u>	<u>336,559</u>
Net (expenditure)/income	193,310	59,985
Funds brought forward	<u>14,121,658</u>	<u>14,061,673</u>
Totals funds carried forward	<u>14,314,968</u>	<u>14,121,658</u>
Represented by:		
Restricted funds	324,914	313,725
Unrestricted funds	<u>13,990,054</u>	<u>13,807,933</u>
	<u>14,314,968</u>	<u>14,121,658</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Donations and legacies

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Donations & sponsorships	<u>13,000</u>	<u>-</u>	<u>13,000</u>	<u>-</u>
	<u>13,000</u>	<u>-</u>	<u>13,000</u>	<u>-</u>

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Membership and events	132,142	-	132,142	129,637
Other Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>542</u>
	<u>132,142</u>	<u>-</u>	<u>132,142</u>	<u>130,179</u>

5. Investments

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Dividends & interest from investments	310,225	-	310,225	307,826
Bank interest received	<u>4,937</u>	<u>12,631</u>	<u>17,568</u>	<u>19,096</u>
	<u>315,162</u>	<u>12,631</u>	<u>327,793</u>	<u>326,922</u>

6. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Investment Manager's fee	<u>53,966</u>	<u>-</u>	<u>53,966</u>	<u>51,244</u>

7. Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Direct costs	128,959	1,441	130,400	35,956
Support costs	<u>709,469</u>	<u>-</u>	<u>709,469</u>	<u>701,144</u>
	<u>838,428</u>	<u>1,441</u>	<u>839,869</u>	<u>737,100</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Support costs

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Staff costs	487,053	-	487,053	458,602
Building costs	103,520	-	103,520	46,054
Other costs	<u>118,896</u>	<u>-</u>	<u>118,896</u>	<u>196,488</u>
	<u>709,469</u>	<u>-</u>	<u>709,469</u>	<u>701,144</u>

9. Governance costs

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Audit and accountancy fees	<u>17,502</u>	<u>-</u>	<u>17,502</u>	<u>18,609</u>

10. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2025 £	2024 £
Depreciation	24,856	25,934
Amortisation	2,464	3,000
Auditors remuneration:		
- Audit of the financial statements	<u>10,460</u>	<u>12,651</u>
	<u>37,780</u>	<u>41,585</u>

11. Staff costs and remuneration

Total staff costs were as follows:

	2025 £	2024 £
Wages and salaries	399,722	377,673
Social security cost	39,594	36,937
Other pension costs	40,059	37,367
Other costs	<u>7,678</u>	<u>6,625</u>
	<u>487,053</u>	<u>458,602</u>

The average number of staff employed during the year, based on a full time equivalent, was 8 (2024 – 8). All staff were employed by the Charity and staff were recharged to Canning House Limited based on time spent. The total recharge for the year amounted to £133,821 (2024 - £129,689).

There was 1 employee whose total emoluments for the year fell between £120,000 and £130,000 (2024 between £120,000 and £130,000 - 1).

The total amount of employee benefits received by the charity's key management personnel was £126,825 (2024 - £120,650).

The members of the Board of Trustees did not receive any remunerations, nor any reimbursed expenses during the year (2024 - £Nil).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. Tangible assets – Charity (also comprising that of the group)

	Fixtures & fittings £	Computer equipment £	Plant & machinery £	Office fitout £	Total £
Cost					
At 1 April 2024	34,661	25,596	1,338	102,650	164,245
Additions	-	-	-	-	-
Re-allocation	-	-	-	-	-
31 March 2025	<u>34,661</u>	<u>25,596</u>	<u>1,338</u>	<u>102,650</u>	<u>164,244</u>
Depreciation					
At 1 April 2024	34,319	14,848	802	20,530	70,499
Charge for the year	<u>341</u>	<u>3,717</u>	<u>267</u>	<u>20,530</u>	<u>24,856</u>
At 31 March 2025	<u>34,660</u>	<u>18,565</u>	<u>1,070</u>	<u>41,060</u>	<u>93,535</u>
Net book value					
At 31 March 2025	<u>-</u>	<u>7,031</u>	<u>268</u>	<u>61,590</u>	<u>68,889</u>
At 31 March 2024	<u>341</u>	<u>10,748</u>	<u>536</u>	<u>82,120</u>	<u>93,745</u>

13. Intangible assets – Charity (also comprising that of the group)

	Website development £	CRM Project £	Total
Cost			
At 1 April 2024	15,000	3,500	18,500
Additions	<u>5,320</u>	<u>3,500</u>	<u>8,820</u>
At 31 March 2025	<u>20,320</u>	<u>7,000</u>	<u>27,320</u>
Depreciation			
At 1 April 2024	15,000	-	15,000
Charge for the year	<u>1,064</u>	<u>1,400</u>	<u>2,464</u>
At 31 March 2025	<u>16,064</u>	<u>1,400</u>	<u>17,464</u>
Net book value			
At 31 March 2025	<u>4,256</u>	<u>5,600</u>	<u>9,856</u>
At 31 March 2024	<u>-</u>	<u>3,500</u>	<u>18,500</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. Investments

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Subsidiary undertaking	-	-	1	1
UK and overseas equities:				
Market value at 1 April 2024	13,077,918	12,998,384	13,077,918	12,998,384
Acquisitions at cost	2,841,038	2,927,846	2,841,038	2,927,846
Disposals at market value	(3,886,242)	(3,733,943)	(3,886,242)	(3,733,943)
Unrealised (losses)/gains on revaluation	<u>834,780</u>	<u>885,631</u>	<u>834,780</u>	<u>885,631</u>
Market value at 31 March 2025	12,867,494	13,077,918	12,867,494	13,077,918
Cash balance (held by brokers)	<u>485,284</u>	<u>83,604</u>	<u>485,284</u>	<u>83,604</u>
Investments under management	<u>13,352,778</u>	<u>13,161,522</u>	<u>13,352,778</u>	<u>13,161,522</u>
	<u>13,352,778</u>	<u>13,161,522</u>	<u>13,352,779</u>	<u>13,161,523</u>

The market value of £12,867,494 (2024 - £13,077,918) above represents investments quoted on a recognised securities exchange.

	2025 £	2024 £
UK equity	2,424,988	2,417,602
Overseas equity	6,173,189	5,868,560
UK bonds	2,912,696	3,209,621
Alternative investments	<u>1,379,226</u>	<u>1,582,135</u>
	<u>12,890,099</u>	<u>13,077,918</u>

Subsidiary undertaking

The charity has a wholly owned trading subsidiary, Canning House Limited (company registration number 03317927), which is incorporated in England and Wales. The subsidiary's principal activity is to run services for corporate members and relevant commercial activities including the running of conferences. All profits are donated to the Charity under gift aid.

Summary of profit and loss for Canning House Limited

	2025 £	2024 £
Turnover	133,598	126,582
Cost of sales and expenses	<u>(158,971)</u>	<u>(148,617)</u>
Net loss	<u>(25,373)</u>	<u>(22,035)</u>
The assets and liabilities of the subsidiary were:		
Current assets	115,016	133,141
Current liabilities	<u>(610,528)</u>	<u>(603,280)</u>
Total net liabilities	<u>(495,512)</u>	<u>(470,139)</u>
Aggregate share capital and reserves	<u>(495,512)</u>	<u>(470,139)</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Stocks – Charity (also comprising that of the group)

	2025 £	2024 £
Stock of medals	<u>3,498</u>	<u>3,498</u>

16. Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	41,273	6,486	8,614	-
Prepayments and accrued income	68,465	32,966	68,465	32,966
Other debtors	-	3,414	-	3,414
Amounts owed by group undertakings	-	-	<u>529,383</u>	<u>538,822</u>
	<u>109,738</u>	<u>42,866</u>	<u>606,462</u>	<u>575,202</u>

17. Analysis of cash and cash equivalents

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Cash at bank	<u>467,224</u>	<u>579,331</u>	<u>384,868</u>	<u>452,676</u>

18. Creditors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Current:				
Trade creditors	34,436	6,661	34,436	6,661
Taxation and social security	3,046	-	3,046	-
Other Creditors	6,307	-	6,307	-
Accruals and deferred income	<u>148,738</u>	<u>226,283</u>	<u>67,594</u>	<u>161,825</u>
	<u>192,527</u>	<u>232,944</u>	<u>111,383</u>	<u>168,486</u>
Non-current:				
Total creditors	<u>192,527</u>	<u>232,944</u>	<u>111,383</u>	<u>168,486</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. Financial instruments

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Financial assets				
Financial assets measured at fair value through the SOFA	13,820,001	13,740,852	13,737,645	13,614,197
Financial assets measured at amortised cost	34,966	9,900	531,691	542,237
	<u>13,854,967</u>	<u>13,750,753</u>	<u>14,269,336</u>	<u>14,156,435</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(186,220)</u>	<u>(232,944)</u>	<u>(105,075)</u>	<u>(168,485)</u>

Financial assets measured at fair value through the SOFA comprise of bank and cash balances as well as investments carried at market value. Accounting policies adopted are included within note 1 to these financial statements.

Financial assets measured at amortised cost comprise of investments held at cost, trade debtors, other debtors and amounts owed by group undertakings. Further details in respect of these balances can be found in note 15 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals. Further details in respect of these balances can be found in note 17 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

20. Pensions

The charitable company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pensions cost represents contributions payable by the Charity during the year and amounts to £28,525 (2024 - £16,978) and by the Group £40,059 (2024 - £37,367). At the year-end there was £3,046 payable by the Charity included in other creditors (2024 - £0 payable by the Charity included in other creditors).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. Statement of funds

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Restricted funds:				
Canning House Library Appeal	281,037	11,229	-	292,266
Anglo Portugese Society Fund	34,807	1,402	-	36,209
UK-Brazil Conversa Fund	<u>(2,119)</u>	<u>-</u>	<u>(1,441)</u>	<u>(3,560)</u>
	313,725	12,631	(1,441)	324,915
Unrestricted funds:				
General funds	<u>13,337,792</u>	<u>460,304</u>	<u>(303,556)</u>	<u>13,494,540</u>
Total funds	<u>13,651,517</u>	<u>472,935</u>	<u>(304,997)</u>	<u>13,819,455</u>

Details of the funds are listed below:

- Canning House Library Appeal – set up in 2004 for new library facilities.
- Anglo accounts – deposits made for future charitable activities in mutual agreement with the Anglo Portuguese Society, and the British and Colombian Chamber of Commerce for charitable, cultural and educations purposes. The above funds were set aside in conjunction with the sale of 2 Belgrave Square. With the approval of the HLBC board, the balance of the joint account held with British and Colombian Chamber of Commerce was transferred to the British and Colombian Chamber of Commerce for their control in April 2024. By doing so it will simplify the process by which the Chamber can access the funds, without having to request money to be released from Canning House whenever they wish to withdraw funds. However, the funds still have to be used for charitable activities by the British and Colombian Chamber of Commerce.
- The UK-Brazil Conversa – an annual forum for dialogue between policymakers and influencers, business leaders, academics, diplomats and governments, to help build closer relations and contacts between Brazil and the UK. It was founded in 2014 by former UK Ambassador to Brazil, Alan Charlton, now a Trustee of Canning House, and Canning House became the Secretariat in 2018.

22. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Fixed assets	13,431,522	-	13,431,522	13,258,766
Net current assets	<u>63,018</u>	<u>324,915</u>	<u>387,933</u>	<u>392,751</u>
	<u>13,494,540</u>	<u>324,915</u>	<u>13,819,455</u>	<u>13,651,517</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

23. Reconciliation of net movement in funds to net cash flows from operating activities

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Net movement in funds	167,937	37,950	193,310	59,985
Adjustments for:				
Depreciation	24,856	25,934	24,856	25,934
Amortisation	2,464	3,000	2,464	3,000
Unrealised losses/(gains) on revaluation	(834,780)	(885,631)	(834,780)	(885,631)
Decrease/(increase) in cash balances held in investments	(401,680)	(48,975)	(401,680)	(48,975)
Decrease in stocks	-	-	-	-
Decrease/(increase) in debtors	(66,872)	38,554	(31,260)	(17,508)
Increase/(decrease) in creditors	(40,416)	33,869	(57,103)	47,597
Dividend income	(310,225)	(307,826)	(310,225)	(307,826)
Interest income	<u>(17,568)</u>	<u>(19,096)</u>	<u>(17,568)</u>	<u>(19,096)</u>
Cash flows from operating activities	<u>(1,476,284)</u>	<u>(1,122,221)</u>	<u>(1,431,986)</u>	<u>(1,142,520)</u>

24. Financial commitments

At 31 March 2025, the Charity had the following commitments under non-cancellable operating leases:

	2025 £	2024 £
Land and buildings		
- Falling due within one year	96,600	96,600
- Falling due between two and five years	<u>193,200</u>	<u>289,800</u>
	<u>289,800</u>	<u>386,400</u>
Other		
- Falling due within one year	-	54
- Falling due between two and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>54</u>
Total financial commitments	<u>289,800</u>	<u>386,454</u>

25. Related party transactions

Whenever appropriate, the entire net profit of the subsidiary company, Canning House Limited, is donated annually by deed to the parent charitable company under gift aid and amounted to £Nil (2024 - £Nil) inclusive of the tax credit.

26. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party other than the Board of Trustees themselves.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales - Charity number 314210

Accounts

Company number: 00383775

Registered charity number: 314210

**THE HISPANIC AND LUSO BRAZILIAN COUNCIL
(A Company Limited by Guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ADMINISTRATIVE AND STATUTORY DETAILS

Board of Trustees	Marcial Echenique Nicholas McCall (Chair) Irene Mia Rodolfo Milesi Vitoria Nabas Ed Poulton Marcelo Scenna Hugo Shorter Gui Silva Dr Lourdes Casanova Fiona Clouder	- Appointed 01/08/2023 - Appointed 01/08/2023
Chief Executive Officer & Secretary	Jeremy Browne	
Company registration number	00383775	
Charity registration number	314210	
Registered office	Floor 9 50 Broadway London SW1H 0BL	
Accountants	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS	
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS	
Solicitors	Collyer Bristow LLP 4 Bedford Row London WC1R 4TF	
Investment Managers	Evelyn Partners 45 Gresham St London EC2V 7BG	

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and audited financial statements for the year ended 31 March 2024 which have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative information

The Hispanic and Luso Brazilian Council is a charitable company, limited by guarantee, and was registered in May 1973 under company registration number 00383775 and charity registration number 314210. The organisation is an amalgamation of the two original councils registered in November 1943 as The Hispanic Council and the Luso Brazilian Council.

The Hispanic and Luso Brazilian Council uses the working name "Canning House" and the principal operating address is Floor 9, 50 Broadway, London, SW1H 0BL.

The Trustees, who are also directors, who served in the period were:

Alan Charlton (Resigned 12/12/2023)	Marcial Echenique
Nicholas McCall (chair)	Ezequiel Wepler (resigned 03/05/2023)
Carla McRoberts (Resigned 12/12/2023)	Irene Mia
Rodolfo Milesi	Vitoria Nabas
Ed Poulton	Marcelo Scenna
Hugo Shorter	Gui Silva
Dr Lourdes Casanova (Appointed 01/08/2023)	Fiona Clouder (Appointed 01/08/2023)

The Charity is supported by a number of honorary non-executive appointments, as follows:

Honorary President:

Lord Jeffrey Mountevans

Honorary Vice-Presidents:

Lord Brennan of Bibury, QC

Chris Bryant, MP

Prof Victor Bulmer-Thomas, CMG OBE

Lord Clarke, CH, QC, PC

Dr Enrique Garcia

Baroness Hooper, CMG

Sir Mark Moody-Stuart, KCMG

Néstor Osorio Londoño

The Rt Hon Michael Portillo

HE Ambassador Iván Romero-Martínez

Horacio Rossi

Sally Unwin, OBE FCIB

The Board of Trustees oversee the Charity, which is managed day to day by the Chief Executive Officer, Jeremy Browne.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management Governing document

The Hispanic and Luso Brazilian Council is a charitable company limited by guarantee and the governing document is the Memorandum and Articles of Association dated 9 November 1943, taken from The Hispanic Council, upon amalgamation.

Principal activities

The mission of the Charity is to be the UK's leading forum for informed comment, contacts and debate on Latin American politics, economics and business. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America, Spain and Portugal. This is achieved through a comprehensive programme of corporate, current affairs and cultural events and publications.

Governing body

The governing body of the organisation is the Board of Trustees. The Trustees are elected at the Annual General Meeting (AGM) or in the interim are appointed to fill a casual vacancy and stand for election at the next AGM. One-third of the Trustees retire from office but are eligible for re-election at the AGM.

Corporate governance structures and procedures are well established and were further improved through the addition of a Nominations Committee in November 2016 for consideration of future Trustees, honorary Vice-Presidents and CEO appointments, and of a Remunerations Committee in July 2021 (see further below).

Trustee training

Potential Trustees are identified by members of The Board and are considered first by the Nominations Committee against the criteria of eligibility, competence, experience, specialist skills and the objective of achieving diversity and balance on The Board. New Trustees are normally familiar with Canning House through their work in business or public service, but full training can be provided to all board members if required in order to assist them with their duties as Trustees.

Organisational management

The Board of Trustees are legally responsible for the overall strategic direction and control of the organisation. The Board meets at least four times a year to track the performance of the organisation against the annual budget, which is agreed by the Trustees at the beginning of the financial year. The Board also regularly reviews performance against the strategy, which focuses on the medium term (5 years).

The oversight of financial issues, risk governance and regulatory compliance is the responsibility of the Finance and General Purposes (F&GP) Committee, which also meets four times a year, prior to each board meeting. Trustees on the committee include: Nick McCall, Vitoria Nabas, Marcelo Scenna and Gui Silva. The committee is chaired by Ian Perrin, COO and Deputy CEO.

The day-to-day running of the organisation is delegated to the Chief Executive Officer. The CEO attends meetings of The Board of Trustees, as well as the Finance and General Purposes Committee and the Remunerations Committee.

Staff remuneration

The remuneration of the CEO is set by The Board of Trustees; the appropriateness of the remuneration is set at the beginning of the individual's contract (including reference to comparisons with other charities) and performance is reviewed annually against pre-specified objectives and KPIs.

The remuneration of other charity staff is delegated to the CEO with the objective that they are, in a fair and responsible manner, rewarded for their individual contributions to the Charity's success, within the limits of the Charity's annually agreed budget. The Remunerations Committee also offers guidance and advice to the CEO on remuneration policies such as overall team and pay structure, the policies governed by the staff guidebook, including staff benefits (season ticket loans, health plans), and the team bonus policy.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Group structure

Canning House Limited (CHL) was formed in 1997 as a wholly owned trading subsidiary of the charitable company. The activities of CHL are focused primarily on corporate activity, including the organisation of conferences, seminars and events on the development of the economic and business environment of Latin America. These events are generally open to the public (subject to capacity constraints), with corporate members and other notable or important guests typically being given priority access.

The Head of Corporate Affairs and the Corporate Affairs Assistant are principally dedicated to corporate activities, with the efforts of other team members divided to various extents between corporate and strictly charitable activities. An approximate allocation of non-dedicated staff time is agreed annually with the auditors.

The entire net profit of CHL is donated annually to the parent company under a deed of covenant created on 11 December 2018. Conversely, in the event that CHL makes a financial loss, under the terms of an ongoing letter of support dated 26 October 2020, the HLBC Trustees undertake to under-write CHL's activities for the current financial year ending 31 March 2023, and for all future years thereafter as necessary.

Stakeholder relationships and charitable activities

The organisation works closely with the Latin American and Iberian Embassies and other UK, Latin American and multilateral organisations that exist to promote stakeholder relationships and related activities between the UK and specific Latin American countries. The organisation regularly runs joint events with these organisations to showcase particular countries and issues. Representatives of these organisations regularly attend and speak at Canning House events. The organisation also collaborates with UK universities with interests in Latin American research and studies, and with other charities and NGOs.

Risk management

The Board of Trustees and the Finance and General Purposes Committee (F&GP) have, in recent years, been focused on key financial risks to the organisation, and necessary mitigation measures, in response to the aftermath of the Covid-19 pandemic plus post-Brexit uncertainties on corporate membership income. The F&GP has also initiated discussions with the investment portfolio managers regarding ESG-related issues pertaining to the portfolio.

STRATEGIC REPORT

Objectives of the Charity

The general aim of the organisation is the advancement of knowledge in the UK of the culture, languages, history, politics, economics and business of the countries of Latin America while furthering the broad relationship between the UK and these countries. These objectives are achieved in a non-partisan manner.

Mission and strategic aims

The mission of the organisation is to build understanding and relationships between the UK and Latin America. Its goal is to be the UK's leading forum for contacts, thought leadership and pragmatic debate on Latin American political, economic, and social trends, current affairs, and business risks and opportunities. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America and Iberia. The strategic aim is to do this in a financially sustainable manner.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's aims and objectives as well as in planning future activities.

REPORT OF THE TRUSTEES
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Objectives for the year and the future

The organisation's objectives for the financial year were to:

- Support the mission by a full annual programme of events relevant to corporate and individual members, as well as to partners and stakeholders;
- Publish newsletters and in-depth reports and undertake research on Latin America and Iberia;
- Maintain and seek to grow the organisation's membership and revenue from fees, sponsorship and donations to achieve financial sustainability, whilst fulfilling its mission.

The first two objectives have been met in full, with excellent feedback from all stakeholders, as a result of which the organisation's public reputation has been greatly enhanced. The achievement of the third objective is more long-term, as progress on this front has been seriously hampered by – inter alia - the impact of the Covid-19 pandemic. However, since the arrival of the new CEO in June 2022, the corporate programme and offer has been refreshed, in an attempt to halt the decline in corporate revenue seen during the previous CEO's tenure, with significant positive progress having been made over the past financial year.

Impact of Covid-19 Pandemic

During the COVID-19 pandemic, Canning House closed its offices. All staff members worked remotely from home until October 2021, when a phased return to the office was implemented. All events were transferred online, and event fees were scrapped. Whilst these changes allowed the organisation to continue to operate and attract an audience from much further afield, the downside was that revenue from events and corporate memberships decreased. However, with the arrival of a new CEO – Jeremy Browne - in 2022, a return to normal office working, and an increase in corporate membership revenues, the negative impact caused by the pandemic on the organisation's operations and finances appears to be diminishing year on year.

Activities of the Charity

Canning House hosted c50 events and meetings during the past year, ranging from webinars, roundtable briefings, panel discussions and conferences, on a variety of different topics relating to current affairs, elections, geopolitics, sport, culture, the environment, and a number of corporate-related topics, such as finance, mining and infrastructure. On the flagship side of things, Canning House organised another successful edition of the UK-Brazil Conversa, hosted at the Blavatnik School of Government at the University of Oxford, and the LatAm Outlook entered its fifth successful year to a packed audience in central London. The organisation also celebrated its 80th anniversary with a wine reception and a speech from the Minister for Latin America, David Rutley MP, to a packed audience of over 250 people at the Royal Institute of British Architects.

Achievements and Performance

With the arrival of the new CEO in June 2022, Canning House undertook a review of all activities and operations, with the aim of improving quality and outreach, whilst also putting the organisation on a sounder financial footing. In practical terms this meant reducing operational costs where possible, whilst increasing income from corporate membership.

For the financial year 2023-24, income from corporate membership increased from £64k to £126k. This represents a significant and important turnaround in the organisation's finances, halting the decline in corporate membership revenues seen over the past seven years. Although this increase in revenue is not enough to cover the operational costs of the organisation, it does buck the trend of diminishing revenues seen in recent years, and indicates that there is demand in the private sector to engage with organisations like Canning House.

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Income from corporate memberships accounted for 97% of annual gross non-investment income of £129k, with £3k also coming from individual membership subscriptions. No sponsorship was acquired during this period for any events, whilst the organisation did receive significant in-kind contributions from corporate members and other groups wishing to partner and collaborate with Canning House. Most notably, these included: JP Morgan, who hosted the Latin American Finance Conference in their London headquarters in Canary Wharf in April 2023; Google, who hosted the Technology Roundtable in June 2023; the London Stock Exchange, who hosted the Green Finance Conference in September 2023; AngloAmerican, who hosted the Mining Conference in December 2023; and KPMG who hosted the Infrastructure Conference in March 2024.

With regards to reducing expenditure, the organisation successfully managed to cut operational costs by 1.6%, from £853k down to £839k. This was primarily achieved by ending the Canning House-LSE research fellowship, and also minimising event expenditure wherever possible.

The organisation moved into new offices in June 2023, located at 50 Broadway, opposite St James' Park tube station, leaving Wigmore Street when the lease expired after the fifth year. The new office space has been purposefully fitted-out for the organisation's requirements, with a boardroom for in-house roundtable meetings, a meeting room, a kitchen, and modern staff work area with 8 desks for the team. The decision to move new premises was in-part taken so that Canning House could once again host its own in-person events, whilst significantly improving the working environment for the staff. The location is also much better for Canning House's stakeholders, being a brief walk from the FCDO and Parliament, and a short tube ride from the City.

Although the office space is larger than the previous office in Wigmore Street, and the total costs are therefore more expensive, in terms of costs per square meter it is cheaper than both previous offices in Wigmore Street and Belgrave Square.

It is worthy to note that the decision was taken to refresh the organisation's branding, with a new logo developed in-house, at no cost to the organisation. It is also pertinent to mention that staff turnover has dramatically reduced over the past year, with no permanent members of staff leaving throughout the duration of the year.

In addition to operating income, the Charity's investment portfolio yielded gross dividend and interest income of £307k, down from £316k in 2022-2023. After deducting fund management fees, the net dividend and interest yield from the portfolio was £256k this year, compared to £262k the previous year; a fall of £6k.

The total operating loss before realised gains/losses for FY 2023-24 stood at a loss of £323k, as opposed to a loss of £515k the previous financial year. The realised loss on investments totalled £497k this year, compared to a gain of £18k the previous financial year, meaning that the total operating loss including realised gains/losses on investment stood at a loss of £821k this financial year, compared with a loss of £497k for the previous financial year.

Public Programme

Canning House continued to update and inform its broad group of stakeholders through its public programme of seminars, webinars, weekly newsletters, Canning Papers and blog posts.

In May, Canning House held an Americas Policy Dialogue in partnership with the British Council and with support from the UK Government's Department for Business and Trade during the Education World Forum in London. The Deputy Chief Executive of the British Council and the UK Minister for Skills, Apprenticeships, and Higher Education delivered the opening remarks. Two panels and a networking session followed, bringing together key decision-makers in education from Latin American governments, including the Brazilian Minister of Education, the Secretary of Education of Bogotá (Colombia), and the Deputy Minister of Education of Cuba, alongside British Council country representatives. Canning House supplemented the agenda by organising a meeting between the Brazilian Minister of Education and the UK Minister for Skills, Apprenticeships, and Higher Education.

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During the reporting period, Canning House organised election briefings on Paraguay, Guatemala, Ecuador and El Salvador. For each one of these events, Canning House compiled a database of a targeted audience in the UK and the country in question to ensure the attendance of more academics in the UK and Latin America. Another significant development was the strengthening of relationships and strategic collaborations with Latin American universities, whose academics have started contributing more regularly to Canning House's blog.

In addition to these webinars, Canning House organised an in-person seminar on 19 October 2023 three days before the general election in Argentina. The seminar provided an opportunity to discuss the election's potential outcomes and significance for the wider region in a multi-disciplinary context. The event's distinguished panel of speakers featured David Rock, Professor Emeritus at University of California Santa Barbara; Ramiro Blazquez, Head of Research and Strategy at BancTrust & Co.; Ezequiel Gonzalez-Ocantos, Professor of Comparative & Judicial Politics, University of Oxford; and Ingrid Bleynat, Senior Lecturer in International Development at King's College London.

Canning House held its summer reception in early July to celebrate with its stakeholders and people in its wider network. On this occasion, Cavita – a Mexican restaurant – was selected as the venue, and Arette kindly supported the event by donating Mexican drinks. Many guests from abroad joined this reception, including the CEO of Casa de América based in Madrid, among others.

This year's UK-Brazil Conversa took place on 30 June 2023 in the Blavatnik School of Government, University of Oxford, and was very well attended. The eighth edition of the Conversa was inaugurated by Jeremy Browne, Professor David Doyle, and Professor Ngaire Woods from the University of Oxford. Sir Alok Sharma, Member of Parliament and former President of the COP26 climate change conference acted as keynote speaker in a full day of conversation held across three sessions and six panels. A premium line-up of panellists from the UK and Brazil shared bilateral perspectives on geopolitics/foreign policy, economics, infrastructure, climate change, health, education, social development and equal representation. Owing to its success, the FGV offered to host the 2024 edition in Sao Paulo, Brazil.

The first roundtable in Canning House's new offices took place on 23 July 2023. Writer and journalist Michael Reid, former correspondent for The Economist, presented his book *Spain: The Trials and Triumphs of a Modern European Country* to a diverse audience. Michael spoke about the outcomes of Spain's 2023 general election.

On the cultural side of things, an interesting roundtable was organised in late September with Sonia Guajajara, Brazil's first-ever Minister for Indigenous Peoples. Minister Guajajara was accompanied by Brazil's Ambassador to the UK, Antonio Patriota and two younger Indigenous activists in a visit which coincided with a ground-breaking Supreme Court victory for indigenous peoples and allies in Brazil. Academics - including directors of Brazilian institutes in the UK - government officials, members of civil society and corporates attended the roundtable.

November saw the organisation celebrate its 80th anniversary at the spectacular Royal Institute of British Architects, with a wine reception and a speech from the Minister for Latin America, David Rutley MP. Over 250 well-wishers attended the event including a plethora of former employees, directors, CEOs, and trustees, along with a diverse audience of diplomats, corporate and individual members, and other stakeholders.

In late November 2023, Canning House welcomed Dr. John Crabtree, Research Associate at the Oxford School of Global and Area Studies, to a launch of his new co-authored book "Business Power and the State in the Central Andes: Bolivia, Ecuador and Peru in Comparison". John presented the book with an overview of its central argumentative threads, with Dr. Laurence Whitehead, Senior Fellow at Nuffield College, University of Oxford, acting as discussant.

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December saw Canning House's flagship publication - the LatAm Outlook 2024 – which took place at the Intercontinental Hotel on Park Lane on 13 December. Over 150 people from government, diplomatic sector, civil society, business and academia attended. Across seven chapters the LatAm Outlook 2024 matched with presentations by Control Risks, Itaú, the Department for International Trade, Ipsos, the Stockholm Environment Institute and Michael Stott, Latin America Editor at the Financial Times. All speakers created a comprehensive portrait of contemporary Latin America, through thorough examination of the region's place in the world, as well as its politics, economics, commercial opportunities, risks, and social and environmental trends.

December also saw Canning House continue its good relationship with the Foreign, Commonwealth, and Development Office (FCDO), by hosting a joint drinks reception for this year's Chevening Scholars programme, which has now become an annual occurrence.

In January 2024 Canning House held a high-level dialogue on environment, net zero and climate matters between Mexican political representatives in Congress and NGOs, as well as British political and corporate figures. The roundtable was organised in collaboration with the British Embassy in Mexico City and the UK PACT.

In the context of the International Day of Women, Canning House organised a webinar on women's leadership and political participation in Latin America. The event took place on March 7th and provided an overview on the path towards gender equality in Latin America. The discussion focused on some of the gains women have made in Latin America, including advances and obstacles in the representation of women in politics and whether women's greater presence in power has made a difference for policy. Emeritus Professor Maxine Molyneux, Dr. Karolina Gilas, Dr. Debora Thome and Dr. Christina Ewig discussed strategies for strengthening women's political participation focusing on country-cases, mainly Brazil, Mexico, Argentina, Colombia, Ecuador and Perú.

Complementing the public and corporate events programmes, Canning Papers were published on Argentina's new president, Gender in Latin America, as well as Pioneering Latin America's sustainable finance. In the current financial year, Canning House has published more than a dozen articles ranging from gender issues to electoral analysis in Latin America. Canning House's blog welcomed new collaborators including the Gender Department at IDB, Michael Reid, Andrés Malamaud, Edgar Gutiérrez, Walter Spurrier, among others. Gabriel Cohen and Susana Berruecos wrote articles providing their perspectives on the EU-CELAC Summit outcomes and significance for Latin America.

The organisation's association with the All Party Parliamentary Groups (APPGs) was also reviewed during the course of the year, with the CEO taking the decision to scale back commitments from three parliamentary groups to just the one, as they were not deemed to be a priority for the organisation going forward.

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Corporate Events

Conferences

On the corporate side of things, Canning House has continued to enhance its programme, highlighting trade and investment opportunities between the UK, Latin America, and Iberia across key sectors. During the reporting period, Canning House organised five corporate conferences as part of the Sustainable Trade and Investment Series. A standard structure has now been introduced for all corporate conferences, consisting of two panels accompanied by either a fireside chat or a keynote speech delivered by a high-profile industry figure, in order to improve consistency, quality, and familiarity. This standardisation streamlined event coordination and proved to be an effective promotional tool.

Additionally, while commercial conferences remain open to the public, Canning House began compiling a database of targeted invitees to ensure the attendance of more industry specialists and prospective corporate members. This initiative has enriched the networking experience for regular attendees by expanding and diversifying the audience. Another significant development was the strengthening of connections with Latin American employee networks of multinational companies in London. During the reporting period, two corporate conferences were organised with such networks, providing a gateway for Canning House to build strategic collaborations with multinationals.

The reporting cycle commenced with the Finance Conference hosted by JP Morgan, featuring a fireside chat with the Chairman of Revolut. This conference was scheduled during UK FinTech Week to enable the participation of Latin American delegations.

In September, the first Green Finance Conference was held at the London Stock Exchange, organised in partnership with LEAD, the company's Latin American network. The Chief Executive of the London Stock Exchange delivered the opening remarks, and panels featured two Canning House corporate members: Baker McKenzie and BancTrust.

The annual Energy Conference, held in October at the Royal Institution, followed closely. The fireside chat featured the UK Minister for Energy Efficiency and Green Finance in conversation with the CEO of Canning House. Companies such as Actis, AECOM, Arup, Bosch, and Santander participated in the panel discussions focused on wind power and hydrogen.

The final corporate event of the 2023 calendar year was the annual Mining Conference, themed “Partnerships for Sustainability in Mining.” This conference brought together eclectic stakeholders, including an academic from University College London (UCL), mining companies Anglo American and Antofagasta, and finance specialists from the Church of England Pensions Board, the Inter-American Development Bank, and the International Finance Corporation.

The 2024 calendar year began with the Infrastructure Conference held at KPMG in March, marking the first partnership between Canning House and KPMG. Panels provided a timely platform for UK consultancy and construction firms, including Gleeds and Crossrail International, to discuss their operations in Latin America. Canning House corporate member ERG International was also represented on a panel.

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Roundtables

After relocating to the new office in June 2023, one of the CEO's main objectives was to host a number of roundtables with high-profile guests during the FY 2024-2023. To this end, the Business Breakfast Series was launched in September 2023. These invitation-only events prioritise current and prospective corporate members, diplomats, and other high-level stakeholders, adding an attractive string to Canning House's membership offerings. During the reporting period, five Business Breakfasts were held. In September, a roundtable was convened on the implications of the UK's accession to the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) featuring the UK Chief Negotiator. In October, two Business Breakfasts were hosted: the first with the Mining Minister of Chile and the second with the Chair of the British Chambers of Commerce. In January, the newly appointed Brazilian Ambassador was the guest speaker at the first breakfast meeting of 2024, followed closely by a roundtable with the UK Shadow Secretary for Business and Trade in February.

In addition to the in-house breakfasts, a roundtable with the Governor of Rio de Janeiro State was organised in April, hosted by corporate member Baker McKenzie. Building on previous collaborative work with Google, in June, during London Tech Week, a roundtable meeting was held at one of Google's main London offices, also held in partnership with the UK Government's Department for Business and Trade. This event marked Canning House's first technology-related event, with plans for a larger-scale conference at Google during London Tech Week 2024.

Other

Canning House also carried out a country-specific event in partnership with the Dominican Embassy in the UK and the British Chamber of Commerce (BRITCHAM) in the Dominican Republic. In November, a conference on nearshoring was held at the In and Out Club, featuring a large delegation of businesspeople from the Dominican Republic.

Additionally, webinars have continued to be held on business and trade topics following the COVID-19 pandemic. In collaboration with corporate member Pogust Goodhead, a webinar in June focused on the Mariana Dam Disaster in Brazil, discussing lessons learned for corporate governance. The annual Agribusiness Conference was reshaped into a webinar on Fast Moving Consumer Goods (FMCGs). By switching from an in-person event to a webinar, it was possible to reach the numerous agribusiness stakeholders based in Latin America. Two corporate members, Baker McKenzie and GPS, were represented on the panel, alongside the Inter-American Development Bank (IDB), the International Coffee Organization, and the Scotch Whiskey Association.

Financial review

The Statement of Financial Activities (on page 17) shows an overall fund surplus of £13,651,517 at the year-end, which included £313,725 of restricted funds. The remaining funds are unrestricted and are available for use by the Trustees at their discretion, but in accordance with the Charity's aims and objectives.

REPORT OF THE TRUSTEES
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Plans for future periods

With the new office now secured, attention will be given to upgrading other important aspects of Canning House's digital infrastructure, with conversations ongoing regarding essential upgrade works to the website, to allow for the integration of a CRM database.

Plans are also afoot to overhaul individual memberships with a new offer and pricing structure later in 2024, offering existing individual members better value for money, whilst attracting more to join. This was initially planned for 2023 but had to be delayed until the new CRM is in place.

There is a strong pipeline of public events planned, including the UK Brazil Conversa 2024 to be held in September in Sao Paulo in collaboration with the FGV; the LatAm Outlook 2025; a seminar analysing the implications of the US elections in Latin America in November 2024, and Canning House's usual election analysis for forthcoming elections Panamá, Dominican Republic, Mexico, Venezuela and Uruguay. In the case of Mexico, a series of webinars and in-person seminar is being planned in collaboration with Nuffield College and the Tecnológico de Monterrey. Canning House is also exploring hosting an event in Mexico in 2025 with key partners in the country and in Spain. Other smaller events, such as webinars, roundtables, and policy dialogues, that are in the pipeline include: an academic panel to discuss the anniversary of Portugal's Carnation Revolution, a closed roundtable with UK political analysts providing and overview of the UK elections.

On the corporate side, Canning House has a pipeline of corporate conferences scheduled for the remainder of 2024 under its "Trade and Sustainable Investment Series." The 2024 Finance Conference will be hosted at Citi's London headquarters during UK FinTech Week, featuring a keynote speech by the Lord Mayor of the City of London. This will mark the first occasion that Canning House has partnered with Citi's Hispanic Network for an event. Building on last year's roundtable, a Technology Conference is planned at Google in June during London Tech Week 2024, in partnership with Google and the UK Department for Business and Trade. The annual Energy Conference will follow in October, and Canning House's first Pharmaceuticals Conference will take place in November in partnership with corporate member Baker McKenzie, replacing the annual agribusiness event. In December, the annual Mining Conference will be delivered in partnership with corporate member Anglo American. The CEO aims to diversify the industries covered by Canning House's commercial conferences to include secondary and tertiary sectors, hence the introduction of the Pharmaceuticals and Technology conferences.

Regular roundtables with high-profile guests will continue to be held at Canning House's office throughout FY 2023-2024. A Business Breakfast with the UK Minister for Trade Policy is planned for May 2024, followed by a Business Breakfast with the CEO of corporate member Diageo in June 2024. The Chilean Mining Minister is expected to return in November 2024. A greater number of visiting Latin American authorities are anticipated to participate in Canning House roundtables following the UK General Election in 2024.

Risks and uncertainties

Given the organisation's dependence upon two principal income streams – corporate membership and investment income - the principal financial risks facing the organisation are:

- Corporate membership numbers
- Stock market fluctuations impacting the value and/or income stream of the investment portfolio.

The uncertainties surrounding the speed and extent of economic recovery from the pandemic in both the UK and Latin America, added to those surrounding the impact on UK companies of the final implementation arrangements for Brexit, have undoubtedly impacted corporate memberships; even those companies which have renewed have taken longer to decide to do so – leading to several instances in the past of delayed renewals and waived fees. However, upon arrival of the new CEO, after undertaking a review of the existing structure and pricing, he implemented a one-tier membership package coasting a flat fee of £12,000, thus removing the muddled multi-tiered system that had been implemented by his predecessor.

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Furthermore, the unprecedented Russian invasion of Ukraine in March 2022 caused jitters in financial markets, impacting the value of assets around the world. This had a significant impact on the value of the Canning House endowment portfolio. However, the current value of the portfolio of c£13m still provides plenty of insurance for Canning House to survive this period even if these uncertainties persist into 2024.

The continued growth this year in our reputation for serious and significant research, reports, commentary and events, the increased reach of those events to larger and more international audiences, and the publication of the fourth edition of our LatAm Outlook, have all greatly augmented our position not only as the leading UK forum on UK-Latin American bilateral relations, but also as an internationally recognised thought leader on Latin American developments in general.

Reserves and investment policy

Following the sale of No. 2 Belgrave Square, in 2013 the Board of Trustees invested the proceeds (c. £12m) in an investment portfolio managed by Evelyn Partners (formerly known as Smith and Williamson Investment Management LLP). The Board established a reserves policy which was intended to maintain the value of the capital realised from the sale, after allowing for inflation (RPI+1%).

Initially, only income from the portfolio in the form of dividends and interest has been drawn from the portfolio, with capital gains as well as surplus income being reinvested. But as a result of the recent economic turmoil, and owing to ongoing expenditure already committed by the previous CEO, capital within the portfolio has been drawn down on. However, the new CEO has made it a priority to reverse this trend and cut profligate expenditure across all aspects of the organisation's operations.

In June 2019, the Board confirmed that the investment portfolio is a strategic fund to be applied to strategic and quality investments in pursuit of the Charity's Mission and Objects and to the financing of appropriate loss-making charitable activities of Canning House – such as the LatAm Outlook - that cannot be covered by other income sources. It is to be deployed wisely and appropriately over time, in such a way as to preserve Canning House's ability to continue to fund such strategic opportunities not only in the short-term but also over the medium- and long-term.

The Board's Finance & General Purposes Committee (F&GP) undertook an in-depth strategic review with the organisation's investment portfolio advisors, Evelyn Partners in July 2021. Any shortfalls on operating costs will continue to be covered by income transfer to the organisation to maintain activities at current levels; this is expected to continue to be met primarily from interest and dividends.

As at 31st March 2024 the Hispanic & Luso Brazilian Council investment portfolio was valued at £13,161,522. This followed a strong period of performance over the preceding six months, with the underlying investments appreciating +6.9% since early October which helped to offset the weaker returns earlier in the year. The result has been a net total return of +5.1% for the trailing twelve-month period, which is in line with the long-term target return of CPI +2%. By comparison, the UK Government bond market, as represented by the Markit iBoxx GBP Gilts Index, delivered a negative total return of -0.6%. Meanwhile both UK and global equities rallied on the back of more subdued inflation figures and the subsequent expectation of interest rate cuts. It is also important to highlight the narrowness of equity market performance during the year, as a few individual mega cap US technology companies were the major contributors to the broader equity market performance – a direct result of the resurgence in AI related stocks which drove renewed enthusiasm for the sector after a difficult 2022. The balance and diversification within the Hispanic & Luso Brazilian Council portfolio, in terms of asset class, geographic and sectoral exposure, has resulted in a more subdued performance versus global equities. However, the positioning of the investments reflects the strategic risk profile of the Charity and the long-term target return. Given the prospect of improving economic growth and corporate fundamentals, the portfolio is well positioned to benefit from a broadening of performance beyond the current market leaders. Since inception the portfolio is showing a cumulative net total return of +35.2%.

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The Trustees require the investment manager(s) to be sensitive to the underlying purpose and principles of the Charity and its partners, and to try to avoid any investments in contravention of these whilst also highlighting areas of potential sensitivity. Particular attention should be paid to Environmental, Social & Governance (ESG) factors when selecting investments. Furthermore, the Trustees require the investment manager(s) to apply an appropriate level of due diligence in terms of ESG analysis within the underlying investment process.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

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 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.

Auditors

Dixon Wilson Audit Services LLP, Chartered Accountants are auditors to the charitable company for 2023-24. In accordance with section 485 of the Companies Act, a resolution on the appointment of auditors for 2024-25 will be put at a General Meeting.

Statement of disclosure to auditor

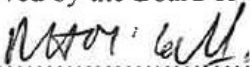
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 05/11/24 and signed on their behalf by:


.....

N McCall

Chair

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of The Hispanic and Luso Brazilian Council (the 'charitable parent company') and its subsidiary (the 'charitable group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group's and of the charitable parent company's affairs as at 31 March 2024 and of the charitable group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

FOR THE YEAR ENDED 31 MARCH 2024

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees Report; or
- sufficient accounting records have not been kept; or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector, and jurisdictions in which it operates, and considered the risk of acts by the charitable company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, UK Charity Law as well as UK financial reporting standards applicable for UK charitable companies.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of consultants used for accounting outsourcing.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

FOR THE YEAR ENDED 31 MARCH 2024

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

19 December 2024

Date: _____

Dixon Wilson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including statement of income and expenditure)
FOR THE YEAR ENDED 31 MARCH 2024

		2024	2024	2024	2023	2023	2023
	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
Income and endowments from:							
Other trading activities	3	130,179	-	130,179	68,794	-	68,794
Investments	4	<u>315,062</u>	<u>11,860</u>	<u>326,922</u>	<u>318,689</u>	<u>5,069</u>	<u>323,758</u>
Total income		445,241	11,860	457,101	387,483	5,069	392,552
Expenditure on:							
Raising funds		(51,244)	-	(51,244)	(53,895)	-	(53,895)
Charitable activities	6	(702,428)	(34,672)	(737,100)	(804,382)	(34,820)	(839,202)
Governance costs	8	<u>(18,609)</u>	<u>-</u>	<u>(18,609)</u>	<u>(16,775)</u>	<u>-</u>	<u>(16,775)</u>
Total expenditure		(772,281)	(34,672)	(806,953)	(875,052)	(34,820)	(909,872)
Net gains on investments		<u>387,802</u>	<u>-</u>	<u>387,802</u>	<u>(627,542)</u>	<u>-</u>	<u>(627,542)</u>
Net movement in funds		60,762	(22,812)	(37,950)	(1,115,111)	(29,751)	(1,144,862)
Reconciliation of funds							
Balance at 1 April 2023		<u>13,277,030</u>	<u>336,537</u>	<u>13,613,567</u>	<u>14,392,143</u>	<u>366,287</u>	<u>14,758,430</u>
Balance at 31 March 2024	20	<u>13,337,793</u>	<u>313,725</u>	<u>13,651,517</u>	<u>13,277,032</u>	<u>336,536</u>	<u>13,613,568</u>

The notes on pages 20 to 30 form part of these financial statements.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Group		Charity	
		2024	2023	2024	2023
		£	£	£	£
Fixed assets					
Tangible fixed assets	11	93,744	43,361	93,744	43,361
Intangible assets	12	3,500	3,000	3,500	3,000
Investments	13	<u>13,161,522</u>	<u>13,033,013</u>	<u>13,161,523</u>	<u>13,033,014</u>
		13,258,766	13,079,374	13,258,767	13,079,375
Current assets					
Stocks	14	3,498	3,498	3,498	3,498
Debtors and prepayments	15	42,866	81,420	575,203	557,694
Cash at bank and in hand	16	<u>579,331</u>	<u>648,351</u>	<u>452,676</u>	<u>541,996</u>
		625,695	733,269	1,031,377	1,103,188
Creditors: amounts falling due within one year	17	<u>(232,944)</u>	<u>(199,075)</u>	<u>(168,486)</u>	<u>(120,889)</u>
Net current assets		<u>392,751</u>	<u>534,194</u>	<u>862,891</u>	<u>982,299</u>
Total assets		<u>13,651,517</u>	<u>13,613,568</u>	<u>14,121,658</u>	<u>14,061,674</u>
Creditors: amounts falling due after more than one year	17	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>
Net Assets		<u>13,651,517</u>	<u>-</u>	<u>14,121,658</u>	<u>-</u>
Funds represented by:					
Restricted funds		313,725	336,536	313,725	336,536
Unrestricted funds		<u>13,337,792</u>	<u>13,277,032</u>	<u>13,807,933</u>	<u>13,725,138</u>
Total funds	20	<u>13,651,517</u>	<u>13,613,568</u>	<u>14,121,658</u>	<u>14,061,674</u>

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its Statement of Financial Affairs for the financial year.

The annual accounts have been produced in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, and the Charities Act 2011 and applicable regulations.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

For the year ended 31 March 2024, the Charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 17 to 30 were approved by the Trustees on 05/11/24 and signed on their behalf by:

..... *N McCall*
N McCall - Chair

Company registration number - 00383775
Charity registration number - 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Group 2024 £	2023 £	Charity 2024 £	2023 £
Cash flows from operating activities	22	(1,122,221)	(29,976)	(1,142,520)	(78,743)
Cash flows from investing activities					
Dividend income		307,826	288,701	307,826	288,701
Interest income		19,096	35,057	19,096	35,057
Proceeds from the sale of investments		3,733,943	3,020,683	3,733,943	3,020,683
Purchase of investments		(2,927,846)	(3,160,919)	(2,927,846)	(3,160,919)
Purchase of tangible fixed assets		(76,318)	(38,904)	(76,319)	(38,904)
Purchase of intangible assets		<u>(3,500)</u>	<u>-</u>	<u>(3,500)</u>	<u>-</u>
Net cash (used in) provided by investing activities		<u>1,053,201</u>	<u>144,618</u>	<u>1,053,200</u>	<u>144,618</u>
Change in cash and cash equivalents in the year		(69,020)	114,642	(89,321)	65,875
Cash and cash equivalents at the beginning of the year		<u>648,351</u>	<u>533,709</u>	<u>541,996</u>	<u>476,121</u>
Cash and cash equivalents at the end of the year		<u>579,331</u>	<u>648,351</u>	<u>452,675</u>	<u>541,996</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

a) Company information

The Hispanic and Luso Brazilian Council is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charities Commission. The principal address and registered office is Floor 9, 50 Broadway, London SW1H 0BL.

b) Basis of preparation of annual accounts

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hispanic and Luso Brazilian Council meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The principal accounting policies are set out below.

The effects of events relating to the year ended 31 March 2024 which occurred before the date of approval of the financial statements by the Trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2024 and the results for the year ended on that date.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Annual membership subscriptions are recognised in equal monthly instalments over the period of membership. Donations and sponsorship are recognised when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability. Event fees and room hire are recorded when the services are provided. Dividend and interest income are recognised when the Charity has the right to receive payment.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

e) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs for trading for fundraising purposes.

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

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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.

f) Tangible fixed assets and depreciation

All tangible fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Plant and machinery	-	20% straight line
Office fit out	-	5 years straight line

g) Intangible assets and amortisation

Intangible assets acquired are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses over the useful economic life of that asset as follows:

Website development	-	20% straight line
CRM project	-	not currently depreciated as not in use

h) Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction cost. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in equity instruments

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the SOFA. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in the SOFA. Other investments are measured at cost less impairment in the SOFA.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purposes only of the cash flow statement. Cash balances held as part of a fixed asset investment portfolio are presented as part of fixed asset investments.

k) Operating lease agreements

Rentals in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessors are charged to the Statement of Financial Activities SOFA on a straight-line basis over the period of the lease.

l) Pension costs

The charity operates a defined contribution scheme for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are charged to the SOFA as they fall due.

m) Taxation

The Hispanic and Luso Brazilian Council is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively to charitable purposes.

n) Grants

Grants are accounted for under the accruals model of accounting as permitted by FRS102. Grants of a revenue nature are recognised in the SOFA in the same period as the related expenditure.

o) Going concern

There are no material uncertainties about the Charity's ability to continue in operational existence for the foreseeable future. The Charity holds sufficient liquid reserves to meet its financial obligations as they currently fall due, and for the foreseeable future.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary. The summary financial performance of the Charity alone is:

	2024	2023
	£	£
Income	<u>330,519</u>	<u>327,846</u>
	330,519	327,846
Expenditure on charitable activities	(607,092)	(608,327)
Net gains/(losses) on investments	<u>336,559</u>	<u>(681,437)</u>
Net (expenditure)/income	59,985	(961,918)
Funds brought forward	<u>14,061,673</u>	<u>15,023,592</u>
Totals funds carried forward	<u>14,121,658</u>	<u>14,061,674</u>
Represented by:		
Restricted funds	313,725	336,536
Unrestricted funds	<u>13,807,933</u>	<u>13,725,138</u>
	<u>14,121,658</u>	<u>14,061,674</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Other trading activities

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Membership and events	129,637	-	129,637	68,794
Other Income	<u>542</u>	<u>-</u>	<u>542</u>	<u>-</u>
	<u>130,179</u>	<u>-</u>	<u>130,179</u>	<u>68,794</u>

4. Investments

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Dividends & interest from investments	307,826	-	307,826	288,701
Bond interest accrued	-	-	-	27,667
Bank interest received	<u>7,236</u>	<u>11,860</u>	<u>19,096</u>	<u>7,390</u>
	<u>315,062</u>	<u>11,860</u>	<u>326,922</u>	<u>323,758</u>

5. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Investment Manager's fee	<u>51,244</u>	<u>-</u>	<u>51,244</u>	<u>53,895</u>

6. Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Direct costs	1,284	34,672	35,956	249,929
Support costs	<u>701,144</u>	<u>-</u>	<u>701,144</u>	<u>589,273</u>
	<u>702,428</u>	<u>34,672</u>	<u>737,100</u>	<u>839,202</u>

7. Support costs

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Staff costs	458,602	-	458,602	439,585
Building costs	46,054	-	46,054	60,641
Other costs	<u>196,488</u>	<u>-</u>	<u>196,488</u>	<u>89,047</u>
	<u>701,144</u>	<u>-</u>	<u>701,144</u>	<u>589,273</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Governance costs

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Audit and accountancy fees	<u>18,609</u>	<u>-</u>	<u>18,609</u>	<u>16,775</u>

9. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	25,934	2,324
Amortisation	3,000	3,000
Auditors remuneration:		
- Audit of the financial statements	<u>12,651</u>	<u>9,790</u>
	<u>41,585</u>	<u>14,094</u>

10. Staff costs and remuneration

Total staff costs were as follows:

	2024 £	2023 £
Wages and salaries	377,673	354,123
Social security cost	36,937	35,344
Other pension costs	37,367	23,164
Other costs	<u>6,625</u>	<u>26,954</u>
	<u>458,602</u>	<u>439,585</u>

The average number of staff employed during the year, based on a full time equivalent, was 8 (2023 – 8). All staff were employed by the Charity and staff were recharged to Canning House Limited based on time spent. The total recharge for the year amounted to £129,689 (2023 - £220,628).

There was 1 employee whose total emoluments for the year fell between £120,000 and £130,000 (2023 between £90,000 and £100,000 - 1).

The total amount of employee benefits received by the charity's key management personnel was £120,650 (2023 - £90,654).

The members of the Board of Trustees did not receive any remunerations, nor any reimbursed expenses during the year (2023 - £Nil).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Tangible assets – Charity (also comprising that of the group)

	Fixtures & fittings £	Computer equipment £	Plant & machinery £	Office fitout £	Total £
Cost					
At 1 April 2023	34,661	13,275	1,338	38,653	87,926
Additions	-	12,321	-	63,997	76,318
Re-allocation	-	-	-	-	-
31 March 2024	<u>34,661</u>	<u>25,596</u>	<u>1,338</u>	<u>102,650</u>	<u>164,244</u>
Depreciation					
At 1 April 2023	33,864	10,167	535	-	44,566
Charge for the year	<u>455</u>	<u>4,681</u>	<u>267</u>	<u>20,530</u>	<u>25,934</u>
At 31 March 2024	<u>34,319</u>	<u>14,848</u>	<u>802</u>	<u>20,530</u>	<u>70,500</u>
Net book value					
At 31 March 2024	<u>341</u>	<u>10,748</u>	<u>535</u>	<u>82,120</u>	<u>93,744</u>
At 31 March 2023	<u>797</u>	<u>3,108</u>	<u>803</u>	<u>38,653</u>	<u>43,360</u>

12. Intangible assets – Charity (also comprising that of the group)

	Website development £	CRM Project £	Total
Cost			
At 1 April 2023	15,000	-	15,000
Additions	-	<u>3,500</u>	<u>3,500</u>
At 31 March 2024	<u>15,000</u>	<u>3,500</u>	<u>18,500</u>
Depreciation			
At 1 April 2023	12,000	-	12,000
Charge for the year	<u>3,000</u>	-	<u>3,000</u>
At 31 March 2024	<u>15,000</u>	-	<u>15,000</u>
Net book value			
At 31 March 2024	<u>-</u>	<u>3,500</u>	<u>3,500</u>
At 31 March 2023	<u>3,000</u>	-	<u>3,000</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Investments

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Subsidiary undertaking	-	-	1	1
UK and overseas equities:				
Market value at 1 April 2023	12,998,384	13,503,763	12,998,384	13,503,763
Acquisitions at cost	2,927,846	3,160,919	2,927,846	3,160,919
Disposals at market value	(3,733,943)	(3,020,683)	(3,733,943)	(3,020,683)
Unrealised (losses)/gains on revaluation	<u>885,631</u>	<u>(645,615)</u>	<u>885,631</u>	<u>(645,615)</u>
Market value at 31 March 2024	13,077,918	12,998,384	13,077,918	12,998,384
Cash balance (held by brokers)	<u>83,604</u>	<u>34,629</u>	<u>83,604</u>	<u>34,629</u>
Investments under management	<u>13,161,522</u>	<u>13,033,013</u>	<u>13,161,522</u>	<u>13,033,013</u>
	<u>13,161,522</u>	<u>13,033,013</u>	<u>13,161,523</u>	<u>13,033,014</u>

The market value of £13,077,918 (2023 - £12,998,384) above represents investments quoted on a recognised securities exchange.

	2024 £	2023 £
UK equity	2,417,602	2,873,396
Overseas equity	5,868,560	5,034,265
UK bonds	3,209,621	3,185,417
Alternative investments	<u>1,582,135</u>	<u>1,905,306</u>
	<u>13,077,918</u>	<u>12,998,384</u>

Subsidiary undertaking

The charity has a wholly owned trading subsidiary, Canning House Limited (company registration number 03317927), which is incorporated in England and Wales. The subsidiary's principal activity is to run services for corporate members and relevant commercial activities including the running of conferences. All profits are donated to the Charity under gift aid.

Summary of profit and loss for Canning House Limited

	2024 £	2023 £
Turnover	126,582	64,706
Cost of sales and expenses	<u>(148,617)</u>	<u>(247,650)</u>
Net loss	<u>(22,035)</u>	<u>(182,944)</u>
The assets and liabilities of the subsidiary were:		
Current assets	133,141	123,155
Current liabilities	<u>(603,280)</u>	<u>(571,260)</u>
Total net liabilities	<u>(470,139)</u>	<u>(448,105)</u>
Aggregate share capital and reserves	<u>(470,139)</u>	<u>(448,105)</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Stocks – Charity (also comprising that of the group)

	2024 £	2023 £
Stock of medals	<u>3,498</u>	<u>3,498</u>

15. Debtors

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	6,486	16,800	-	-
Prepayments and accrued income	32,966	35,795	32,966	35,795
Other debtors	3,414	28,825	3,414	28,825
Amounts owed by group undertakings	-	-	<u>538,822</u>	<u>493,074</u>
	<u>42,866</u>	<u>81,420</u>	<u>575,202</u>	<u>557,694</u>

16. Analysis of cash and cash equivalents

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Cash at bank	<u>579,331</u>	<u>648,351</u>	<u>452,676</u>	<u>541,996</u>

17. Creditors

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Current:				
Trade creditors	6,661	338	6,661	338
Taxation and social security	-	2,109	-	2,109
Accruals and deferred income	<u>226,283</u>	<u>196,628</u>	<u>161,825</u>	<u>118,442</u>
	<u>232,944</u>	<u>199,075</u>	<u>168,486</u>	<u>120,889</u>
Non-current:				
Total creditors	<u>232,944</u>	-	<u>168,486</u>	-

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Financial instruments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Financial assets				
Financial assets measured at fair value through the SOFA	13,740,852	13,681,364	13,614,197	13,575,009
Financial assets measured at amortised cost	9,900	45,625	542,237	521,900
	<u>13,750,753</u>	<u>13,726,989</u>	<u>14,156,435</u>	<u>14,096,909</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(232,944)</u>	<u>(199,075)</u>	<u>(168,485)</u>	<u>(120,889)</u>

Financial assets measured at fair value through the SOFA comprise of bank and cash balances as well as investments carried at market value. Accounting policies adopted are included within note 1 to these financial statements.

Financial assets measured at amortised cost comprise of investments held at cost, trade debtors, other debtors and amounts owed by group undertakings. Further details in respect of these balances can be found in note 15 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals. Further details in respect of these balances can be found in note 17 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

19. Pensions

The charitable company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pensions cost represents contributions payable by the Charity during the year and amounts to £16,978 (2023 - £11,162) and by the Group £37,367 (2023 - £23,164). At the year-end there was £0 payable by the Charity included in other creditors (2023 - £2,109 payable by the Charity included in other creditors).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20. Statement of funds

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Restricted funds:				
Canning House Library Appeal	279,399	10,430	(8,792)	281,037
Anglo Portugese Society Fund	33,483	1,324	-	34,807
UK-Brazil Conversa Fund	2,593	-	(4,712)	(2,119)
British and Colombian Chamber of Commerce Fund	<u>21,062</u>	<u>106</u>	<u>(21,168)</u>	<u>-</u>
	336,537	11,860	(34,672)	313,725
Unrestricted funds:				
General funds	<u>13,277,030</u>	<u>445,241</u>	<u>(384,479)</u>	<u>13,337,793</u>
Total funds	<u>13,613,567</u>	<u>457,101</u>	<u>(419,151)</u>	<u>13,651,517</u>

Details of the funds are listed below:

- Canning House Library Appeal – set up in 2004 for new library facilities.
- Anglo accounts – deposits made for future charitable activities in mutual agreement with the Anglo Portuguese Society, and the British and Colombian Chamber of Commerce for charitable, cultural and educational purposes. The above funds were set aside in conjunction with the sale of 2 Belgrave Square. With the approval of the HLBC board, the balance of the joint account held with British and Colombian Chamber of Commerce was transferred to the British and Colombian Chamber of Commerce for their control in April 2024. By doing so it will simplify the process by which the Chamber can access the funds, without having to request money to be released from Canning House whenever they wish to withdraw funds. However, the funds still have to be used for charitable activities by the British and Colombian Chamber of Commerce.
- The UK-Brazil Conversa – an annual forum for dialogue between policymakers and influencers, business leaders, academics, diplomats and governments, to help build closer relations and contacts between Brazil and the UK. It was founded in 2014 by former UK Ambassador to Brazil, Alan Charlton, now a Trustee of Canning House, and Canning House became the Secretariat in 2018.

21. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Fixed assets	13,258,766	-	13,258,766	13,079,374
Net current assets	<u>79,026</u>	<u>313,725</u>	<u>392,751</u>	<u>534,194</u>
	<u>13,337,792</u>	<u>313,725</u>	<u>13,651,517</u>	<u>13,613,568</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

22. Reconciliation of net movement in funds to net cash flows from operating activities

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Net movement in funds	37,950	(1,144,862)	59,985	(961,918)
Adjustments for:				
Depreciation	25,934	2,324	25,934	2,324
Amortisation	3,000	3,000	3,000	3,000
Unrealised losses/(gains) on revaluation	(885,631)	645,615	(885,631)	645,615
Decrease/(increase) in cash balances held in investments	(48,975)	713,291	(48,975)	713,291
Decrease in stocks	-	700	-	700
Decrease/(increase) in debtors	38,554	31,602	(17,508)	(141,548)
Increase/(decrease) in creditors	33,869	42,112	47,597	(16,449)
Dividend income	(307,826)	(288,701)	(307,826)	(288,701)
Interest income	<u>(19,096)</u>	<u>(35,057)</u>	<u>(19,096)</u>	<u>(35,057)</u>
Cash flows from operating activities	<u>(1,122,221)</u>	<u>(29,976)</u>	<u>(1,142,520)</u>	<u>(78,743)</u>

23. Financial commitments

At 31 March 2024, the Charity had the following commitments under non-cancellable operating leases:

	2024	2023
	£	£
Land and buildings		
- Falling due within one year	96,600	96,600
- Falling due between two and five years	<u>289,800</u>	<u>386,400</u>
	<u>386,400</u>	<u>483,000</u>
Other		
- Falling due within one year	54	1,233
- Falling due between two and five years	<u>-</u>	<u>-</u>
	<u>54</u>	<u>1,233</u>
Total financial commitments	<u>386,454</u>	<u>484,233</u>

24. Related party transactions

Whenever appropriate, the entire net profit of the subsidiary company, Canning House Limited, is donated annually by deed to the parent charitable company under gift aid and amounted to £Nil (2023 - £Nil) inclusive of the tax credit.

25. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party other than the Board of Trustees themselves.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales - Charity number 314210

Accounts

Company number: 00383775

Registered charity number: 314210

**THE HISPANIC AND LUSO BRAZILIAN COUNCIL
(A Company Limited by Guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ADMINISTRATIVE AND STATUTORY DETAILS

Board of Trustees	Alan Charlton Marcial Echenique Nicholas McCall (Chair) Carla McRoberts Irene Mia Rodolfo Milesi Vitoria Nabas Ed Poulton Marcelo Scenna Hugo Shorter Gui Silva
Chief Executive Officer & Secretary	Jeremy Browne
Company registration number	00383775
Charity registration number	314210
Registered office	50 Broadway London SW1H 0BL
Accountants	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Solicitors	Collyer Bristow LLP 4 Bedford Row London WC1R 4TF
Investment Managers	Evelyn Partners 45 Gresham St London EC2V 7BG

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and audited financial statements for the year ended 31 March 2023 which have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative information

The Hispanic and Luso Brazilian Council is a charitable company, limited by guarantee, and was registered in May 1973 under company registration number 00383775 and charity registration number 314210. The organisation is an amalgamation of the two original councils registered in November 1943 as The Hispanic Council and the Luso Brazilian Council.

The Hispanic and Luso Brazilian Council uses the working name "Canning House" and the principal operating address is Floor 9, 50 Broadway, London, SW1H 0BL.

The Trustees, who are also directors, who served in the period were:

Alan Charlton	Marcial Echenique
Nicholas McCall (chair)	Ezequiel Wepler (resigned 03/05/2023)
Carla McRoberts	Irene Mia
Rodolfo Milesi	Vitoria Nabas
Ed Poulton	Marcelo Scenna
Hugo Shorter	Gui Silva

The Charity is supported by a number of honorary non-executive appointments, as follows:

Honorary President:

Lord Jeffrey Mountevans

Honorary Vice-Presidents:

Lord Brennan of Bibury, QC

Jeremy Browne (Appointed CEO in July 2022)

Chris Bryant, MP

Prof Victor Bulmer-Thomas, CMG OBE

Lord Clarke, CH, QC, PC

Dr Enrique Garcia

Baroness Hooper, CMG

Sir Mark Moody-Stuart, KCMG

Néstor Osorio Londoño

The Rt Hon Michael Portillo

HE Ambassador Iván Romero-Martínez

Horacio Rossi

Sally Unwin, OBE FCIB

The Board of Trustees oversee the Charity, which is managed day to day by the Chief Executive Officer, Jeremy Browne.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management Governing document

The Hispanic and Luso Brazilian Council is a charitable company limited by guarantee and the governing document is the Memorandum and Articles of Association dated 9 November 1943, taken from The Hispanic Council, upon amalgamation.

Principal activities

The mission of the Charity is to be the UK's leading forum for informed comment, contacts and debate on Latin American politics, economics and business. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America, Spain and Portugal. This is achieved through a comprehensive programme of corporate, current affairs and cultural events and publications.

Governing body

The governing body of the organisation is the Board of Trustees. The Trustees are elected at the Annual General Meeting (AGM) or in the interim are appointed to fill a casual vacancy and stand for election at the next AGM. One-third of the Trustees retire from office but are eligible for re-election at the AGM.

Corporate governance structures and procedures are well established and were further improved through the addition of a Nominations Committee in November 2016 for consideration of future Trustees, honorary Vice-Presidents and CEO appointments, and of a Remunerations Committee in July 2021 (see further below).

Trustee training

Potential Trustees are identified by members of The Board and are considered first by the Nominations Committee against the criteria of eligibility, competence, experience, specialist skills and the objective of achieving diversity and balance on The Board. New Trustees are normally familiar with Canning House through their work in business or public service, but full training can be provided to all board members if required in order to assist them with their duties as Trustees.

Organisational management

The Board of Trustees are legally responsible for the overall strategic direction and control of the organisation. The Board meets at least four times a year to track the performance of the organisation against the annual budget, which is agreed by the Trustees at the beginning of the financial year. The Board also regularly reviews performance against the strategy, which focuses on the medium term (5 years).

The oversight of financial issues, risk governance and regulatory compliance is the responsibility of the Finance and General Purposes (F&GP) Committee, which also meets four times a year, prior to each board meeting. Trustees on the committee include: Nick McCall, Vitoria Nabas, Marcelo Scenna and Gui Silva. The committee is chaired by Ian Perrin, COO and Deputy CEO.

The day-to-day running of the organisation is delegated to the Chief Executive Officer. The CEO attends meetings of The Board of Trustees, as well as the Finance and General Purposes Committee and the Remunerations Committee.

Staff remuneration

The remuneration of the CEO is set by The Board of Trustees; the appropriateness of the remuneration is set at the beginning of the individual's contract (including reference to comparisons with other charities) and performance is reviewed annually against pre-specified objectives and KPIs.

The remuneration of other charity staff is delegated to the CEO with the objective that they are, in a fair and responsible manner, rewarded for their individual contributions to the Charity's success, within the limits of the Charity's annually agreed budget. The Remunerations Committee also offers guidance and advice to the CEO on remuneration policies such as overall team and pay structure, the policies governed by the staff guidebook, including staff benefits (season ticket loans, health plans), and the team bonus policy.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Group structure

Canning House Limited (CHL) was formed in 1997 as a wholly owned trading subsidiary of the charitable company. The activities of CHL are focused primarily on corporate activity, including the organisation of conferences, seminars and events on the development of the economic and business environment of Latin America. These events are generally open to the public (subject to capacity constraints), with corporate members and other notable or important guests typically being given priority access.

The Head of Corporate Affairs and the Corporate Affairs Assistant are principally dedicated to corporate activities, with the efforts of other team members divided to various extents between corporate and strictly charitable activities. An approximate allocation of non-dedicated staff time is agreed annually with the auditors.

The entire net profit of CHL is donated annually to the parent company under a deed of covenant created on 11 December 2018. Conversely, in the event that CHL makes a financial loss, under the terms of an ongoing letter of support dated 26 October 2020, the HLBC Trustees undertake to under-write CHL's activities for the current financial year ending 31 March 2023, and for all future years thereafter as necessary.

Stakeholder relationships and charitable activities

The organisation works closely with the Latin American and Iberian Embassies and other UK, Latin American and multilateral organisations that exist to promote stakeholder relationships and related activities between the UK and specific Latin American countries. The organisation regularly runs joint events with these organisations to showcase particular countries and issues. Representatives of these organisations regularly attend and speak at Canning House events. The organisation also collaborates with UK universities with interests in Latin American research and studies, and with other charities and NGOs.

Risk management

The Board of Trustees and the Finance and General Purposes Committee (F&GP) have, in recent years, been focused on key financial risks to the organisation, and necessary mitigation measures, in response to the aftermath of the Covid-19 pandemic plus post-Brexit uncertainties on corporate membership income. The F&GP has also initiated discussions with the investment portfolio managers regarding ESG-related issues pertaining to the portfolio.

STRATEGIC REPORT

Objectives of the Charity

The general aim of the organisation is the advancement of knowledge in the UK of the culture, languages, history, politics, economics and business of the countries of Latin America while furthering the broad relationship between the UK and these countries. These objectives are achieved in a non-partisan manner.

Mission and strategic aims

The mission of the organisation is to build understanding and relationships between the UK and Latin America. Its goal is to be the UK's leading forum for contacts, thought leadership and pragmatic debate on Latin American political, economic, and social trends, current affairs, and business risks and opportunities. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America and Iberia. The strategic aim is to do this in a financially sustainable manner.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's aims and objectives as well as in planning future activities.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Objectives for the year and the future

The organisation's objectives for the financial year were to:

- Support the mission by a full annual programme of events relevant to corporate and individual members, as well as to partners and stakeholders;
- Publish newsletters and in-depth reports and undertake research on Latin America and Iberia;
- Maintain and seek to grow the organisation's membership and revenue from fees, sponsorship and donations to achieve financial sustainability, whilst fulfilling its mission.

The first two objectives have been met in full, with excellent feedback from all stakeholders, as a result of which the organisation's public reputation has been greatly enhanced. The achievement of the third objective is more long-term, as progress on this front has been seriously hampered by – inter alia - the impact of the Covid-19 pandemic. However, since the arrival of the new CEO in June 2022, the corporate programme and offer has been refreshed, in an attempt to halt the decline in corporate revenue seen during the previous CEO's tenure.

Impact of Covid-19 Pandemic

The organisation closed its offices in mid-March 2020 in response to the critical situation that was unfolding, and the entire team started working full-time from home. No one was furloughed. The team continued to work remotely until October 2021, when a phased return to the office was implemented. The team was split in two, with each half coming into the office for two days per week. However, by December 2021, a new variant of Covid-19 (omicron) emerged, and on the advice of the government, all members of staff returned to working from home full-time, until February 2022, when the omicron wave had passed.

At the start of the pandemic, all the organisation's events were transferred 100% online. However, by September 2021, when the infection rates had dropped to significantly low numbers, and most people were fully vaccinated, it was decided that the organisation would host a pre-event dinner outside and in-person for the speakers of the 2021 UK-Brazil Conversa. This was the first time the organisation had arranged an in-person event since March 2020. The dinner was extremely well attended, with all those who accepted attending. Given that public confidence in attending in-person events had returned, the organisation started making plans for more in-person and hybrid events, moving away from hosting events exclusively online.

Whilst hosting events online meant that our audience numbers increased dramatically and we were able to attract a significant number of new viewers from overseas, the downside was that the former CEO took the decision to scrap events fees completely. This ultimately meant that revenue generated by event ticket sales ceased.

Activities of the Charity

Coming out of the tail end of the COVID-19 pandemic, the Canning House returned to its normal programme of c40+ corporate events (webinars, briefings and trade and investment conferences and round tables) and public events (cultural, geopolitical, election analyses, socio-economic), all of which were free to attend.

On the flagship side of things, Canning House welcomed the President of Uruguay, Luis Lacalle Pou, to London for a Canning Lecture in May 2022; the UK-Brazil Conversa successfully continued apace in Rio de Janeiro in June 2022; the LatAm Outlook entered its fourth successful year to a packed audience in central London; and Canning House recognised the outstanding contributions made by its former Honorary President, Baroness Gloria Hooper CMG, for contributions made to enhancing UK-Latin American relations, by awarding her with one of the prestigious Canning Medals.

Achievements and Performance

For the financial year 2022-23, income from corporate membership decreased from £74k to £64k, demonstrating the difficult market conditions that the organization is facing.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Income from corporate memberships of £64k accounted for c94% of annual gross non-investment income of £68k, with c£4k also coming from individual membership subscriptions. No sponsorship was acquired during this period for any events, whilst the organisation did receive significant in-kind contributions from corporate members, most notably AngloAmerican, who hosted the “Evolution of Sustainable Mining in Latin America” conference in their London headquarters in December 2022; PromPeru, who covered the costs of the “Peru Economic Outlook and Investment Opportunities” event in January 2023; and ERG International who covered the costs of the “Infrastructure: Building Latin American Sustainable Development” conference in March 2023.

However, the change of CEO in June 2022 heralded a new era for Canning House, with the arrival of Jeremy Browne, former UK government minister with responsibility for Latin America. Upon arrival, the CEO and COO undertook a review of the activities and finances of the organisation, and came up with a plan to ensure that the organisation had a sounder financial footing going forward. The plan consisted of two main fronts. The first front was to implement strategic cost cutting measures across the board, to make sure that no money was spent on activities that are not deemed a priority or do not support the organisations mission. In light of this, the decision was taken by the CEO and board to end Canning House’s funding of the LSE-Canning House Research Forum after its third year, significantly reducing the organisations financial burden going forward. Additional cost cutting measures have been implemented on the events front, with any expenditure that was deemed unnecessary, such as livestreaming and providing simultaneous translation as default for every event, being cut. The second front was to increase revenues by revising the corporate programme to attract more corporate members to join Canning House, and pay a fairer price. Although not fully reflected in the above figures, owing to the fact that revenue from corporate membership is accrued across the financial year, income from annualised corporate membership has increased from c£30k when the previous CEO left, to over £100k in the one year since the arrival of the new CEO.

The new CEO identified two further areas for improvement, relating to a new staff structure and a new office, that he deems integral to his plan for the organisation. On the staff front, the CEO has revised the existing staff structure by promoting the Head of Finance and Operations to the position of COO and Deputy CEO; abolishing the position of Head of Stakeholder Relations and replacing it with a Head of Corporate Affairs; abolishing the positions of Global Affairs Officer and Policy and Research Officer, and replacing them with a Head of Policy and Public Affairs. This new staff structure not only resulted in a more efficient team, with each staff member in positions that better reflect their skill set, it also resulted in saving a small amount of money on wages as there was one less team member. On the new office front, the CEO, COO and board were unanimous that when the lease for the property in 126 Wigmore Street expired, it was not to be renewed, and that a new more modern office that is better fit for purpose be found. After an exhaustive search the COO found a property on 50 Broadway, London, opposite St James’ Park Underground Station, which the CEO deemed ideal for his vision of the organisation going forward, incorporating modern facilities and a boardroom, so that Canning House can go back to hosting in-house events once again. The contracts were signed for the lease in March 2023, and the fit-out work will be completed by June 2023. A nine-month rent-free period was negotiated in the first year of the contract, and a further five-month rent-free period will be implemented after the third year of the contract has passed.

Overall operating expenses on charitable activities and governance increased to £853k from £761k last financial year. This was primarily due to the return of in-person flagship events without sponsorship as noted above, as well as the ongoing costs associated with the Canning House-LSE Research Forum, which costs the organisation upwards of £100k per annum. However, as already mentioned previously, since the arrival of the new CEO a series of measures aimed at reducing expenditure on events and other initiatives deemed not to be a priority have been implemented or initiated, the impact of which will be seen fully in future financial periods.

In addition to operating income, the Charity’s investment portfolio yielded gross dividend and interest income of £316k, down from £344k in 2021-22. After deducting fund management fees, the net dividend and interest yield from the portfolio was £262k this year, compared to £285k the previous year; a fall of £23k.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The total operating loss before realised gains/losses for FY 2022-23 stood at a loss of £515k, as opposed to a loss of £319k the previous financial year. The realised gains on investments totaled £18k this year, compared to a loss of £113k the previous financial year, meaning that the total operating loss including realised gains/losses on investment stood at a loss of £497k this financial year, compared with a loss of £433k for the previous financial year.

Current Affairs, Culture & Communications

Canning House continued to update and inform its audiences about the most relevant current affairs through seminars, webinars, weekly newsletters, Canning Papers and other publications, including a newly launched blog.

In May 2022, Canning House welcomed the President of Uruguay, Luis Lacalle Pou, to Goldsmiths' Hall in central London to deliver a Canning Lecture. Mr. Lacalle Pou's lecture, entitled "Uruguay, a Reliable Gateway to South America - Opportunities in Green Finance," was followed by words from Minister Azucena Arbeleche, Uruguay's Minister of Finance, and a roundtable with senior investors. Also in the delegation were Ministers Francisco Bustillo, of Foreign Relations, and Omar Paganini, of Industry, Energy and Mining.

In Canning House's broader programme of Current Affairs events, numerous wide-ranging topics were addressed either via webinar, or through in-person events, including, in no particular order, election briefings on Brazil and Colombia; Trade Alliances 2023, with a focus on the trade bloc Mercosur; China and Russia's relations with Latin America; human rights in Venezuela; cryptocurrency; mining and rights in Peru and sites of memory for Argentina's civil-military dictatorship.

Across these events, Canning House partnered with institutions and organisations including the Department for International Trade (now Department for Business and Trade), the Paddy Ashdown Forum, Grupo de Países Productores del Sur (GPS), Cafod, the Peru Support Group, the All-Party Parliamentary Group for Peru, and the Embassy of Argentina. A number of these events featured senior figures from prominent organisations, such as Human Rights Watch, the United Nations, the Royal United Services Institute, the European Commission, University College London (UCL), the World Bank, government representatives from the UK and Latin America, and always with contributions from Canning House's extensive network of experts.

Canning House's role as Secretariat of the All-Party Parliamentary Groups (APPGs) for Latin America, Peru and Venezuela saw further collaboration on events and meetings, including Ambassadorial Briefings and country-specific updates, with support for Canning House events from the APPG in regular parliamentary notices.

In historic and cultural matters, Canning House held another edition of its Forgotten Histories series, this year focusing on British ties to slavery in Latin America post-British abolition. The event featured a panel of academics from UCL, the University of Birmingham and Durham University.

The board also made the decision to award Baroness Gloria Hooper CMG, former Honorary President of Canning House, with a prestigious Canning Medal, in recognition of her invaluable contributions made to enhancing UK-Latin American relations. A stalwart of the UK-Latin American community for decades, the reception was well attended by the diplomatic community, and the Baroness was presented with her medal by Lord Browne of Madingley, with Professor Victor Bulmer-Thomas CMG OBE delivering closing remarks.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Thought Leadership, Policy and Research

This year's UK-Brazil Conversa took place in June 2022 in Rio de Janeiro, and was extremely well attended, having been forced online for the two previous editions. A premium line-up of panellists from across business, academia, government, law, and many other fields, joined the speakers for a variety of bilateral discussions looking at foreign policy, climate change, glean growth, natural resource extraction, levelling up, public security, environmental social and corporate governance, and inequality. Owing to its success, plans were afoot soon after to host the 2023 edition at the University of Oxford.

December saw Canning House's flagship publication - the LatAm Outlook - continue to go from strength to strength. This year's edition included two new additional chapters; the first assessing Latin America's place in the world, authored by the Financial Times Latin American editor Michael Stott; and the second looking at commercial opportunities in Latin America, written by the Department for Business and Trade; alongside the regular chapters looking at the political, economic, social, environmental, and security outlooks across the region for the next 5 years and beyond. The launch event took place at the Intercontinental Hotel on Park Lane, and despite rail strikes and a snow storm, over 130 people from government, business, academia and diplomacy attended.

The Canning House-KCL Library Visiting Fellowship programme continued with the arrivals of four scholars. From Argentina, Almendra Cremaschi's research examined global open-source agriculture; Isabel Madrazo, a Mexican academic, focused on gender-based violence and policing; Guilherme Bianchi from Brazil, who studied indigenous agency in post-conflict Peru; and Roberto Uebel, also from Brazil, whose arrival was delayed by Covid-19, investigated migratory patterns between Brazil, Portugal and the UK.

The Canning House Research Forum at the London School of Economics and Political Science's Latin America and Caribbean Centre saw the publication of its first Research Fellow, Dr Amir Lebdioui's, second report, which examined Latin American trade and climate change. The report was later publicised by President Gustavo Petro of Colombia on Twitter, and Amir has since presented it to the Colombian government. The programme's second Research Fellow, Dr Layla Zaglul Ruiz, has begun her research project, 'Adding value to coffee and Cacao in Latin America,' with a report due later in 2023.

Complementing the current affairs and corporate events programmes, Canning Papers were published on Latin America's place in the changing geopolitical climate, responsible mining in the Lithium triangle, the future of Mercosur, and the sustainable development of transport infrastructure.

Canning House launched a new regular Blog, publishing short, timely pieces by guest contributors, in May 2022. It has since covered topics including Chile's constitutional referendum, military-political relationships across Latin America, the attempted assassination of Cristina Fernández de Kirchner; Peru's political crisis; Brazilian politics and the 8 January riots in Brasilia; and Colombian President Gustavo Petro's first 100 days in office. Contributors included Canning House Associate Fellow Jill Hedges, academics including Dr Julio Carrión and Dr Vinicius de Carvalho, and Mario Braga and Rodrigo Russo from Control Risks, a Canning House Corporate Member. Since taking over as CEO in June 2022, Jeremy Browne has penned opinion pieces on Brazil's election, and another on "Global Britain" published in outlets including the Independent, Conservative Home and La Tercera (Chile).

Canning House continued its support for the Foreign, Commonwealth, and Development Office (FCDO)'s Chevening programme, hosting its Latin American scholars at a networking reception in partnership with FCDO in December 2022, and support for the Group of Latin American Embassies in the UK (GRULA) remained strong, with regular meetings between Canning House representatives and the Latin American Ambassadors held to discuss key priority areas and potential collaboration.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Corporate Events

Since the arrival of the new CEO, Canning House has strengthened its corporate programme to continue championing trade and investment between the UK and Latin America. During the reporting period, Canning House organised ten corporate events in total. In April 2022, Canning House partnered with LatAm INVESTOR to conclude the “investing-in series” with a conference on Guatemala which yielded country-specific insights and showcased current investment opportunities. This was followed by a seminar in June on “The UK as a destination for Latin American entrepreneurs: Opportunities and challenges” held in partnership with Google and the Department for International Trade’s (DIT) Global Entrepreneur Programme.

In September, Canning House partnered with corporate member, Baker McKenzie to organise the “Sustainable Agribusiness” conference with support from corporate member, GPS. Two conferences and two roundtables were held in October, collaborating first with the Dominican Embassy in the UK and the British Chamber of Commerce of the Dominican Republic to organise a conference on “The Dominican Republic: Bringing the Orange Economy to the Caribbean” to mark the ninth Dominican Week in London. The flagship “Energy and Renewables” conference in partnership with Eversheds Sutherland closely followed suit. The first roundtable in October welcomed the Chilean Minister of Economy to the London Stock Exchange, and later that month, the Chilean Mining Minister was received at a roundtable meeting organised by Canning House and hosted by Bloomberg. The calendar year concluded by partnering with corporate member, Anglo-American to host a conference on “The Evolution of Sustainable Mining in Latin America”, underscoring the strategic importance of Latin America as a provider of critical minerals.

At the request of new corporate member PromPeru, Canning House organised a conference on the “Peru Economic Outlook and Investment Opportunities” in January 2023. The event featured the in-person participation of the Peruvian Finance Minister, Alex Contreras alongside panellists from Anglo American, J.P. Morgan, Mace, and Moody’s Investors Services. January also saw the launch of Canning House’s “Sustainable Trade and Investment” series for 2023. These cross-sectoral conferences will explore the opportunities (and hurdles) for strengthening trade and investment between the UK and Latin America, diversifying the organisation’s portfolio of events to encompass not only extractive industries (such as mining and agriculture) but also value-added industries (such as technology and infrastructure). The series was kickstarted with the conference “Infrastructure: Building Latin American Sustainable Development” in partnership with new corporate member, ERG International. Around one hundred and twenty attendees spectated the two panels featuring influential players such as the Global Head of Infrastructure at KPMG and the CEO of Crossrail International.

Financial review

The Statement of Financial Activities (on page 17) shows an overall fund surplus of £13,615,641 at the year-end, which included £336,536 of restricted funds. The remaining funds are unrestricted and are available for use by the Trustees at their discretion, but in accordance with the Charity’s aims and objectives.

Plans for future periods

With the new office now secured, Canning House will be able to host in-house events once again. It is the CEO’s goal to host a number of breakfast meetings for high-profile guests throughout FY 2023-24, that will be of benefit to diplomats, business leaders, civil society groups, and the public alike. The boardroom in the new office will also make it possible to host a plethora of roundtable meetings relating to Canning House’s core areas of interest, such as current affairs, culture, politics, economics and business.

In addition to the new office, plans are also afoot to upgrade the organisations digital infrastructure, including the implementation of a CRM database, and a refresh of the website, which was last undertaken five years ago. A brand design refreshment is also planned for later in 2023.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Canning House plans to overhaul its individual membership campaign with a new offer and pricing structure later in 2023, in a similar way to how the corporate membership has been revised, offering existing individual members better value for money, whilst attracting more to join.

The organisation's association with the APPGs will also be reviewed in the coming year, with the intention of scaling back commitments to the parliamentary groups, from three groups to just the one. Canning House will pass its 80th anniversary in November 2023, and plans are currently in development for a celebration to mark the occasion with a reception.

There is a strong pipeline of public events planned, including the UK Brazil Conversa 2023; the LatAm Outlook 2024; the Trade Alliances event 2024, which will likely focus on the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership; an event to mark the bicentenaries of some Latin American states; another China-LatAm seminar for 2024, and Canning House's usual election analysis for forthcoming elections in Paraguay, Guatemala, and Argentina.

Other smaller events, such as webinars, roundtables, and policy dialogues, that are in the pipeline include: a closed roundtable with the Governor of Rio de Janeiro State; an "Americas Policy Dialogue" held alongside the Education World Forum taking place in London in May in partnership with the British Council and the Department for Business and Trade (DBT); a roundtable on "Technology: Reshaping Latin American Technologies" in partnership with Google and the Department for Business and Trade, during London Tech Week 2023; a roundtable meeting with Graham Zebedee, the lead negotiator for the UK's accession to the CPTPP, a meeting with the Inter-American Development Bank (IDB) to present their 2023 Debt Report; and a webinar organised in collaboration with Pogust Goodhead, assessing the impact of the 2015 Mariana Dam Disaster, reflecting on the shared learnings for corporate governance from the perspectives of corporates/investors, academics, the media, and the legal sector.

Corporate events planned include "New Pathways for Latin American Finance" conference hosted by J.P. Morgan, which will explore the potential for strengthening UK-Latin American collaboration in financial services and FinTech; "Pioneering Latin America's Sustainable Finance" in partnership with the London Stock Exchange Group (LSEG); a "Powering Net Zero" conference organised with Banco Santander; "Partnerships for Sustainability in Mining" conference, again with AngloAmerican; and a new conference looking at "Cultivating the UK and Latin American Food and Drinks Trade".

Risks and uncertainties

Given the organisation's dependence upon two principal income streams – corporate membership and investment income - the principal financial risks facing the organisation are:

- Corporate membership numbers
- Stock market fluctuations impacting the value and/or income stream of the investment portfolio.

The uncertainties surrounding the speed and extent of economic recovery from the pandemic in both the UK and Latin America, added to those surrounding the impact on UK companies of the final implementation arrangements for Brexit, have undoubtedly impacted corporate memberships; even those companies which have renewed have taken longer to decide to do so – leading to several instances in the past of delayed renewals and waived fees. However, upon arrival of the new CEO, after undertaking a review of the existing structure and pricing, he implemented a one-tier membership package coasting a flat fee of £12,000, thus removing the muddled multi-tiered system that had been implemented by his predecessor.

Furthermore, the unprecedented Russian invasion of Ukraine in March 2022 caused jitters in financial markets, impacting the value of assets around the world. This had a significant impact on the value of the Canning House endowment portfolio. However, the current value of the portfolio of c£13m still provides plenty of insurance for Canning House to survive this period even if these uncertainties persist into 2024.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The continued growth this year in our reputation for serious and significant research, reports, commentary and events, the increased reach of those events to larger and more international audiences, and the publication of the fourth edition of our LatAm Outlook, have all greatly augmented our position not only as the leading UK forum on UK-Latin American bilateral relations, but also as an internationally recognised thought leader on Latin American developments in general.

Reserves and investment policy

Following the sale of No. 2 Belgrave Square, in 2013 the Board of Trustees invested the proceeds (c. £12m) in an investment portfolio managed by Evelyn Partners (formerly known as Smith and Williamson Investment Management LLP). The Board established a reserves policy which was intended to maintain the value of the capital realised from the sale, after allowing for inflation (RPI+1%).

Initially, only income from the portfolio in the form of dividends and interest has been drawn from the portfolio, with capital gains as well as surplus income being reinvested. But as a result of the recent economic turmoil, and owing to ongoing expenditure already committed by the previous CEO, capital within the portfolio has been drawn down on. However, the new CEO has made it a priority to reverse this trend and cut profligate expenditure across all aspects of the organisation's operations.

In June 2019, the Board confirmed that the investment portfolio is a strategic fund to be applied to strategic and quality investments in pursuit of the Charity's Mission and Objects and to the financing of appropriate loss-making charitable activities of Canning House – such as the LatAm Outlook - that cannot be covered by other income sources. It is to be deployed wisely and appropriately over time, in such a way as to preserve Canning House's ability to continue to fund such strategic opportunities not only in the short-term but also over the medium- and long-term.

The Board's Finance & General Purposes Committee (F&GP) has undertaken an in-depth strategic review with the organisation's investment portfolio advisors, Evelyn Partners and, in July 2021, submitted to the Board proposals to alter the mandate to recognise that it was no longer necessary to keep a more liquid £5m reserved for a potential property purchase, and to invest consistently with the board's ESG principles, whilst increasing the target return from RPI +1% to CPI+2%. Any shortfalls on operating costs will continue to be covered by income transfer to the organisation to maintain activities at current levels; this is expected to continue to be met primarily from interest and dividends.

The Hispanic & Luso Brazilian Council investment portfolio delivered a net total return of -2.6% for the trailing twelve months to 31st March 2023. Although frustrating to see a negative performance over the period, this should be viewed in the context of wider financial markets; over the same period global equities fell by -1.4% (MSCI All Country World Index GBP) whilst conventional UK Government Bonds, which typically exhibit more defensive characteristics versus equities, depreciated by -17.0% (Markit iBoxx GBP Gilts Index). This shows the extent of the volatility across both equities and bonds as investors priced in the impact of rising interest rates and tighter credit conditions. Central banks have continued in their efforts to control inflation which remains elevated and significantly above target, putting further pressure on households and corporations during an already fragile recovery. With this in mind, the Canning House portfolio remains conservatively positioned with 60.0% attributed to equities which is marginally overweight versus the long-term strategic benchmark. The focus continues to be on maintaining an appropriate level of diversification with a suitable balance across asset classes, sectors and styles to navigate the challenging market environment. Since inception the portfolio is showing a cumulative net total return of +28.7%.

The Trustees require the investment manager(s) to be sensitive to the underlying purpose and principles of the Charity and its partners, and to try to avoid any investments in contravention of these whilst also highlighting areas of potential sensitivity. Particular attention should be paid to Environmental, Social & Governance (ESG) factors when selecting investments. Furthermore, the Trustees require the investment manager(s) to apply an appropriate level of due diligence in terms of ESG analysis within the underlying investment process.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

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 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.

Auditors

Dixon Wilson Audit Services LLP, Chartered Accountants are auditors to the charitable company for 2022-23. In accordance with section 485 of the Companies Act, a resolution on the appointment of auditors for 2023-24 will be put at a General Meeting.

Statement of disclosure to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 07/11/23 and signed on their behalf by:


.....
N McCall
Chair

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Opinion

We have audited the financial statements of The Hispanic and Luso Brazilian Council (the 'charitable parent company') and its subsidiary (the 'charitable group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group's and of the charitable parent company's affairs as at 31 March 2023 and of the charitable group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees Report; or
- sufficient accounting records have not been kept; or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 8, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector, and jurisdictions in which it operates, and considered the risk of acts by the charitable company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, UK Charity Law as well as UK financial reporting standards applicable for UK charitable companies.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of consultants used for accounting outsourcing.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dixon Wilson Audit Services LLP

.....
Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

8 November 2023
Date: _____

Dixon Wilson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including statement of income and expenditure)
FOR THE YEAR ENDED 31 MARCH 2023

		2023	2023	2023	2022	2022	2022
	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
Income and endowments from:							
Other trading activities	3	68,794	-	68,794	79,422	-	79,422
Investments	4	<u>318,689</u>	<u>5,069</u>	<u>323,758</u>	<u>343,885</u>	<u>1,510</u>	<u>345,885</u>
Total income		387,483	5,069	392,552	423,307	1,510	424,817
Expenditure on:							
Raising funds	5	(53,895)	-	(53,895)	(58,964)	-	(58,964)
Charitable activities	6	(804,382)	(34,820)	(839,202)	(744,866)	(1,170)	(746,036)
Governance costs	8	<u>(16,775)</u>	<u>-</u>	<u>(16,775)</u>	<u>(14,539)</u>	<u>-</u>	<u>(14,539)</u>
Total expenditure		(875,052)	(34,820)	(909,872)	(818,369)	(1,170)	(819,539)
Net gains on investments		<u>(627,542)</u>	<u>-</u>	<u>(627,542)</u>	<u>106,928</u>	<u>-</u>	<u>106,928</u>
Net movement in funds		(1,115,111)	(29,751)	(1,144,862)	(288,134)	340	(287,794)
Reconciliation of funds							
Balance at 1 April 2022		<u>14,392,143</u>	<u>366,287</u>	<u>14,758,430</u>	<u>14,680,277</u>	<u>365,947</u>	<u>15,046,224</u>
Balance at 31 March 2023	20	<u>13,277,032</u>	<u>336,536</u>	<u>13,613,568</u>	<u>14,392,143</u>	<u>366,287</u>	<u>14,758,430</u>

The notes on pages 19 to 29 form part of these financial statements.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible fixed assets	11	43,361	6,781	43,361	6,781
Intangible assets	12	3,000	6,000	3,000	6,000
Investments	13	<u>13,033,013</u>	<u>14,251,683</u>	<u>13,033,014</u>	<u>14,251,683</u>
		13,079,374	14,264,464	13,079,375	14,264,464
Current assets					
Stocks	14	3,498	4,198	3,498	4,198
Debtors and prepayments	15	81,420	113,022	557,694	416,146
Cash at bank and in hand	16	<u>648,351</u>	<u>533,709</u>	<u>541,996</u>	<u>476,121</u>
		733,269	650,929	1,103,188	896,465
Creditors: amounts falling due within one year	17	<u>(199,075)</u>	<u>(156,963)</u>	<u>(120,889)</u>	<u>(137,338)</u>
Net current assets		<u>534,194</u>	<u>493,966</u>	<u>982,299</u>	<u>759,127</u>
Total assets		<u>13,613,568</u>	<u>14,758,430</u>	<u>14,061,674</u>	<u>15,023,592</u>
Funds represented by:					
Restricted funds		336,536	366,287	336,536	366,287
Unrestricted funds		<u>13,277,032</u>	<u>14,392,143</u>	<u>13,725,138</u>	<u>14,657,305</u>
Total funds	20	<u>13,613,568</u>	<u>14,758,430</u>	<u>14,061,674</u>	<u>15,023,592</u>

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its Statement of Financial Affairs for the financial year.

The annual accounts have been produced in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, and the Charities Act 2011 and applicable regulations.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

For the year ended 31 March 2023, the Charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 16 to 29 were approved by the Trustees on 07/11/23 and signed on their behalf by:

.....
N McCall - Chair

Company registration number - 00383775

Charity registration number - 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group		Charity	
		2023	2022	2023	2022
		£	£	£	£
Cash flows from operating activities	22	(29,976)	(1,236,615)	(78,743)	(1,164,064)
Cash flows from investing activities					
Dividend income		288,701	300,417	288,701	300,417
Interest income		35,057	44,978	35,057	44,978
Proceeds from the sale of investments		3,020,683	4,216,060	3,020,683	4,216,060
Purchase of investments		(3,160,919)	(3,434,827)	(3,160,919)	(3,434,827)
Purchase of tangible fixed assets		<u>(38,904)</u>	<u>(1,339)</u>	<u>(38,904)</u>	<u>(1,339)</u>
Net cash (used in) provided by investing activities		<u>144,618</u>	<u>1,125,289</u>	<u>144,618</u>	<u>1,125,289</u>
Change in cash and cash equivalents in the year		114,642	(111,326)	65,875	(38,775)
Cash and cash equivalents at the beginning of the year		<u>533,709</u>	<u>645,035</u>	<u>476,121</u>	<u>514,896</u>
Cash and cash equivalents at the end of the year		<u>648,351</u>	<u>533,709</u>	<u>541,996</u>	<u>476,121</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

a) Company information

The Hispanic and Luso Brazilian Council is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charities Commission. The principal address and registered office is 50 Broadway, London SW1H 0BL.

b) Basis of preparation of annual accounts

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hispanic and Luso Brazilian Council meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The principal accounting policies are set out below.

The effects of events relating to the year ended 31 March 2023 which occurred before the date of approval of the financial statements by the Trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2023 and the results for the year ended on that date.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Annual membership subscriptions are recognised in equal monthly instalments over the period of membership. Donations and sponsorship are recognised when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability. Event fees and room hire are recorded when the services are provided. Dividend and interest income are recognised when the Charity has the right to receive payment.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (continued)

e) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs for trading for fundraising purposes.

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

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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.

f) Tangible fixed assets and depreciation

All tangible fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Plant and machinery	-	20% straight line
Office fit out	-	not currently depreciated as not in use

g) Intangible assets and amortisation

Intangible assets acquired are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses over the useful economic life of that asset as follows:

Website development	-	20% straight line
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h) Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction cost. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in equity instruments

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the SOFA. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in the SOFA. Other investments are measured at cost less impairment in the SOFA.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purposes only of the cash flow statement. Cash balances held as part of a fixed asset investment portfolio are presented as part of fixed asset investments.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. Accounting policies (continued)

k) Operating lease agreements

Rentals in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessors are charged to the Statement of Financial Activities SOFA on a straight-line basis over the period of the lease.

l) Pension costs

The charity operates a defined contribution scheme for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are charged to the SOFA as they fall due.

m) Taxation

The Hispanic and Luso Brazilian Council is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively to charitable purposes.

n) Grants

Grants are accounted for under the accruals model of accounting as permitted by FRS102. Grants of a revenue nature are recognised in the SOFA in the same period as the related expenditure.

o) Going concern

There are no material uncertainties about the Charity's ability to continue in operational existence for the foreseeable future. The Charity holds sufficient liquid reserves to meet its financial obligations as they currently fall due, and for the foreseeable future.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary. The summary financial performance of the Charity alone is:

	2023 £	2022 £
Income	<u>327,846</u> 327,846	<u>350,699</u> 350,699
Expenditure on charitable activities	(608,327)	(613,769)
Net gains on investments	<u>(681,437)</u>	<u>106,928</u>
Net (expenditure)/income	(961,918)	(156,142)
Funds brought forward	<u>15,023,592</u>	<u>15,179,734</u>
Totals funds carried forward	<u>14,061,674</u>	<u>15,023,592</u>
Represented by:		
Restricted funds	336,536	366,287
Unrestricted funds	<u>13,725,138</u>	<u>14,657,305</u>
	<u>14,061,674</u>	<u>15,023,592</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Other trading activities

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Membership and events	68,794	-	68,794	79,422
Corporate sponsorships	-	-	-	-
	<u>68,794</u>	<u>-</u>	<u>68,794</u>	<u>79,422</u>

4. Investments

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Dividends & interest from investments	288,701	-	288,701	300,417
Bond interest accrued	27,667	-	27,667	43,360
Bank interest received	2,321	5,069	7,390	1,618
	<u>318,689</u>	<u>5,069</u>	<u>323,758</u>	<u>359,776</u>

5. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Investment Manager's fee	<u>53,895</u>	<u>-</u>	<u>53,895</u>	<u>58,964</u>

6. Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Direct costs	215,109	34,820	249,929	239,378
Support costs	<u>589,273</u>	<u>-</u>	<u>589,273</u>	<u>506,658</u>
	<u>804,382</u>	<u>34,820</u>	<u>839,202</u>	<u>746,036</u>

Included within direct costs are donations made to the following institutions:

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
UK Consulate Rio de Janeiro	1,500	-	1,500	-
LATA Foundation	-	-	-	6,000
The Anglo-Argentine Society	-	-	-	<u>30,674</u>
	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>30,674</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Support costs

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Staff costs	439,585	-	439,585	393,052
Building costs	60,641	-	60,641	59,534
Other costs	89,047	-	89,047	54,072
	<u>589,273</u>	<u>-</u>	<u>589,273</u>	<u>506,658</u>

8. Governance costs

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Audit and accountancy fees	<u>16,775</u>	<u>-</u>	<u>16,775</u>	<u>14,539</u>

9. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	2,324	2,417
Amortisation	3,000	3,000
Auditors remuneration:		
- Audit of the financial statements	<u>9,790</u>	<u>8,039</u>
	<u>14,094</u>	<u>13,456</u>

10. Staff costs and remuneration

Total staff costs were as follows:

	2023 £	2022 £
Wages and salaries	354,123	332,991
Social security cost	35,344	30,650
Other pension costs	23,164	18,891
Other costs	<u>26,954</u>	<u>10,520</u>
	<u>439,585</u>	<u>393,052</u>

The average number of staff employed during the year, based on a full time equivalent, was 8 (2022 – 9). All staff were employed by the Charity and staff were recharged to Canning House Limited based on time spent. The total recharge for the year amounted to £220,628 (2022 - £193,423).

There was 1 employee whose total emoluments for the year fell between £90,000 and £100,000 (2022 between £90,000 and £100,000 - 1).

The total amount of employee benefits received by the charity's key management personnel was £90,654 (2022 - £91,463).

The members of the Board of Trustees did not receive any remunerations, nor any reimbursed expenses during the year (2022 - £Nil).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible assets – Charity (also comprising that of the group)

	Fixtures & fittings £	Computer equipment £	Plant & machinery £	Office fitout £	Total £
Cost					
At 1 April 2022	34,661	13,024	1,339	-	49,024
Additions	<u>-</u>	<u>251</u>	<u>-</u>	<u>38,653</u>	<u>38,904</u>
31 March 2023	<u>34,661</u>	<u>13,275</u>	<u>1,339</u>	<u>38,653</u>	<u>87,928</u>
Depreciation					
At 1 April 2022	33,408	8,567	268	-	42,243
Charge for the year	<u>456</u>	<u>1,600</u>	<u>268</u>	<u>-</u>	<u>2,324</u>
At 31 March 2023	<u>33,864</u>	<u>10,167</u>	<u>536</u>	<u>-</u>	<u>44,567</u>
Net book value					
At 31 March 2023	<u>797</u>	<u>3,108</u>	<u>803</u>	<u>38,653</u>	<u>43,361</u>
At 31 March 2022	<u>1,253</u>	<u>4,457</u>	<u>1,071</u>	<u>-</u>	<u>6,781</u>

12. Intangible assets – Charity (also comprising that of the group)

	Website development £	Total £
Cost		
At 1 April 2022 & 31 March 2023	<u>15,000</u>	<u>15,000</u>
Depreciation		
At 1 April 2022	9,000	9,000
Charge for the year	<u>3,000</u>	<u>3,000</u>
At 31 March 2023	<u>12,000</u>	<u>12,000</u>
Net book value		
At 31 March 2023	<u>3,000</u>	<u>3,000</u>
At 31 March 2022	<u>6,000</u>	<u>6,000</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Investments

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Subsidiary undertaking	-	-	1	1
UK and overseas equities:				
Market value at 1 April 2022	13,503,763	14,064,829	13,503,763	14,064,829
Acquisitions at cost	3,160,919	3,434,827	3,160,919	3,434,827
Disposals at market value	(3,020,683)	(4,216,060)	(3,020,683)	(4,216,060)
Unrealised (losses)/gains on revaluation	<u>(645,615)</u>	<u>220,167</u>	<u>(645,615)</u>	<u>220,167</u>
Market value at 31 March 2023	12,998,384	13,503,763	12,998,384	13,503,763
Cash balance (held by brokers)	<u>34,629</u>	<u>747,920</u>	<u>34,629</u>	<u>747,920</u>
Investments under management	<u>13,033,013</u>	<u>14,251,683</u>	<u>13,033,013</u>	<u>14,251,683</u>
	<u>13,033,013</u>	<u>14,251,683</u>	<u>13,033,014</u>	<u>14,251,684</u>

The market value of £12,998,384 (2022 - £13,503,763) above represents investments quoted on a recognised securities exchange.

	2023 £	2022 £
UK equity	2,873,396	3,032,764
Overseas equity	5,034,265	5,175,400
UK bonds	3,185,417	3,356,739
Alternative investments	<u>1,905,306</u>	<u>1,938,860</u>
	<u>12,998,384</u>	<u>13,503,763</u>

Subsidiary undertaking

The charity has a wholly owned trading subsidiary, Canning House Limited (company registration number 03317927), which is incorporated in England and Wales. The subsidiary's principal activity is to run services for corporate members and relevant commercial activities including the running of conferences. All profits are donated to the Charity under gift aid.

Summary of profit and loss for Canning House Limited

	2023 £	2022 £
Turnover	64,706	74,118
Cost of sales and expenses	<u>(247,650)</u>	<u>(205,770)</u>
Net loss	<u>(182,944)</u>	<u>(131,652)</u>

The assets and liabilities of the subsidiary were:

Current assets	123,155	68,238
Current liabilities	<u>(571,260)</u>	<u>(333,399)</u>
Total net liabilities	<u>(448,105)</u>	<u>(265,161)</u>
Aggregate share capital and reserves	<u>(448,105)</u>	<u>(265,161)</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Stocks – Charity (also comprising that of the group)

	2023 £	2022 £
Stock of medals	<u>3,498</u>	<u>4,198</u>

15. Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	16,800	-	-	-
Prepayments and accrued income	35,795	77,268	35,795	71,818
Other debtors	28,825	35,754	28,825	30,554
Amounts owed by group undertakings	-	-	493,074	313,774
	<u>81,420</u>	<u>113,022</u>	<u>557,694</u>	<u>416,146</u>

16. Analysis of cash and cash equivalents

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Cash at bank	<u>648,351</u>	<u>533,709</u>	<u>541,996</u>	<u>476,121</u>

17. Creditors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	338	14,997	338	11,637
Taxation and social security	2,109	-	2,109	-
Accruals and deferred income	196,628	141,966	118,442	125,701
	<u>199,075</u>	<u>156,963</u>	<u>120,889</u>	<u>137,338</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Financial instruments

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Financial assets				
Financial assets measured at fair value through the SOFA	13,681,364	14,785,392	13,575,009	14,727,804
Financial assets measured at amortised cost	45,625	61,586	521,900	344,161
	<u>13,726,989</u>	<u>14,846,978</u>	<u>14,096,909</u>	<u>15,071,965</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(199,075)</u>	<u>(156,795)</u>	<u>(120,889)</u>	<u>(137,170)</u>

Financial assets measured at fair value through the SOFA comprise of bank and cash balances as well as investments carried at market value. Accounting policies adopted are included within note 1 to these financial statements.

Financial assets measured at amortised cost comprise of investments held at cost, trade debtors, other debtors and amounts owed by group undertakings. Further details in respect of these balances can be found in note 17 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals. Further details in respect of these balances can be found in note 19 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

19. Pensions

The charitable company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pensions cost represents contributions payable by the Charity during the year and amounts to £11,162 (2022 - £8,956) and by the Group £23,164 (2022 - £18,891). At the year-end there was £2,109 payable by the Charity included in other creditors (2022 - £168 receivable included within other debtors).

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Statement of funds

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Restricted funds:				
Canning House Library Appeal	287,709	4,245	(12,555)	279,399
Anglo Portugese Society Fund	32,977	506	-	33,483
UK-Brazil Conversa Fund	24,858	-	(22,265)	2,593
British and Colombian Chamber of Commerce Fund	20,743	318	-	21,061
	<u>366,287</u>	<u>5,069</u>	<u>(34,820)</u>	<u>336,536</u>
Unrestricted funds:				
General funds	<u>14,392,143</u>	<u>387,483</u>	<u>(1,502,594)</u>	<u>13,279,105</u>
Total funds	<u>14,758,430</u>	<u>392,552</u>	<u>(1,537,414)</u>	<u>13,613,568</u>

Details of the funds are listed below:

- Canning House Library Appeal – set up in 2004 for new library facilities.
- Anglo accounts – deposits made for future charitable activities in mutual agreement with the Anglo Portuguese Society, and the British and Colombian Chamber of Commerce for charitable, cultural and educational purposes. The above funds were set aside in conjunction with the sale of 2 Belgrave Square.
- The UK-Brazil Conversa – an annual forum for dialogue between policymakers and influencers, business leaders, academics, diplomats and governments, to help build closer relations and contacts between Brazil and the UK. It was founded in 2014 by former UK Ambassador to Brazil, Alan Charlton, now a Trustee of Canning House, and Canning House became the Secretariat in 2018.

21. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Fixed assets	13,079,374	-	13,079,374	14,264,464
Net current assets	<u>197,658</u>	<u>336,536</u>	<u>534,194</u>	<u>493,966</u>
	<u>13,277,032</u>	<u>336,536</u>	<u>13,613,568</u>	<u>14,758,430</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Reconciliation of net movement in funds to net cash flows from operating activities

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Net movement in funds	(1,144,862)	(287,794)	(961,918)	(156,142)
Adjustments for:				
Depreciation	2,324	2,417	2,324	2,417
Amortisation	3,000	3,000	3,000	3,000
Unrealised losses/(gains) on revaluation	645,615	(220,167)	645,615	(220,167)
Decrease/(increase) in cash balances held in investments	713,291	(430,561)	713,291	(430,561)
Decrease in stocks	700	-	700	-
Decrease/(increase) in debtors	31,602	49,988	(141,548)	(19,662)
Increase/(decrease) in creditors	42,112	(8,103)	(16,449)	2,446
Dividend income	(288,701)	(300,417)	(288,701)	(300,417)
Interest income	(35,057)	(44,978)	(35,057)	(44,978)
Cash flows from operating activities	(29,976)	(1,236,615)	(78,743)	(1,164,064)

23. Financial commitments

At 31 March 2023, the Charity had the following commitments under non-cancellable operating leases:

	2023	2022
	£	£
Land and buildings		
- Falling due within one year	96,600	49,167
- Falling due between two and five years	386,400	-
	483,000	49,167
Other		
- Falling due within one year	1,233	1,183
- Falling due between two and five years	-	1,183
	1,233	2,367
Total financial commitments	484,233	51,534

24. Related party transactions

Whenever appropriate, the entire net profit of the subsidiary company, Canning House Limited, is donated annually by deed to the parent charitable company under gift aid and amounted to £Nil (2022 - £Nil) inclusive of the tax credit.

25. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party other than the Board of Trustees themselves.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales - Charity number 314210

Accounts

Company number: 00383775

Registered charity number: 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ADMINISTRATIVE AND STATUTORY DETAILS

Board of Trustees	Alan Charlton Marcial Echenique Nicholas McCall (Chair) Carla McRoberts Irene Mia Rodolfo Milesi Vitoria Nabas Ed Poulton Marcelo Scenna Hugo Shorter Gui Silva Ezequiel Weppler
Chief Executive Officer & Secretary	Jeremy Browne (appointed July 2022)
Company registration number	00383775
Charity registration number	314210
Registered office	126 Wigmore Street London W1U 3RZ
Accountants	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Solicitors	Collyer Bristow LLP 4 Bedford Row London WC1R 4TF
Investment Managers	Evelyn Partners 25 Moorgate London EC2R 6AY

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their report and audited financial statements for the year ended 31 March 2022 which have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative information

The Hispanic and Luso Brazilian Council is a charitable company, limited by guarantee, and was registered in May 1973 under company registration number 00383775 and charity registration number 314210. The organisation is an amalgamation of the two original councils registered in November 1943 as The Hispanic Council and the Luso Brazilian Council.

The Hispanic and Luso Brazilian Council uses the working name "Canning House" and the principal operating address is 126 Wigmore Street, London W1U 3RZ.

The Trustees, who are also directors, who served in the period were:

Alan Charlton	Marcial Echenique
Cho Khong (resigned 27th July 2021)	Nicholas McCall (chair)
Carla McRoberts	Irene Mia
Rodolfo Milesi	Vitoria Nabas
Ed Poulton	Marcelo Scenna
Hugo Shorter	Gui Silva
Ezequiel Wepler	

The Charity is supported by a number of honorary non-executive appointments, as follows:

Honorary President:

Jeffrey Lord Mountevans

Honorary Vice-Presidents:

Lord Brennan of Bibury, QC
Jeremy Browne (Appointed CEO in July 2022)
Chris Bryant, MP
Prof Victor Bulmer-Thomas, CMG OBE
The Rt Hon Ken Clarke, QC MP
Dr Enrique Garcia
Baroness Hooper, CMG
Sir Mark Moody-Stuart, KCMG
Nestor Osorio
The Rt Hon Michael Portillo
Horacio Rossi
Sally Unwin, OBE FCIB

The Board of Trustees oversee the Charity, which is managed day to day by the Chief Executive Officer. During the year this role was held Cristina Cortes, who was appointed in April 2018. After the year end, she resigned and was succeeded by Jeremy Browne in July 2022.

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Structure, governance and management Governing document

The Hispanic and Luso Brazilian Council is a charitable company limited by guarantee and the governing document is the Memorandum and Articles of Association dated 9 November 1943, taken from The Hispanic Council, upon amalgamation.

Principal activities

The mission of the Charity is to be the UK's leading forum for informed comment, contacts and debate on Latin American politics, economics and business. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America, Spain and Portugal. This is achieved through a comprehensive programme of corporate, current affairs and cultural events and publications.

Governing body

The governing body of the organisation is the Board of Trustees. The Trustees are elected at the annual General Meeting (AGM) or in the interim are appointed to fill a casual vacancy and stand for election at the next AGM. One-third of the Trustees retire from office but are eligible for re-election at the AGM.

Corporate governance structures and procedures are well established and were further improved through the addition of a Nominations Committee in November 2016 for consideration of future Trustees, honorary Vice-Presidents and CEO appointments, and of a Remunerations Committee in July 2021 (see further below).

Trustee training

Potential Trustees are identified by members of The Board and are considered first by the Nominations Committee against the criteria of eligibility, competence, experience, specialist skills and the objective of achieving diversity and balance on The Board. New Trustees are normally familiar with Canning House through their work in business or public service, but full training can be provided to all board members if required in order to assist them with their duties as Trustees.

Organisational management

The Board of Trustees are legally responsible for the overall strategic direction and control of the organisation. The Board meets at least four times a year to track the performance of the organisation against the annual budget, which is agreed by the Trustees at the beginning of the financial year. The Board also regularly reviews performance against the strategy, which focuses on the medium term (5 years).

The oversight of financial issues, risk governance and regulatory compliance is the responsibility of the Finance and General Purposes (F&GP) Committee, which also meets four times a year, prior to each board meeting. Trustees on the committee include: Nick McCall, Vitoria Nabas, Marcelo Scenna, Gui Silva, and Ezequiel Wepler. The committee is chaired by Ian Perrin, Head of Policy Research & Operations (including Finance).

The day-to-day running of the organisation is delegated to the Chief Executive Officer. The CEO attends meetings of The Board of Trustees, as well as the Finance and General Purposes Committee and the Remunerations Committee.

Staff remuneration

The remuneration of the CEO is set by The Board of Trustees; the appropriateness of the remuneration is set at the beginning of the individual's contract (including reference to comparisons with other charities) and performance is reviewed annually against pre-specified objectives and KPIs.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

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The remuneration of other charity staff is delegated to the CEO with the objective that they are, in a fair and responsible manner, rewarded for their individual contributions to the Charity's success, within the limits of the Charity's annually agreed budget. The Remunerations Committee also offers guidance and advice to the CEO on remuneration policies such as overall team and pay structure, the policies governed by the staff guidebook, including staff benefits (season ticket loans, health plans), and the team bonus policy.

Group structure

Canning House Limited (CHL) was formed in 1997 as a wholly owned trading subsidiary of the charitable company. The activities of CHL are focused primarily on corporate activity, including the organisation of conferences, seminars and events on the development of the political, economic and business environment of Latin America (these events are free to corporate members) – albeit many of the events are simultaneously of interest to a wider audience (who, unlike corporate members, usually have to pay to attend).

The corporate manager is principally dedicated to corporate activities, with the efforts of other team members divided to various extents between corporate and strictly charitable activities. An approximate allocation of non-dedicated staff time is agreed annually with the auditors.

The entire net profit of CHL is donated annually to the parent company under a deed of covenant created on 11th December 2018. Conversely, in the event that CHL makes a financial loss, as in this financial year, under the terms of an ongoing letter of support dated 26th October 2020, the HLBC Trustees undertake to under-write CHL's activities for the current financial year ending 31 March 2022, and for all future years thereafter as necessary.

Stakeholder relationships and charitable activities

The organisation works closely with the Latin American and Iberian Embassies and other UK, Latin American and multilateral organisations that exist to promote stakeholder relationships and related activities between the UK and specific Latin American countries. The organisation regularly runs joint events with these organisations to showcase particular countries and issues. Representatives of these organisations regularly attend and speak at Canning House events. The organisation also collaborates with UK universities with interests in Latin American research and studies, and with other charities and NGOs.

Risk management

The Board of Trustees and the Finance and General Purposes Committee (F&GP) have, over the current year, been focused on key financial risks to the organisation, and necessary mitigation measures.

Particular attention has been paid to the cash flow impact of the Covid-19 pandemic plus post-Brexit uncertainties on corporate membership income. The F&GP has also conducted and shared with the Board an in-depth review of the asset portfolio and its associated income stream, in the light of the Charity's future cash flow and investment needs.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC REPORT

Objectives of the Charity

The general aim of the organisation is the advancement of knowledge in the UK of the culture, languages, history, politics, economics and business of the countries of Latin America while furthering the broad relationship between the UK and these countries. These objectives are achieved in a non-partisan manner.

Mission and strategic aims

The mission of the organisation is to build understanding and relationships between the UK and Latin America. Its goal is to be the UK's leading forum for contacts, thought leadership and pragmatic debate on Latin American political, economic, health, environmental and social trends and issues, and business risks and opportunities. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America and Iberia. The strategic aim is to do this in a financially sustainable manner.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's aims and objectives as well as in planning future activities.

Objectives for the year and the future

The organisation's original objectives for the financial year were to:

- Support the mission by a full annual programme of events relevant to corporate and individual members, as well as to partners and stakeholders;
- Publish newsletters and in-depth reports and undertake research on Latin America and Iberia;
- Maintain and seek to grow the organisation's membership and revenue from fees, sponsorship and donations to achieve financial sustainability, whilst fulfilling its mission.

The first two objectives have been met in full, with excellent feedback from all the organisation's stakeholders, as a result of which the organisation's public reputation has been greatly enhanced. However, achievement of the third objective has been seriously hampered by the impact of the Covid-19 pandemic – see next section – coming on top of an already diminishing corporate membership amid the distractions in the corporate world relating to the UK's withdrawal from the European Union.

Impact of Covid-19 Pandemic

The organisation closed its offices in mid-March 2020 in response to the critical situation that was unfolding, and the entire team started working full-time from home. No one was furloughed. The team continued to work remotely until October 2021, when a phased return to the office was implemented. The team was split in two, with each half coming into the office for two days per week. However, by December 2021, a new variant of Covid-19 (omicron) emerged, and on the advice of the government, all members of staff returned to working from home full-time, until February 2022, when the omicron wave had passed.

At the start of the pandemic, all the organisation's events were transferred 100% online. However, by September 2021, when the infection rates had dropped to significantly low numbers, and most people were fully vaccinated, it was decided that the organisation would host a pre-event dinner outside and in-person for the speakers of the 2021 UK-Brazil Conversa. This was the first time the organisation had arranged an in-person event since March 2020. The dinner was extremely well attended, with all those who accepted attending. Given that public confidence in attending in-person events had returned, the organisation started making plans for more in-person and hybrid events, moving away from hosting events exclusively online.

Whilst hosting events online meant that our audience numbers increased dramatically and we were able to attract a significant number of new viewers from overseas, the downside was that the CEO took the decision to scrap events fees completely. This ultimately meant that revenue generated by event ticket sales ceased.

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Activities of the Charity

This year, despite activities continuing to be disrupted by the pandemic, we continued to offer all our usual information and report activities while still hosting a varied, topical and relevant programme of events, some online and some in-person once again. Our c.40 events included corporate events (webinars, briefings and trade and investment conferences and round tables) and public events (geopolitical, election analyses, socio-economic).

On the flagship side of things, we hosted three presidential Canning Lectures alongside the United Nations Climate Change Conference (COP26) Leadership Summit in Glasgow delivered by the President of Panama, the President of Costa Rica, and the President of Ecuador; while the Canning House LatAm Outlook 2022 – now in its third edition – was taken on a roadshow to Latin America, where we hosted two very successful conferences in Sao Paulo, Brazil, and Mexico City, Mexico.

Achievements and Performance

For the financial year 2021-22, income from corporate membership decreased from £121k to £74k. The decrease in corporate membership income can be attributed to a fall in the number of corporate members, driven by two main factors. Firstly, the ongoing uncertainty caused by the Covid-19 pandemic resulted in the tightening of purse strings amongst existing and prospective corporate members.

Secondly, Canning House was without a corporate manager for nine months in 2020 owing to a sudden onset of chronic illness, which caused a knock-on effect the following year when corporate members came to renew. Furthermore, ongoing Brexit uncertainties undoubtedly continued to have a dampening effect on the corporate response to the organisation's membership drive.

Income from corporate memberships of £74k accounted for c.94% of annual gross non-investment income of £79k, with c£4k also coming from individual membership subscriptions. No sponsorship was acquired during this period for any events, whilst we did receive c£2k in ticket sales for the LatAm Outlook report launch in London.

Core operating expenditure such as building rental costs and staff costs remained steady compared with the previous financial year. Despite the ongoing Covid-19 pandemic, rental discounts were refused by the office landlord for a second year.

Event costs increased dramatically compared to the previous financial year, which were unusually low because all events the previous year were held online. The total spend on event costs for the year was £74k as a result of returning to in-person events once more, chiefly the three Presidential Lectures in Glasgow for COP26, and the LatAm Outlook 2022 launch and roadshow.

Overall operating expenses on charitable activities increased to £761k from £674k last financial year. This was primarily due to the return of in-person flagship events without sponsorship as noted above, as well as the ongoing costs associated with the Canning House-LSE Research Forum, which will cost the organisation up to £100k per annum (albeit the board had authorised these costs, and the costs for the LatAm Outlook to be met from the endowment portfolio).

In addition to operating income, Canning House's investment portfolio yielded gross dividend and interest income of £344k, down from £358k in 2020-21. After deducting fund management fees, the net dividend and interest yield from the portfolio was £285k this year, compared to £304k the previous year; a fall of £19k. The total operating loss before realised gains/losses for FY 2021-22 stood at a loss of £395k, as opposed to a loss of £200k the previous financial year.

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The realised losses on investments totaled £113k this year, compared to a loss of £45k the previous financial year, meaning that the total operating loss including realised gains/losses on investment stood at a loss of £508k this financial year, compared with a loss of £239k for the previous financial year.

Corporate Events

The corporate events programme gained momentum throughout the year. Owing to the pandemic, all events continued online until the autumn of 2021, when it was deemed safe to once again start hosting in-person events.

The first corporate event of the reporting period was the Canning Conversation, ‘Remittances Life; Livelihoods and Liberty’, moderated by Christopher Garnett, Principal Adviser to the Banco Centroamericano de Integración Económica (CABEI), which took place in April 2021. This was followed by a further two online events in May, the first being ‘Fintech in Central America’ in partnership with LatAm Investor, and the second (part of the Sustainable Development Series) entitled ‘Biodiversity as a Catalyst for a Green and Fair Recovery in Latin America and the Caribbean’ in partnership with the UN Economic Commission for Latin America and the Caribbean, the International Labour Organisation and the UN Environmental Programme.

The series continued in June with our flagship two-day online Sustainable Agribusiness conference in partnership with Baker McKenzie. We also held a virtual address with the Chilean Minister for Mining and Energy. In July, we partnered with LatAm Investor again, this time beginning a new “Investing in...” events series aimed at providing trade and investment analyses and country-specific insights into priority sectors and current investment opportunities.

The series kicked off with ‘Investing in Ecuador’ and was later followed by ‘Investing in Panama’ and then ‘Investing in Guatemala’ (this time an in-person event) the following year in February and April 2022 respectively. September 2021 saw the virtual roundtable on ESG in partnership with the UK-based Brazilian consultancy firm Lide UK, and with participation from upwards of seven UK companies with an interest or foothold in Latin America.

By the autumn, once it was deemed safe to hold in-person events again, the entire Canning House team, including our Honorary President, Chair and CEO traveled to Glasgow in November and organized a series of high-profile events alongside the United Nations Climate Change Conference (COP26) Leadership Summit.

The series of events included hybrid Canning Lectures delivered by the President of Panama, HE Laurentino Cortizo (‘Panama: A Gateway to Latin America’), the President of Costa Rica, HE Carlos Alvarado Quesada (‘Costa Rica’s Ambition for a Green Global Contract’) and the President of Ecuador, HE Guillermo Lasso (‘More Ecuador in the World and More of the World in Ecuador’).

In addition to the lectures, the President of Ecuador also co-hosted with the Canning House a Presidential Investment Roundtable with over twenty senior investors from major international companies drawn from the finance, mining and energy sectors.

In the same sitting we also convened a Glasgow roundtable with the First Lady of Argentina and the UN Environment Programme, in partnership with the Argentine Embassy entitled ‘Diversity and Inclusion as a Catalyst for Environmental Action’. All the forementioned activities were covered widely in Latin American press and featured on a major newswire, Agencia EFE. These lectures also received substantial attention in official Presidential and government communications, and on social media platforms.

In the same month, to mark the end of COP26 and a pathway forward, we organized an in-person event with LatAm Investor and BancTrust entitled ‘The Glasgow Agreement and Latin America’ analysing the investor impact of COP26 in the region.

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FOR THE YEAR ENDED 31 MARCH 2022

The calendar year strong firstly with an event on the Mexican energy sector with Hogan Lovells, followed later that month by the last of our 2021 Sustainable Development Series event named 'Education and the Digital Divide' in partnership with CAF Development Bank of Latin America. In the first quarter of 2022, time was strategically dedicated to actively engage with key stakeholders across all sectors, which helped Canning House secure a much-coveted spot in the official agenda of the President of Uruguay set to arrive in the UK in May of 2022.

The May event included a Presidential Canning Lecture, entitled 'Uruguay, a Reliable Gateway to South America - Opportunities in Green Finance' followed by a closed-doors Investors Roundtable, in partnership with the Lord Mayor of London and with participation from the Uruguayan Ministers of Foreign Affairs, Economy and Environment.

Current Affairs, Culture & Communications

Canning House continued to update and inform its audiences about the most relevant current affairs through events, webinars, weekly newsletters, Canning Papers and other publications.

In our Current Affairs programme, we also covered wide ranging issues including, in no particular order, elections in Chile, Peru, Haiti, Honduras and Nicaragua, politics and the military, women in foreign policy, climate change, Covid-19, finance and south-south cooperation. The *Canning Conversations* event format continued, with sessions on Remittances, Life; Livelihoods and Liberty, chaired by Christopher Garnett (as mentioned above); and Latin America and Asia, chaired by Michael Stott of the Financial Times.

A number of these events featured senior figures from prominent organisations, such as the World Bank and Inter-American Development Bank, government representatives from the UK and Latin America, and always with contributions from Canning House's extensive network of experts. In March 2022, Estela de Carlotto, President of the Argentine Abuelas de Plaza de Mayo Association, spoke at Canning House on her work to defend and promote human rights worldwide.

Canning House's role as Secretariat of the All Party Parliamentary Groups (APPGs) for Latin America, Peru and Venezuela saw further collaboration on events and meetings, including Ambassadorial Briefings and country-specific updates, with support for Canning House events from the APPG in regular parliamentary notices.

Canning House's 2021 Cultural Lecture was held in collaboration with the London Design Biennale, hearing from Latin American designers, including the Chilean and Venezuelan entries which went on to win the Overall and Theme medals respectively for their outstanding work.

In September 2021, Elissa Pereira dos Santos from Brazil, the third Canning House-KCL Library Visiting Fellow, delivered a presentation on her Fellowship research into the role of Rio de Janeiro's New Christians in the transatlantic trade in enslaved Africans. Whilst Elissa's access to the library collection was somewhat limited by Covid-19 restrictions, her project included the development of an innovative Portuguese transcription software using AI technology.

The fourth Visiting Fellow, Dr Roberto Uebel, also from Brazil, whose Fellowship period has been further delayed due to Covid-19 and other hurdles, will begin his programme later in 2022. Three additional scholars have been offered Fellowships for the period from September 2022.

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Complementing our current affairs and corporate events, Canning Papers were published on Biodiversity, Agribusiness, and Education and the pandemic. The wider publications schedule also included The Canning Brief, which covered Cuba's July 2021 protests and Latin America's reaction to the Russian invasion of Ukraine; Special Reports from LatinNews on Covid-19 and 2022's election cycle; weekly blog posts from Andrew Thompson; and others.

Canning House also published another edition of its "Forgotten Histories" publication series, this time recounting the 1870s story of the ill-fated 'Lincolnshire Farmers' of Paraguay, whose journey as pawns to 'boom' a phoney loan led to tragic loss of life.

Canning House's Individual Membership remained steady compared to the previous year, at 76 members as of March 2022. While Canning House events remained mostly free to attend, limiting a key advantage previously offered by individual membership, other benefits such as Spanish and Portuguese class discounts, through new institutional partners, have been introduced, and members continued to receive a tailored newsletter and access to our exclusive publications.

The Canning House website has seen continuous improvements, including a new Languages page, launched in February 2022 to promote the aforementioned institutional partnerships with Instituto Cervantes and the King's College London Modern Languages Centre.

Canning House continued its support for the Foreign, Commonwealth, and Development Office's (FCDO's) Chevening programme, hosting its Latin American scholars at a networking reception in partnership with FCDO in March 2022.

Canning House's support for the Group of Latin American Embassies in the UK (GRULA) and its Dean remained strong, with regular meetings between Canning House representatives and the Latin American Ambassadors held to discuss key priority areas and potential collaboration. Where possible, Canning House continued to support the Embassies' national celebrations, including with online commemorations and promotion of their events.

In July 2021, in its programme of charity-to-charity giving, Canning House donated £1,000 in support of the Embassy of Peru, UCL and the International Medical Education Trust's fundraiser for the production in Peru of effective, easy-to-use and low-cost respiratory devices, known as *Wayrachi*, helping to keep Covid-19 patients out of intensive care.

Thought Leadership, Policy and Research

Canning House's Thought Leadership, Policy and Research work continued apace in 2021-22. Progress was made on the Canning House Research Forum, a project centered around political, environmental, social, economic and business policy in collaboration with the Latin America and Caribbean Centre at the London School of Economics. Canning House Research Fellow Dr Amir Lebdioui authored two research papers, the first of which, looking at Inequality and Trade Diversification in Latin America, was launched via webinar on 19 January 2022.

The second paper focusing on Trade in the Age of Climate Change was published on 25 May 2022. Dr Lebdioui's time as the Canning Fellow will sadly be ending in coming months as he commences a Professorship at the School of Oriental and African Studies (SOAS). LSE are in the process of selecting the next Fellow.

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The UK-Brazil Conversa took place in September 2021. The continuation of the pandemic forced Canning House to hold the event online once again, although participants were invited to a pre-event dinner as mentioned previously. Being online, the event was extremely well attended with a premium line-up of panelists from across business, academia, government, law, and many other fields. Plans were subsequently put in place to travel to Brazil for the next iteration of the Conversa in June 2022.

Canning House continued to advance its work on trade policy. For the second year running it held an event focusing on Trade Alliances in Latin America, chaired by Andres Velasco of LSE, with a panel of trade policy experts including Jonathan Knott, HM Trade Commissioner for Latin America. The event discussed the various trading blocs and agreements in place throughout the region such as Mercosur, the Pacific Alliance, and their prospects going forward.

2021-22 saw the continuation of the LatAm Outlook going from strength to strength, with numerous events taking place. In June 2021 Canning House held two online events, the LatAm Outlook Brazil and LatAm Outlook Colombia, focusing in detail on those two countries, with the same panel of experts that contribute to the annual LatAm Outlook report. December 2021 saw the launch of the 2022 Outlook report, which was held at the Four Seasons Hotel in London. This featured presentations from the six authors of the report (due to the continuation of the pandemic, some of these were given via video link), with a full room of attendees featuring key figures from government, business, academia and diplomacy.

March 2022 saw the expansion of the Outlook into Latin America, with Canning House officially hosting its first meeting in the region for two decades. The Outlook was presented first in Sao Paulo, Brazil, then in Mexico City, Mexico. Several of the report's authors also travelled with the team, although where possible local representatives of the partnering organisations presented their respective chapters.

As in London, attendees were mainly from business, government and academic circles. Both events were complemented by a number of high-level meetings. In Mexico, the team met with the Committee of Foreign Affairs in the Mexican National Congress, as well as with a number of prominent think tanks including COMEXI and Ethos. In Brazil, the team met with senior representatives from Fundação Fernando Henrique Cardoso, and Fundação Getulio Vargas to discuss potential for future collaboration.

In January 2022, Canning House held an event looking at the influence of the Military in Politics in Latin America. Bringing together a panel of experts, including a former military general of Brazil, the discussion focused around the resurgence of military influence in political life throughout the region, as well as the military's prominent role in dealing with the pandemic. The event was held online and was attended by over 100 people, mainly from business, academic and government circles.

Financial review

The Statement of Financial Activities (on page 17) shows an overall fund surplus of £14,758,430 at the year-end, which included £366,287 of restricted funds. The remaining funds are unrestricted and are available for use by the Trustees at their discretion, but in accordance with the Charity's aims and objectives.

Plans for future periods

FY 2019-20 saw the implementation of strategic plans for step-changes in activities including the signature of agreements with the London School of Economics for the hosting of Canning Lectures and to fund the Canning Forum Research Programme, and the launch of the Canning House LatAm Outlook in March 2020 – just prior to the first UK lockdown. In recognition of the status of the Forum and The Outlook as strategic investments for Canning House, the board authorised the associated expenditures to be met from the endowment portfolio. However, owing to the unprecedented nature and duration of the pandemic, combined with the scale of its impact on the revenues of the organisation, the long-term cost-effectiveness of these initiatives will be reviewed upon the arrival of the new CEO.

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The pandemic necessitated a complete change in our business operating model and methods of delivering events. However, the easing of restrictions for in person events has meant that the organisation is now transitioning back to hosting many events in-person, whilst continuing to appeal to audiences further afield, especially in Latin America, with a variety of webinars and hybrid events.

Plans for 2022-23 and for future periods include:

- Hosting a Canning Lecture with President Lacalle Pou of Uruguay.
- Expanding our Sustainable Development programme, with events themed around Agribusiness, Energy and Renewables, Mining, and Infrastructure and the Blue Economy.
- Continuing with the third year of the Canning House LSE Research forum.
- Hosting the LatAm Outlook 2023.
- Identifying a new office as the board have made a decision not to renew the lease on our current premises in Wigmore Street, which is expiring early in 2023.

Risks and uncertainties

Given the organisation's dependence upon two principal income streams – corporate membership and investment income - the principal financial risks facing the organisation are:

- Corporate membership numbers
- Stock market fluctuations impacting the value and/or income stream of the investment portfolio.

The uncertainties surrounding the speed and extent of economic recovery from the pandemic in both the UK and Latin America, added to those surrounding the impact on UK companies of the final implementation arrangements for Brexit, have undoubtedly impacted corporate memberships; even those companies which have renewed have taken longer to decide to do so – leading to several instances of delayed renewals and waived fees. In recognition of the current realities, the organisation updated its corporate packages last year to make them more competitive and more appealing to both UK and Latin American companies.

This corporate offer and pricing structure is likely to be reviewed again now that the new CEO has arrived, and although events remain free for all participants for the moment, we anticipate returning to charging at some point in the near future, at the discretion of the new CEO.

Furthermore, the unprecedented Russian invasion of Ukraine in March 2022 caused jitters in financial markets, impacting the value of assets around the world. However, the endowment portfolio in excess of £14m continues to provide insurance for Canning House to survive this period even if these uncertainties persist into 2023.

The continued growth this year in our reputation for serious and significant research, reports and events, the increased reach of those events to larger and more international audiences, and the publication of the third edition of our LatAm Outlook, have all greatly augmented our position not only as the leading UK forum on UK-Latin American bilateral relations, but also as an internationally recognised thought leader on Latin American developments in general.

Reserves and investment policy

Following the sale of No. 2 Belgrave Square, in 2013 the Board of Trustees invested the proceeds (c. £12m) in an investment portfolio managed by Evelyn Partners (formerly known as Smith and Williamson Investment Management LLP). The Board established a reserves policy which was intended to maintain the value of the capital realised from the sale, after allowing for inflation (RPI+1%).

Over the course of the subsequent years, only income from the portfolio in the form of dividends and interest has been drawn from the portfolio, with capital gains as well as surplus income being reinvested; as a result, the value of the investment, as at 31 March 2022, had grown to a total value of £14.25m with the underlying investments spread across a broad range of asset classes, sectors and geographies.

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In June 2019, the Board confirmed that the investment portfolio is a strategic fund to be applied to strategic and quality investments in pursuit of the Charity's Mission and Objects and to the financing of appropriate loss-making charitable activities of Canning House that cannot be covered by other income sources. It is to be deployed wisely and appropriately over time, in such a way as to preserve Canning House's ability to continue to fund such strategic opportunities not only in the short-term but also over the medium- and long-term.

Examples of the application of these principles to date include step-out investments in the research programme with the LSE and the launch of the LatAm Outlook.

The Board's Finance & General Purposes Committee (F&GP) has undertaken an in-depth strategic review with the organisation's investment portfolio advisors, Evelyn Partners and, in July 2021, submitted to the Board proposals to alter the mandate to recognise that it was no longer necessary to keep a more liquid £5m reserved for a potential property purchase, and to invest consistently with the board's ESG principles, whilst increasing the target return from RPI +1% to CPI+2%. Any shortfalls on operating costs will continue to be covered by income transfer to the organisation to maintain activities at current levels; this is expected to continue to be met primarily from interest and dividends.

The Hispanic & Luso Brazilian Council investment portfolio produced a net total return of +2.7% for the trailing twelve months to 31st March 2022. This is a reassuring outcome given the volatility experienced in both equity and bond markets during the first quarter of 2022. This volatility has been partly driven by the geo-political and economic instability caused by Russia's invasion of Ukraine, as investors reacted to the impact of sanctions and rising energy prices. Simultaneously, concerns over rising levels of inflation, and the implementation of more hawkish monetary policy by central banks via higher interest rates, has resulted in a reassessment of equity valuations and a sharp rotation between sectors. Despite these influential dynamics, the Canning House investment portfolio has delivered a positive return albeit behind the inflation-linked benchmark of CPI +2%. Importantly, this has been achieved with less risk than both global equities and UK Government Gilts. Since inception (31st May 2014) the portfolio is showing a cumulative net total return of +32.1% which is in line with the long-term target return.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

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 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.

Auditors

Dixon Wilson Audit Services LLP, Chartered Accountants are auditors to the charitable company for 2021-22. In accordance with section 485 of the Companies Act, a resolution on the appointment of auditors for 2022-23 will be put at a General Meeting.

Statement of disclosure to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 25 October 2022 and signed on their behalf by:

.....


Nicholas McCall

Chair

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Opinion

We have audited the financial statements of The Hispanic and Luso Brazilian Council (the 'charitable parent company') and its subsidiary (the 'charitable group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, consolidated balance sheet, charitable parent company balance sheet, consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable group's and of the charitable parent company's affairs as at 31 March 2022 and of the charitable group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees Report; or
- sufficient accounting records have not been kept; or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 8, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector, and jurisdictions in which it operates, and considered the risk of acts by the charitable company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, UK Charity Law as well as UK financial reporting standards applicable for UK charitable companies.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of consultants used for accounting outsourcing.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

Date: 20 December 2022

Dixon Wilson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including statement of income and expenditure)
FOR THE YEAR ENDED 31 MARCH 2022

		2022	2022	2022	2021	2021	2021
	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
Income and endowments from:							
Donations and legacies	3	-	-	-	21,291	24,852	46,143
Other trading activities	4	79,422	-	79,422	122,528	-	122,528
Investments	5	<u>343,885</u>	<u>1,510</u>	<u>345,395</u>	<u>357,859</u>	<u>1,917</u>	<u>359,776</u>
Total income		423,307	1,510	424,817	501,678	26,769	528,447
Expenditure on:							
Raising funds	6	(58,964)	-	(58,964)	(53,738)	-	(53,738)
Charitable activities	7	(744,866)	(1,170)	(746,036)	(617,673)	(42,674)	(660,347)
Governance costs	9	<u>(14,539)</u>	<u>-</u>	<u>(14,539)</u>	<u>(13,872)</u>	<u>-</u>	<u>(13,872)</u>
Total expenditure		(818,369)	(1,170)	(819,539)	(685,283)	(42,674)	(727,957)
Net gains on investments		<u>106,928</u>	<u>-</u>	<u>106,928</u>	<u>1,432,879</u>	<u>-</u>	<u>1,432,879</u>
Net movement in funds		<u>(288,134)</u>	<u>340</u>	<u>(287,794)</u>	<u>1,249,274</u>	<u>(15,905)</u>	<u>1,233,369</u>
Reconciliation of funds							
Balance at 1 April 2021		<u>14,680,277</u>	<u>365,947</u>	<u>15,046,224</u>	<u>13,431,003</u>	<u>381,852</u>	<u>13,812,855</u>
Balance at 31 March 2022	21	<u>14,392,143</u>	<u>366,287</u>	<u>14,758,430</u>	<u>14,680,277</u>	<u>365,947</u>	<u>15,046,224</u>

The notes on pages 20 to 30 form part of these financial statements.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Tangible fixed assets	12	6,781	7,859	6,781	7,859
Intangible assets	13	6,000	9,000	6,000	9,000
Investments	14	<u>14,251,683</u>	<u>14,382,188</u>	<u>14,251,684</u>	<u>14,382,189</u>
		14,264,464	14,399,047	14,264,465	14,399,048
Current assets					
Stocks	15	4,198	4,198	4,198	4,198
Debtors and prepayments	16	113,022	163,010	416,146	396,484
Cash at bank and in hand	17	<u>533,709</u>	<u>645,035</u>	<u>476,121</u>	<u>514,896</u>
		650,929	812,243	896,465	915,578
Creditors: amounts falling due within one year	18	<u>(156,963)</u>	<u>(165,066)</u>	<u>(137,338)</u>	<u>(134,892)</u>
Net current assets		<u>493,966</u>	<u>647,177</u>	<u>759,127</u>	<u>780,686</u>
Total assets		<u>14,758,430</u>	<u>15,046,224</u>	<u>15,023,592</u>	<u>15,179,734</u>
Funds represented by:					
Restricted funds		366,287	365,947	366,287	365,947
Unrestricted funds		<u>14,392,143</u>	<u>14,680,277</u>	<u>14,657,305</u>	<u>14,813,787</u>
Total funds	21	<u>14,758,430</u>	<u>15,046,224</u>	<u>15,023,592</u>	<u>15,179,734</u>

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its Statement of Financial Affairs for the financial year.

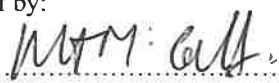
The annual accounts have been produced in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, and the Charities Act 2011 and applicable regulations.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

For the year ended 31 March 2022, the Charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 17 to 30 were approved by the Trustees on 25 October 2022 and signed on their behalf by:


.....
N McCall - Chair

Company registration number - 00383775

Charity registration number - 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group 2022 £	2021 £	Charity 2022 £	2021 £
Cash flows from operating activities	24	(1,236,615)	599,244	(1,164,064)	590,493
Cash flows from investing activities					
Dividend income		300,417	275,018	300,417	275,018
Interest income		44,978	84,758	44,978	84,740
Proceeds from the sale of investments		4,216,060	1,929,812	4,216,060	1,929,812
Purchase of investments		(3,434,827)	(2,884,156)	(3,434,827)	(2,884,156)
Purchase of tangible fixed assets		(1,339)	(2,314)	(1,339)	(2,314)
Net cash (used in) provided by investing activities		<u>1,125,289</u>	<u>(596,882)</u>	<u>1,125,289</u>	<u>(596,900)</u>
Change in cash and cash equivalents in the year		(111,326)	2,362	(38,775)	(6,407)
Cash and cash equivalents at the beginning of the year		<u>645,035</u>	<u>642,673</u>	<u>514,896</u>	<u>521,303</u>
Cash and cash equivalents at the end of the year		<u>533,709</u>	<u>645,035</u>	<u>476,121</u>	<u>514,896</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

a) Company information

The Hispanic and Luso Brazilian Council is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charities Commission. The principal address and registered office is 126 Wigmore Street, London W1U 3RZ.

b) Basis of preparation of annual accounts

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hispanic and Luso Brazilian Council meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The principal accounting policies are set out below.

The effects of events relating to the year ended 31 March 2022 which occurred before the date of approval of the financial statements by the Trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2022 and the results for the year ended on that date.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Annual membership subscriptions are recognised in equal monthly instalments over the period of membership. Donations and sponsorship are recognised when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability. Event fees and room hire are recorded when the services are provided. Dividend and interest income are recognised when the Charity has the right to receive payment.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

e) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs for trading for fundraising purposes.

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

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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.

f) Tangible fixed assets and depreciation

All tangible fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Plant and machinery	-	20% straight line

g) Intangible assets and amortisation

Intangible assets acquired are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses over the useful economic life of that asset as follows:

Website development	-	20% straight line
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h) Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction cost. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in equity instruments

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the SOFA. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in the SOFA. Other investments are measured at cost less impairment in the SOFA.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purposes only of the cash flow statement. Cash balances held as part of a fixed asset investment portfolio are presented as part of fixed asset investments.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

k) Operating lease agreements

Rentals in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessors are charged to the Statement of Financial Activities SOFA on a straight-line basis over the period of the lease.

l) Pension costs

The charity operates a defined contribution scheme for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are charged to the SOFA as they fall due.

m) Taxation

The Hispanic and Luso Brazilian Council is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively to charitable purposes.

n) Grants

Grants are accounted for under the accruals model of accounting as permitted by FRS102. Grants of a revenue nature are recognised in the SOFA in the same period as the related expenditure.

o) Going concern

There are no material uncertainties about the Charity's ability to continue in operational existence for the foreseeable future. The charity holds sufficient liquid reserves to meet its financial obligations as they currently fall due, and for the foreseeable future.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary. The summary financial performance of the Charity alone is:

	2022 £	2021 £
Income	<u>350,699</u> 350,699	<u>399,498</u> 399,498
Expenditure on charitable activities	(613,769)	(534,159)
Net gains on investments	<u>106,928</u>	<u>1,432,879</u>
Net (expenditure)/income	(156,142)	1,298,218
Funds brought forward	<u>15,179,734</u>	<u>13,881,516</u>
Totals funds carried forward	<u>15,023,592</u>	<u>15,179,734</u>
Represented by:		
Restricted funds	366,287	365,947
Unrestricted funds	<u>14,657,305</u>	<u>14,813,787</u>
	<u>15,023,592</u>	<u>15,179,734</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Donations and legacies	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Donations, grants and sponsorship	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,143</u>
4. Other trading activities	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Membership and events	<u>79,422</u>	<u>-</u>	<u>79,422</u>	<u>122,528</u>
5. Investments	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Dividends & interest from investments	300,417	-	300,417	275,018
Bond interest accrued	43,360	-	43,360	82,737
Bank interest received	<u>108</u>	<u>1,510</u>	<u>1,618</u>	<u>2,021</u>
	<u>343,885</u>	<u>1,510</u>	<u>345,395</u>	<u>359,776</u>
6. Expenditure on raising funds	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Investment Manager's fee	<u>58,964</u>	<u>-</u>	<u>58,964</u>	<u>53,738</u>
7. Costs of charitable activities	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Direct costs	238,208	1,170	239,378	176,245
Support costs	<u>506,658</u>	<u>-</u>	<u>506,658</u>	<u>484,102</u>
	<u>744,866</u>	<u>1,170</u>	<u>746,036</u>	<u>660,347</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. (Continued) Included within direct costs are donations made to the following institutions:

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
LATA Foundation	-	-	-	6,000
The Anglo-Argentine Society	-	-	-	30,674
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,674</u>

8. Support costs

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Staff costs	393,052	-	393,052	360,859
Building costs	59,534	-	59,534	58,337
Other costs	<u>54,072</u>	<u>-</u>	<u>54,072</u>	<u>64,906</u>
	<u>506,658</u>	<u>-</u>	<u>506,658</u>	<u>484,102</u>

9. Governance costs

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Audit and accountancy fees	<u>14,539</u>	<u>-</u>	<u>14,539</u>	<u>13,872</u>

10. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	2,417	2,050
Amortisation	3,000	3,000
Auditors remuneration:		
- Audit of the financial statements	<u>8,039</u>	<u>7,372</u>
	<u>13,456</u>	<u>12,422</u>

11. Staff costs and remuneration

Total staff costs were as follows:

	2022 £	2021 £
Wages and salaries	332,991	308,173
Social security cost	30,650	27,780
Other pension costs	18,891	21,158
Other costs	<u>10,520</u>	<u>3,748</u>
	<u>393,052</u>	<u>360,859</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. (Continued)

The average number of staff employed during the year, based on a full time equivalent, was 9 (2021 – 9). All staff were employed by the Charity and staff were recharged to Canning House Limited based on time spent. The total recharge for the year amounted to £193,423 (2021 - £172,335).

There was 1 employee whose total emoluments for the year fell between £90,000 and £100,000 (2021 between £90,000 and £100,000 - 1).

The total amount of employee benefits received by the charity’s key management personnel was £91,463 (2021 - £90,201).

The members of the Board of Trustees did not receive any remunerations, nor any reimbursed expenses during the year (2021 - £Nil).

12. Tangible assets – Charity (also comprising that of the group)

	Fixtures & fittings £	Computer equipment £	Plant & machinery £	Total £
Cost				
At 1 April 2021	34,661	13,024	-	47,685
Additions	<u>-</u>	<u>-</u>	<u>1,339</u>	<u>1,339</u>
31 March 2022	<u>34,661</u>	<u>13,024</u>	<u>1,339</u>	<u>49,024</u>
Depreciation				
At 1 April 2021	32,953	6,873	-	39,826
Charge for the year	<u>455</u>	<u>1,694</u>	<u>268</u>	<u>2,417</u>
At 31 March 2022	<u>33,408</u>	<u>8,567</u>	<u>268</u>	<u>42,243</u>
Net book value				
At 31 March 2022	<u>1,253</u>	<u>4,457</u>	<u>1,071</u>	<u>6,781</u>
At 31 March 2021	<u>1,708</u>	<u>6,151</u>	<u>-</u>	<u>7,859</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Intangible assets – Charity (also comprising that of the group)

	Website development £	Total £
Cost		
At 1 April 2021 & 31 March 2022	<u>15,000</u>	<u>15,000</u>
Depreciation		
At 1 April 2021	6,000	6,000
Charge for the year	3,000	3,000
At 31 March 2022	<u>9,000</u>	<u>9,000</u>
Net book value		
At 31 March 2022	<u>6,000</u>	<u>6,000</u>
At 31 March 2021	<u>9,000</u>	<u>9,000</u>

14. Investments

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Subsidiary undertaking	-	-	1	1
UK and overseas equities:				
Market value at 1 April 2021	14,064,829	11,632,123	14,064,829	11,632,123
Acquisitions at cost	3,434,827	2,884,156	3,434,827	2,884,156
Disposals at market value	(4,216,060)	(1,929,812)	(4,216,060)	(1,929,812)
Unrealised gains on revaluation	<u>220,167</u>	<u>1,478,362</u>	<u>220,167</u>	<u>1,478,362</u>
Market value at 31 March 2022	13,503,763	14,064,829	13,503,763	14,064,829
Cash balance (held by brokers)	<u>747,920</u>	<u>317,359</u>	<u>747,920</u>	<u>317,359</u>
Investments under management	<u>14,251,683</u>	<u>14,382,188</u>	<u>14,251,683</u>	<u>14,382,188</u>
	<u>14,251,683</u>	<u>14,382,188</u>	<u>14,251,684</u>	<u>14,382,189</u>

The market value of £13,503,763 (2021 - £14,064,829) above represents investments quoted on a recognised securities exchange.

	2022 £	2021 £
UK equity	3,032,764	2,561,629
Overseas equity	5,175,400	4,087,006
UK bonds	3,356,739	6,376,719
Alternative investments	<u>1,938,860</u>	<u>1,039,475</u>
	<u>13,503,763</u>	<u>14,064,829</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. (Continued)

Subsidiary undertaking

The charity has a wholly owned trading subsidiary, Canning House Limited (company registration number 03317927), which is incorporated in England and Wales. The subsidiary's principal activity is to run services for corporate members and relevant commercial activities including the running of conferences. All profits are donated to the Charity under gift aid.

Summary of profit and loss for Canning House Limited

	2022	2021
	£	£
Turnover	74,118	128,949
Cost of sales and expenses	<u>(205,770)</u>	<u>(193,798)</u>
Net Loss	<u>(131,652)</u>	<u>(64,849)</u>
The assets and liabilities of the subsidiary were:		
Current assets	62,788	139,639
Current liabilities	<u>(333,399)</u>	<u>(273,148)</u>
Total net Liabilities	<u>(270,611)</u>	<u>(133,509)</u>
Aggregate share capital and reserves	<u>(265,161)</u>	<u>(133,509)</u>

15. Stocks – Charity (also comprising that of the group)

	2022	2021
	£	£
Stock of medals	<u>4,198</u>	<u>4,198</u>

16. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	-	29,000	-	20,000
Prepayments and accrued income	77,268	109,219	71,818	108,719
Other debtors	35,754	24,791	30,554	24,791
Amounts owed by group undertakings	-	-	<u>313,774</u>	<u>242,974</u>
	<u>113,022</u>	<u>163,010</u>	<u>416,146</u>	<u>396,484</u>

17. Analysis of cash and cash equivalents

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash at bank	<u>533,709</u>	<u>645,035</u>	<u>476,121</u>	<u>514,896</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Creditors

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	14,997	2,214	11,637	1,974
Taxation and social security	-	5,780	-	5,780
Accruals and deferred income	<u>141,966</u>	<u>157,072</u>	<u>125,701</u>	<u>127,138</u>
	<u>156,963</u>	<u>165,066</u>	<u>137,338</u>	<u>134,892</u>

19. Financial instruments

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Financial assets				
Financial assets measured at fair value through the SOFA	14,785,392	15,027,223	14,727,804	14,897,084
Financial assets measured at amortised cost	<u>61,586</u>	<u>53,791</u>	<u>344,161</u>	<u>287,766</u>
	<u>14,846,978</u>	<u>15,081,014</u>	<u>15,071,965</u>	<u>15,184,850</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(156,795)</u>	<u>158,659</u>	<u>(137,170)</u>	<u>134,892</u>

Financial assets measured at fair value through the SOFA comprise of bank and cash balances as well as investments carried at market value. Accounting policies adopted are included within note 1 to these financial statements.

Financial assets measured at amortised cost comprise of investments held at cost, trade debtors, other debtors and amounts owed by group undertakings. Further details in respect of these balances can be found in note 17 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals. Further details in respect of these balances can be found in note 19 to these financial statements and the accounting policies adopted are included within note 1 to these financial statements.

20. Pensions

The charitable company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pensions cost represents contributions payable by the Charity during the year and amounts to £8,956 (2021 - £10,996) and by the Group £18,891 (2021 - £21,158). At the year-end there was £168 (2021- a liability of £5,780 payable by the charity) receivable by the Charity included in other debtors.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

21. Statement of funds

	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
Restricted funds:				
Canning House Library Appeal	287,491	1,388	(1,170)	287,709
UK-Brazil Conversa Fund	24,858	-	-	24,858
Anglo Portugese Society Fund	32,902	75	-	32,977
British and Colombian Chamber of Commerce Fund	<u>20,696</u>	<u>47</u>	<u>-</u>	<u>20,743</u>
	365,947	1,510	(1,170)	366,287
Unrestricted funds:				
General funds	<u>14,680,277</u>	<u>530,235</u>	<u>(818,369)</u>	<u>14,392,143</u>
Total funds	<u>15,046,224</u>	<u>531,745</u>	<u>(819,539)</u>	<u>14,758,430</u>

Details of the funds are listed below:

- Canning House Library Appeal – set up in 2004 for new library facilities.
- Anglo accounts – deposits made for future charitable activities in mutual agreement with the Anglo Portuguese Society, and the British and Colombian Chamber of Commerce for charitable, cultural and educational purposes. The above funds were set aside in conjunction with the sale of 2 Belgrave Square.
- The UK-Brazil Conversa – an annual forum for dialogue between policymakers and influencers, business leaders, academics, diplomats and governments, to help build closer relations and contacts between Brazil and the UK. It was founded in 2014 by former UK Ambassador to Brazil, Alan Charlton, now a Trustee of Canning House, and Canning House became the Secretariat in 2018.

22. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Fixed assets	14,264,464	-	14,264,464	14,399,047
Net current assets	<u>127,679</u>	<u>366,287</u>	<u>493,966</u>	<u>647,177</u>
	<u>14,392,143</u>	<u>366,287</u>	<u>14,758,430</u>	<u>15,046,224</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. Reconciliation of net movement in funds to net cash flows from operating activities

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Net movement in funds	(287,794)	1,239,276	(156,142)	1,298,218
Adjustments for:				
Depreciation	2,417	2,050	2,417	2,050
Amortisation	3,000	3,000	3,000	3,000
Loss on disposal of tangibles	-	900	-	900
Unrealised (gains) on revaluation	(220,167)	(1,478,362)	(220,167)	(1,478,362)
Decrease/(increase) in cash balances held in investments	(430,561)	1,066,671	(430,561)	1,066,671
Decrease/(increase) in debtors	49,988	56,436	(19,662)	(57,745)
(Decrease)/increase in creditors	(8,103)	74,956	2,446	115,519
Dividend income	(300,417)	(275,018)	(300,417)	(275,018)
Interest income	(44,978)	(84,758)	(44,978)	(84,740)
Cash flows from operating activities	<u>(1,236,615)</u>	<u>599,244</u>	<u>(1,164,064)</u>	<u>590,493</u>

24. Financial commitments

At 31 March 2022, the Charity had the following commitments under non-cancellable operating leases:

	2022 £	2021 £
Land and buildings		
- Falling due within one year	49,167	58,167
- Falling due between two and five years	-	49,167
	<u>49,167</u>	<u>107,334</u>
Other		
- Falling due within one year	1,183	2,628
- Falling due between two and five years	1,184	2,367
	<u>2,367</u>	<u>4,995</u>
Total financial commitments	<u>51,534</u>	<u>112,329</u>

25. Related party transactions

Whenever appropriate, the entire net profit of the subsidiary company, Canning House Limited, is donated annually by deed to the parent charitable company under gift aid and amounted to £Nil (2021 - £Nil) inclusive of the tax credit.

26. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party other than the Board of Trustees themselves.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

England & Wales - Charity number 314210

Accounts

Company number: 00383775

Registered charity number: 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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THE HISPANIC AND LUSO BRAZILIAN COUNCIL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ADMINISTRATIVE AND STATUTORY DETAILS

Board of Trustees	Nicholas McCall (Chair) Alan Charlton Carla McRoberts Irene Mia Hugo Shorter Rodolfo Milesi Vitoria Nabas Ed Poulton Gui Silva Ezequiel Weppler Marcial Echenique Marcelo Scenna
Chief Executive Officer & Secretary	Cristina Cortes
Company registration number	00383775
Charity registration number	314210
Registered office	126 Wigmore Street London W1U 3RZ
Accountants	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Auditors	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Solicitors	Collyer Bristow LLP 4 Bedford Row London WC1R 4TF
Investment Managers	Smith & Williamson Investment Management LLP 25 Moorgate London EC2R 6AY

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees present their report and audited financial statements for the year ended 31 March 2021 which have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative information

The Hispanic and Luso Brazilian Council is a charitable company, limited by guarantee, and was registered in May 1973 under company registration number 00383775 and charity registration number 314210. The organisation is an amalgamation of the two original councils registered in November 1943 as The Hispanic Council and the Luso Brazilian Council.

The Hispanic and Luso Brazilian Council uses the working name "Canning House" and the principal operating address is 126 Wigmore Street, London W1U 3RZ.

The Trustees, who are also directors, who served in the period were:

Nicholas McCall (Appointed 24 June 2020)	Alan Charlton
Carla McRoberts	Rory Miller (Resigned 24 March 2021)
Linda Newson (Resigned 24 March 2021)	Irene Mia
Hugo Shorter	Cho Khong
Joanna Crellin (Resigned 26 January 2021)	Rodolfo Milesi (Appointed 26 June 2020)
Vitoria Nabas (Appointed 26 June 2020)	Ed Poulton (Appointed 26 June 2020)
Gui Silva (Appointed 26 June 2020)	Ezequiel Wepler (Appointed 26 June 2020)
Marcial Echenique (Appointed 26 June 2020)	Marcelo Scenna (Appointed 26 January 2021)
Jonathan Knott (Appointed 27 th April 2021)	

The Charity was also supported by a number of honorary non-executive appointments, as follows:

Honorary President	Jeffrey Lord Mountevans
Honorary Vice-Presidents	Dr Enrique Garcia
	Baroness Hooper, CMG
	Sir Mark Moody-Stuart, KCMG
	The Rt Hon Michael Portillo
	Lord Brennan of Bibury, QC
	The Rt Hon Ken Clarke, QC MP
	Jeremy Browne
	Chris Bryant, MP
	Sally Unwin, OBE FCIB
	Prof Victor Bulmer-Thomas, CMG OBE
	Nestor Osorio
	Horacio Rossi

The Board of Trustees oversee the Charity, which is managed day to day by the Chief Executive Officer, Cristina Cortes, who was appointed to this role in April 2018.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Governing document

The Hispanic and Luso Brazilian Council is a charitable company limited by guarantee and the governing document is the Memorandum and Articles of Association dated 9 November 1943, taken from The Hispanic Council, upon amalgamation.

Principal activities

The mission of the Charity is to be the UK's leading forum for informed comment, contacts and debate on Latin American politics, economics and business. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America, Spain and Portugal. This is achieved through a comprehensive programme of corporate, current affairs and cultural events and publications.

Governing body

The governing body of the organisation is the Board of Trustees. The trustees are elected at the annual General Meeting (AGM) or in the interim are appointed to fill a casual vacancy and stand for election at the next AGM. One-third of the Trustees retire from office but are eligible for re-election at the AGM.

Corporate governance structures and procedures are well established and were further improved through the addition of a Nominations Committee in November 2016 for consideration of future Trustees, honorary Vice-Presidents and CEO appointments, and of a Remunerations Committee in July 2021 (see further below).

Trustee training

Potential trustees are identified by members of The Board and are considered first by the Nominations Committee against the criteria of eligibility, competence, experience, specialist skills and the objective of achieving diversity and balance on The Board. New trustees are normally familiar with Canning House through their work in business or public service, but full training is provided to all board members in order to assist them with their duties as Trustees.

Organisational management

The Board of Trustees are legally responsible for the overall strategic direction and control of the Organisation. The Board meets at least four times a year to track the performance of the Organisation against the annual budget, which is agreed by the Trustees at the beginning of the financial year. The Board also regularly reviews performance against the strategy, which focuses on the medium term (5 years).

The Board of Trustees delegates oversight of financial issues, risk governance and regulatory compliance to the Finance and General Purposes Committee, which also meets four times a year, prior to each board meeting. The Chair of the Finance and General Purposes Committee until March 2021 when he stood down from the Board was Rory Miller. Other members of the F&GP are Gui Silva, Ezequiel Wepler and Marcelo Scenna. The Chair, Nick McCall, also usually attends. Since March 2021, the Chair of the F&GP has been the Organisation's Head of Policy, Research & Operations (including Finance), Ian Perrin.

The day-to-day running of the Organisation is delegated to the Chief Executive Officer. The CEO attends meetings of The Board of Trustees, as well as the Finance and General Purposes Committee and the Remunerations Committee.

Staff remuneration

The remuneration of the CEO is set by The Board of Trustees; the appropriateness of the remuneration is set at the beginning of the individual's contract (including reference to comparisons with other charities) and performance is reviewed annually against pre-specified objectives and KPIs.

The remuneration of other charity staff is delegated to the CEO with the objective that they are, in a fair and responsible manner, rewarded for their individual contributions to the Charity's success, within the limits of the Charity's annually agreed budget. The Remunerations Committee also offers guidance and advice to the CEO on remuneration policies such as overall team and pay structure, the policies governed by the staff guidebook, including staff benefits (season ticket loans, health plans), and the team bonus policy.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Group structure

Canning House Limited (CHL) was formed in 1997 as a wholly owned trading subsidiary of the charitable company. The activities of CHL are focused primarily on corporate activity, including the organisation of conferences, seminars and events on the development of the political, economic and business environment of Latin America (these events are free to corporate members) – albeit many of the events are simultaneously of interest to a wider audience (who, unlike corporate members, usually have to pay to attend).

Owing to the absence of the corporate manager for nine months owing to a sudden onset of chronic illness, only one member of staff – corporate officer - was principally dedicated to corporate activities this financial year, with the efforts of other team members divided to various extents between corporate and strictly charitable activities. An approximate allocation of non-dedicated staff time is agreed annually with the auditors.

The entire net profit of CHL is donated annually to the parent company under a deed of covenant created on 11th December 2018. Conversely, in the event that CHL makes a financial loss, as in this financial year, under the terms of an ongoing letter of support dated 26th October 2020, the HLBC Trustees undertake to under-write CHL's activities for the current financial year ending 31 March 2021, and for all future years thereafter as necessary.

Stakeholder relationships and charitable activities

The Organisation works closely with the Latin American and Iberian Embassies and other UK, Latin American and multilateral organisations that exist to promote stakeholder relationships and related activities between the UK and specific Latin American countries. The Organisation regularly runs joint events with these organisations to showcase particular countries and issues. Representatives of these organisations regularly attend and speak at Canning House events. The Organisation also collaborates with UK universities with interests in Latin American research and studies; and with other charities and NGOs.

Risk management

The Board of Trustees and the Finance and General Purposes Committee (F&GP) have, over the current year, been focused on key financial risks to the organisation, and necessary mitigation measures.

Particular attention has been paid to the cash flow impact of the Covid-19 pandemic plus post-Brexit uncertainties on corporate membership income. The F&GP has also conducted and shared with the Board an in-depth review of the asset portfolio and its associated income stream, in the light of the Charity's future cash flow and investment needs.

STRATEGIC REPORT

Objectives of the Charity

The general aim of the Organisation is the advancement of knowledge in the UK of the culture, languages, history, politics, economics and business of the countries of Latin America while furthering the broad relationship between the UK and these countries. These objectives are achieved in a non-partisan manner.

Mission and strategic aims

The mission of the Organisation is to build understanding and relationships between the UK and Latin America. Its goal is to be the UK's leading forum for contacts, thought leadership and pragmatic debate on Latin American political, economic, health, environmental and social trends and issues, and business risks and opportunities. It also celebrates and promotes awareness in the UK of the languages, culture and history of Latin America and Iberia. The strategic aim is to do this in a financially sustainable manner.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's revised general guidance on public benefit when reviewing the Charity's aims and objectives as well as in planning future activities.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Objectives for the year and the future

The Organisation's original objectives for the financial year were to:

- Support the mission by a full annual programme of events relevant to corporate and individual members, as well as to partners and stakeholders;
- Publish newsletters and in-depth reports and undertake research on the Region
- Maintain and seek to grow the Organisation's membership and revenue from fees, sponsorship and donations to achieve financial sustainability, whilst fulfilling its mission.

The first two objectives have been met in full, with excellent feedback from all the Organisation's stakeholders, as a result of which the Organisation's public reputation has been greatly enhanced. However, achievement of the third objective has been seriously hampered by a full year's impact of the Covid-19 pandemic – see next section – coming on top of an already diminishing corporate membership amid the distractions in the corporate world of the finalisation of Brexit.

Impact of Covid-19 Pandemic

As the 2019-20 financial year closed, the looming Covid-19 crisis had already led to the cancellation of our major conference “The Canning Agenda 10 Years On” and the annual Gala Dinner. The duration of the lockdown and its potential impact on corporate activity and income of the Organisation was at that stage as yet unclear.

The Organisation closed its offices in mid-March 2020 and the entire team started working full-time from home. No one was furloughed; we even managed to take on our Coventry secondment placement student for a year starting in July 2020, as usual. Two members of the team contracted Covid later in the year, but thankfully both recovered fully. As at October 2021, the team continues to work remotely and all our events continue to be held virtually. The eventual return to the office is expected to offer continued scope for home working, alongside office-days and out-of-office attendance at events. We are monitoring the rules very closely, as the currently leased office can no longer accommodate the entire team with any degree of social distancing.

All the Organisation's events were similarly transferred 100% online in March 2020 – including the Canning Agenda conference, which enjoyed the participation of UK Government Minister for International Trade Ranil Jayawardena as well as Lord Hague of Richmond. Technically the transfer to virtual events was managed seamlessly by our Events Manager, with the result that we held a total of 39 events in the course of the year, compared to 32 events the previous year. The unexpected upside was that our attendance numbers at least doubled and our audiences became truly international – with attendees not only from the UK but also from Latin America itself as well as from the USA, the EU, and even the Middle East and Asia. The downside was that, with our peer events organisers all holding their virtual events for free, we had to scrap our events fees completely. We did secure some sponsorship from the FCDO and CAF, for our Canning Agenda, Conversa and Sustainability events, but overall our events income collapsed.

In order to retain the greatly increased and international audiences the Organisation acquired during the pandemic, the vast majority of future events will be available for participation virtually as well as in person – i.e., hybrid events. However, for the latter to happen, even now that the government permits them, not only does the team have to be comfortable with the personal risks of running them, but we also have to be sure that sufficient attendees are likely to be comfortable attending to make the physical part of any hybrid audience feasible and therefore worthwhile. As at October 2021, the timing for the introduction of hybrid events remains unclear.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Activities of the Charity

This year, in spite of the team all having to work from home and having to transfer all of our events online, we continued to offer all our usual information and report activities while still hosting a varied, topical and relevant programme of events. Our c.40 events included corporate events (webinars, briefings and trade and investment conferences and round tables) and public events (geopolitical and socio-economic). In the absence of Presidential visits to the UK (owing to the pandemic) flagship event highlights of the year were the Canning Agenda conference with UK Minister Ranil Jayawardena, our e-Conversa, and the launch of the 2nd edition of the CH LatAm Outlook; while, on the corporate side we initiated our Sustainable Development series in the one-year run-up to the postponed COP-26.

Achievements and Performance

For the financial year 2020-21, income from corporate membership decreased from £172k to just over £125k. The decrease in corporate membership income can be attributed to a fall in the number of corporate members. This was driven by two main factors. Firstly, the uncertainty caused by the Covid-19 pandemic resulted in the tightening of purse strings amongst existing and prospective corporate members. Secondly, Canning House was without a corporate manager for nine months owing to a sudden onset of chronic illness. Furthermore, ongoing Brexit uncertainties undoubtedly continued to have a dampening effect on the corporate response to the Organisation's membership drive.

Income from corporate memberships of £125k accounted for c.71% of annual gross non-investment income of £175k (down from £230k in 2019-20). Despite the fact that no physical events were held throughout the year, grants and sponsorship totalling £28k were received from the Foreign, Commonwealth and Development Office, and CAF Development Bank, contributing to the cost of the Sustainable Development Series. £3k also came in from individual membership subscriptions.

Core operating expenditure such as building rental costs and staff costs remained steady compared with the previous financial year. Despite the Covid-19 pandemic, rental discounts were refused by the office landlord. Large savings were made on the event costs, as all events that took place during the FY 2020-21 were hosted online. This resulted in a significant decrease of £76k on event costs compared with the previous financial year, as there were no large expenditures for catering, room or conference hire. However, overall operating expenses on charitable activities increased to £674k from £635k last financial year. This was primarily due to the start of the Canning House-LSE Research Forum, which will cost the Organisation up to £100k per annum (albeit the board had authorised these costs to be met from the endowment portfolio), and also owing to the transfer of £30k restricted funds to the Anglo-Argentine Society, which is now under their control.

In addition to operating income, Canning House's investment portfolio yielded gross dividend and interest income of £360k, down from £397k in 2019-2020 (see note 6). After deducting fund management fees, the net dividend and interest yield from the portfolio was £304k this year, compared to £323k the previous year; a fall of £19k.

The total operating loss before realised gains/losses for FY 2020-2021 stood at a loss of £194k, as opposed to a loss of £65k the previous financial year.

The realised losses on investments totalled £45k this year, compared to a loss of £215k the previous financial year, meaning that the total operating loss including realised gains/losses on investment stood at a loss of £239k this financial year, compared with a loss of £280k for the previous financial year.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Corporate Events

The corporate events programme suffered an early loss of momentum with the unexpected and prolonged illness of our Corporate Manager. The first corporate event took place in June 2020, in partnership with Partner Member Control Risks, entitled ‘Operating in Brazil, Colombia & Mexico during the Covid-19 Pandemic’.

However, corporate events gained pace in the autumn, starting with the launch of a new series: Canning Conversations. Christopher Garnett, Principal Adviser to the Banco Centroamericano de Integración Económica (CABEI), chaired the first session in September, looking at ‘Travel & Tourism’, followed by a further two sessions: ‘Supply Chains’ in November and ‘Bond Markets’ in February 2021. Michael Stott, Latin American Editor for the Financial Times, launched the first of the more political-leaning Canning Conversations in March 2021 with ‘Comparing Latin America with Asia’.

A long-term collaboration with LatAm INVESTOR was upgraded to an events partnership with James McKeigue, Managing Editor, coordinating virtual events hosted by Canning House with the magazine’s publication schedule. The first event on ‘Mining’ took place in October 2020; this was followed by a ‘Coping with Coronavirus’ event for investors in December, and another in March 2021 on ‘Latin America and the Global Clean Energy Transition’. The partnership has worked very successfully to the benefit of both parties, and continued in July with a close look at Investment in Ecuador following the election of a pro-business government in the April elections.

In anticipation of the COP-26 conference in Glasgow, postponed to 2021 by the pandemic, Canning House, known already for its annual Renewable Energy event, launched its Sustainable Development series. The inaugural event in October 2020 was entitled ‘Adaptation and Resilience’. This was followed in December by ‘Sustainable Cities & Water’ with sponsorship from the FCDO and from Patron Member, CAF. The third event in the series, held in February jointly with our regular Renewable Energy Partner Eversheds Sutherland, again with sponsorship from the FCDO, addressed ‘The Energy Transition’.

The Sustainable Development series is ongoing, with a Biodiversity event chaired by H.E. Fiona Clouder, the UK Government’s COP-26 Ambassador for Latin America, and addressed by Sir Partha Dasgupta, author of the Treasury’s Economics of Biodiversity report; and a full suite of events including Sustainable Agribusiness and Green Finance, leading up to a major event entitled “Building back better: green finance and biodiversity mainstreaming for sustainable infrastructure” designed to coincide with COP-26 itself.

Other corporate events were the Finance conference in October 2020, held in collaboration with the City of London, and our second joint event with Control Risks, sharing the findings of their 2020 Capacity for Combatting Corruption Index.

Just after the close of the financial year, in April 2021, we completed the redesign and launch of a new corporate membership package, aimed at making it more competitive and more appealing to both UK and Latin American entities, while broadening our offer to also appeal to SMEs, pro-investment bodies, chambers of commerce, NGOs, universities and business schools. Streamlining from a three-tiered system to just two, we aimed for improved distinction between the offer for Canning Patron and Canning Partner, while introducing a discount for NGOs and academic institutions. With a view to continuing to stream all events even once a return to in-person events is feasible, a virtual option has been added to both Patron and Partner tiers, enabling Latin American entities to still enjoy full membership benefits without the additional cost included for in-person event attendance.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Current Affairs, Culture & Communications

Canning House continued to update and inform its audiences about the most relevant current affairs through events, webinars, weekly newsletters, Canning Papers and regularly published blog posts.

Complementing our corporate and geopolitical events, Canning Papers were published on Migration, Trade Alliances and the Energy Transition. We also published a weekly blog by Andrew Thompson, a Canning House Associate Fellow, covering a wide variety of political, socioeconomic and business topics.

From April 2020 onwards, Canning House held regular webinars on Covid-19 in Latin America, updating our audience on the pandemic's impact on Latin America's health, economics and politics, and progress with the region's national and regional vaccine rollout programmes - with expert input from epidemiologists, and insights from representatives of the Pan-America Health Organisation and COVAX.

Canning House's role as Secretariat of the APPG for Latin America saw further collaboration on events and meetings, including Ambassadorial Briefings in partnership with the British Group of the Inter-Parliamentary Union (BGIPU); regional events moderated by APPG Chair, Mark Menzies MP; and support for Canning House events from the APPG in regular parliamentary notices. We also became Secretariat of the APPGs on Venezuela and Peru, offering our platform to host future initiatives and meetings.

In our Current Affairs programme, we also covered wide ranging issues including migration, domestic violence, the impacts on Latin America of the US election and Brexit (the latter in partnership with the US Council of the Americas), women in business and, in a first for Canning House, the history and current affairs of Lusophone Africa. A number of these events featured senior figures from international organisations, such as the International Organisation for Migration, as well as Canning House's expert Associate Fellows.

We continued to hold regular current affairs briefings with speakers from our news partner LatinNews, on topics including our annual Election Watch, Bolivia's delayed general election, the Chilean constitutional plebiscite, and other significant developments from Guyana, Brazil, and Mexico.

For the 2020 Canning Cultural Lecture, we hosted a panel of leading figures from cultural organisations across art, music, theatre, literature and cinema to discuss the impact of the Covid-19 pandemic on the creative industries.

Canning House also published its first three "Forgotten Histories," submitted by members of the public. The Thin Red Line (on cricket in Mexico), The British in Paraná (on British settlement in the Brazilian region), and Journeyman "Jack" of Bogotá; these were expanded upon in an event in February 2021 in which the authors spoke about their research.

The official Canning House website has seen continuous improvements, including a new Thought-Leadership page covering the LatAm Outlook, Conversa and the Research Forum at the LSE, and the addition of a "Donate" button to event pages to encourage voluntary contributions from event attendees.

At the end of March 2021, Canning House had 75 individual members, a decline on the previous year's figure (89). The individual membership offering undoubtedly diminished in value once events were no longer discounted but free and without the social networking opportunities that the in person events provided.

However, in April 2021, Individual Membership was re-launched at £50 p.a. (down from £60) as part of the wider revamped membership structure; and meetings took place with associate organisations including Instituto Cervantes, Regents University London and the King's College London Modern Languages Centre to update our language classes offering and discount levels as a universal membership benefit.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

In June 2020, Professor Francesca Denegri from Peru, the second Canning House Library Visiting Fellow, delivered a lecture on her Fellowship research into Hispanic feminist responses to the British Suffragettes. The third Library Visiting Fellow, Elissa Pereira dos Santos from Brazil, began her research project in London in

January 2021, following a delay due to the Covid-19 pandemic; her research examines the role of New Christians in the ownership and circulation of slaves in Rio de Janeiro and Portugal in the 18th century. The fourth Visiting Fellow, Dr Roberto Uebel, also from Brazil, whose Fellowship period was also delayed by Covid-19, will begin his research in January 2022.

Canning House continued its support for the FCDO's Chevening programme, welcoming its Latin American students with an event in November 2020. A discussion with the Chevening scholars on the Canning Agenda took place in June 2021. The 2020 FCDO International Leaders Programme was unfortunately postponed due to the pandemic.

Canning House's support for the Group of Latin American Embassies in the UK (GRULA) and its Dean remained strong. As the Covid-19 pandemic prevented the Embassies' normal in-person celebrations of their countries' national and independence days, Canning House hosted their online commemorations. These included video messages from the Latin American Ambassadors in London and their British counterparts, and selections of cultural resources and recommendations. We also hosted a virtual commemoration of Chilean Navy Day, in partnership with the Embassy of Chile.

In December 2021, as part of an incipient programme of charity-to-charity giving, Canning House partnered with the LATA Foundation to provide emergency funds to communities in Latin America suffering from the Covid-19 pandemic, supporting projects in Guatemala, Bolivia, Colombia, Nicaragua, Brazil and Venezuela and providing personal protective equipment, food parcels and training for female entrepreneurs, among other initiatives.

Canning House also continued its outreach to the Anglo-Friendship Societies. This included a donation of £1,000 to the Anglo-Argentine Society's fundraiser in support of "Inglés para mi Futuro", a charitable initiative providing free English lessons to children from low-income families around Rosario in Argentina. Anglo-Friendship Society events are also regularly advertised on the Canning House website.

Thought Leadership, Policy and Research

On the research front, 2020 saw the start of the Canning House Research Forum, a multi-year partnership of research and policy engagement with the Latin America and Caribbean Centre at the London School of Economics dedicated to the over-arching theme of The Future of Latin America and the Caribbean. The successful candidate, Dr Amir Lebdioui, started work on the 5-year rolling programme of work, outlining three individual policy-focused research projects aiming to advance knowledge and offer insights of practical application to political, economic, social, and business policy-making. The focus of the three main projects identified include: Trade and Inequality; Extractives, energy and the context of climate change; and Latin America's green 'new deal'. Each project will produce reports to be delivered at academic and Canning House events.

Furthermore, despite travel restrictions as a result of the Covid-19 pandemic, one Visiting Library Fellow was able to come to London and conduct research using the Canning House library collection housed at KCL.

On the trade policy front, Canning House played host to an invitation-only Ministerial roundtable on the Comprehensive and Progressive Trans Pacific Partnership (CPTPP), addressed by both the Hon. Ranil

Jayawardena MP, Minister for International Trade, and Joanna Crellin, HM Trade Commissioner for Latin America, who provided business leaders from major UK companies with an insightful update on the UK's application to join the CPTPP.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Two further sector-specific roundtables were also hosted to address the challenges faced by UK companies wanting to enter – or increase their presence in – Latin American markets. The first, organised in collaboration with the City of London Corporation and DIT, addressed the challenges facing UK-based banks, financial institutions and newly emerging fintech companies; the second, again organised in collaboration with DIT, addressed the challenges facing UK-based pharmaceutical, health-tech and healthcare companies.

Also related to the trade theme, Canning House hosted a webinar in December, chaired by Andrés Velasco, former Minister of Finance in Chile, with a panel of trade experts who discussed the various trade alliances in Latin America, their rapidly shifting dynamics and progress, the prospects for trade in the region and the possibilities that might arise for UK businesses seeking to enter Latin American markets.

Canning House completed its official takeover as secretariat for the annual UK-Brazil Conversa in 2020. Founded in 2014 by former UK Ambassador to Brazil, Alan Charlton, the Conversa is an annual forum for influential people from a variety of backgrounds – business, government, diplomacy, academia, think-tanks – to discuss key issues relating to UK-Brazilian relations. Owing to the pandemic, the planned physical event could not take place. However, an online version – the e-Conversa – took place to great acclaim from attendees.

To commemorate the 10-year anniversary of the launch of the Canning Agenda (the UK government’s policy to reengage with Latin America – launched at Canning House in November 2010) Canning House hosted a hugely successful review conference with representatives from the government, academia, and the business community to discuss progress to date, and identify what needed to be done to accelerate the development of a revitalised relationship between Latin America and the UK. The Hon. Ranil Jayawardena MP, Minister for International Trade, joined us again for his second event of the year with us.

We brought the year to a strong close with the 2021 edition of our flagship initiative, the Canning House LatAm Outlook - in partnership with Ipsos, Itaú Bank, Control Risks, and FT LatAm Editor Michael Stott - an authoritative assessment of the forces shaping Latin America’s political, economic, social and business environment over the next 5 years and beyond, and their likely impact on society, financial and economic development, and trade and investment. This year, two new chapters were added on Health and the Environment, partnering with the London School of Economics and the Stockholm Environment Institute respectively. Although we were unable to hold the event in person owing to continued restrictions on mass gatherings due to the pandemic, over 330 people joined the event online from around the world. We subsequently trialled virtual events in Brazil and Colombia focused on the respective country chapters of the Outlook; they were such a success that we definitely propose to roll-out the 3rd edition to all the individual countries featured in the Outlook– in person if conditions allow.

Financial review

The Statement of Financial Activities (on page 17) shows an overall fund surplus of £15,052,131 at the year-end, which included £365,947 of restricted funds. The remaining funds are unrestricted and are available for use by the Trustees at their discretion, but in accordance with the Charity’s aims and objectives.

Plans for future periods

Last year saw the implementation of strategic plans for step-changes in activities including the signature of agreements with the London School of Economics for the hosting of Canning Lectures and to fund a 5-year Canning Forum Research Programme, and the launch of the Canning House LatAm Outlook in March 2020 – just prior to the first UK lockdown. In recognition of the status of the Forum and The Outlook as strategic investments for Canning House, the board authorised the associated expenditures to be met from the endowment portfolio. More frequent co-operation for geopolitical events had also been firmly established with Parliament and the APPGs and Canning House had taken over the running of the high level bilateral Anglo-Brazilian Conversa.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The pandemic necessitated a complete change in our business operating model and methods of delivering events. While emergency restrictions severely restricted our opportunities to implement some of our strategic step-changes – such as the Canning Lectures and the Research Forum – we nonetheless successfully managed to deliver our programme of events online – including virtual events with the APPGs and the first virtual Conversa and the launch of our Sustainable Development in Latin America series for the year-long run-up to COP-26.

Plans for 2021-22 and for future periods are

- to continue with our current Sustainable Development programme – including a LatAm event in conjunction with COP-26
- to host as many Canning Lectures as there are LatAm Presidents attending COP-26
- to deliver the first fruits of the Research Forum, and
- to retain our expanded and international audiences for future programmes by transiting successfully to a hybrid operating model for our future events.

Risks and uncertainties

Given the Organisation's dependence upon two principal income streams – corporate membership and investment income - the principal financial risks facing the Organisation are:

- Corporate membership numbers
- Stock market fluctuations impacting the value and/or income stream of the investment portfolio.

The uncertainties surrounding the speed and extent of economic recovery from the pandemic in both the UK and Latin America, added to those surrounding the impact on UK companies of the final implementation arrangements for Brexit, have undoubtedly impacted corporate memberships; even those companies which have renewed have taken longer to decide to do so – leading to several instances of delayed renewals and waived fees. In recognition of the current realities, the Organisation has updated its corporate packages to make them more competitive and more appealing to both UK and Latin American companies. Although events remain free for all participants for the moment, we anticipate returning to charging once we have hybrid events underway.

However, the endowment portfolio in excess of £14m at 31 March 2021 (equivalent to c. 22 years of operating costs) continues to provide ample insurance for Canning House to survive this period even if these uncertainties persist into 2022.

The continued growth this year in our reputation for serious and significant research, reports and events, the increased reach of those events to larger and more international audiences, and the publication of the second edition of our CH LatAm Outlook, have all greatly augmented our position not only as the leading UK forum on UK-Latin American bilateral relations, but also as an internationally recognised think-tank on Latin American developments in general.

Reserves and investment policy

Following the sale of No. 2 Belgrave Square, in 2013 the Board of Trustees invested the proceeds (c. £12m) in an investment portfolio managed by Smith and Williamson Investment Management LLP. The Board established a reserves policy which was intended to maintain the value of the capital realised from the sale, after allowing for inflation (RPI+1%).

Over the course of the subsequent years, only income from the portfolio in the form of dividends and interest has been drawn from the portfolio, with capital gains as well as surplus income being reinvested; as a result, the value of the investment, as at 31 March 2021, had grown to a total value of £14.38m with the underlying investments spread across a broad range of asset classes, sectors and geographies.

In June 2019, the Board confirmed that the investment portfolio is a strategic fund to be applied to strategic and quality investments in pursuit of the Charity's Mission and Objects and to the financing of appropriate loss-making charitable activities of Canning House that cannot be covered by other income sources. It is to be deployed wisely and appropriately over time, in such a way as to preserve Canning House's ability to continue to fund such strategic opportunities not only in the short-term but also over the medium- and long-term.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Examples of the application of these principles to date include step-out investments in the 5-year research programme with the LSE and the launch of the LatAm Outlook.

The Board's Finance & General Purposes Committee (F&GP) has undertaken an in-depth strategic review with the Organisation's investment portfolio advisors, Smith & Williamson and, in July 2021, submitted to the Board proposals to alter the mandate to recognise that it was no longer necessary to keep a more liquid £5m reserved for a potential property purchase, and to invest consistently with the board's ESG principles. Any shortfalls on operating costs will continue to be covered by income transfer to the Organisation to maintain activities at current levels; this is expected to continue to be met primarily from interest and dividends. It should be noted again that the total funds and securities held by the brokers, including accrued interest, (£14.5m at 31 March 2021; and £15m as at 30 June 2021) is equivalent to over 22-23 years of total operating costs.

For the twelve months to 31st March 2021 the Hispanic & Luso Brazilian Council investment portfolio produced a total return of +13.7% for the trailing twelve months to 31st March 2021. This represents a strong recovery from the trough in markets in Q1 2020, with equities being the main driver of the positive return since then. This compares favourably to the long-term target return of RPI +1% which appreciated by +1.8% during the period. Looking at the longer-term performance, the investments have delivered a cumulative total return of +33.4% since inception at Smith & Williamson (31st May 2014). This equates to an annualised total return of +4.3% compared to +3.1% for the same inflation-linked benchmark.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

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 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.

Auditors

Dixon Wilson Audit Services LLP, Chartered Accountants are auditors to the charitable company for 2020-21. In accordance with section 485 of the Companies Act, a resolution on the appointment of auditors for 2021-22 will be put at a General Meeting.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Statement of disclosure to auditor

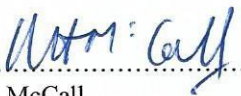
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 27/10/21 and signed on their behalf by:

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Nicholas McCall
Chair

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Opinion

We have audited the financial statements of The Hispanic and Luso Brazilian Council (the 'charitable company') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees Report; or
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector, and jurisdictions in which it operates, and considered the risk of acts by the charitable company and the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, UK Company Law, UK tax legislation, UK Charity Law as well as UK financial reporting standards applicable for UK charitable companies.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of consultants used for accounting outsourcing.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF THE HISPANIC AND LUSO BRAZILIAN COUNCIL

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

15 December 2021
Date: _____

Dixon Wilson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including statement of income and expenditure)
FOR THE YEAR ENDED 31 MARCH 2021

		2021	2021	2021	2020	2020	2020
	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
Income and endowments from:							
Donations and legacies	3	21,291	24,852	46,143	39,606	-	39,606
Charitable activities	4	-	-	-	390	-	390
Other trading activities	5	122,528	-	122,528	189,572	-	189,572
Investments	6	<u>357,859</u>	<u>1,917</u>	<u>359,776</u>	<u>393,917</u>	<u>2,977</u>	<u>396,894</u>
Total income		501,678	26,769	528,447	623,485	2,977	626,462
Expenditure on:							
Raising funds	7	(53,738)	-	(53,738)	(56,245)	-	(56,245)
Charitable activities	8	(617,673)	(42,674)	(660,347)	(598,503)	(22,700)	(621,203)
Other	10	<u>(13,872)</u>	<u>-</u>	<u>(13,872)</u>	<u>(13,892)</u>	<u>-</u>	<u>(13,892)</u>
Total expenditure		(685,283)	(42,674)	(727,957)	(668,640)	(22,700)	(691,340)
Net gains/(losses) on investments		<u>1,432,879</u>	<u>-</u>	<u>1,432,879</u>	<u>(968,687)</u>	<u>-</u>	<u>(968,687)</u>
Net movement in funds		<u>1,249,274</u>	<u>(15,905)</u>	<u>1,233,369</u>	<u>(1,013,842)</u>	<u>(19,723)</u>	<u>(1,033,565)</u>
Reconciliation of funds							
Balance at 1 April 2019		<u>13,431,003</u>	<u>381,852</u>	<u>13,812,855</u>	<u>14,444,845</u>	<u>401,575</u>	<u>14,846,420</u>
Balance at 31 March 2021	22	<u>14,680,277</u>	<u>365,947</u>	<u>15,046,224</u>	<u>13,431,003</u>	<u>381,852</u>	<u>13,812,855</u>

The notes on pages 20 to 30 form part of these financial statements.

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible fixed assets	13	7,859	8,495	7,859	8,495
Intangible assets	14	9,000	12,000	9,000	12,000
Investments	15	<u>14,382,188</u>	<u>13,016,153</u>	<u>14,382,189</u>	<u>13,016,154</u>
		14,399,047	13,036,648	14,399,048	13,036,649
Current assets					
Stocks	16	4,198	4,198	4,198	4,198
Debtors and prepayments	17	163,010	219,446	396,484	338,739
Cash at bank and in hand	18	<u>645,035</u>	<u>642,673</u>	<u>514,896</u>	<u>521,303</u>
		812,243	866,317	915,578	864,240
Creditors: amounts falling due within one year	19	<u>(165,066)</u>	<u>(90,110)</u>	<u>(134,892)</u>	<u>(19,373)</u>
Net current assets		<u>647,177</u>	<u>776,207</u>	<u>780,686</u>	<u>844,867</u>
Total assets		<u>15,046,224</u>	<u>13,812,855</u>	<u>15,179,734</u>	<u>13,881,516</u>
Funds represented by:					
Restricted funds		365,947	381,852	365,947	381,852
Unrestricted funds		<u>14,680,277</u>	<u>13,431,003</u>	<u>14,813,787</u>	<u>13,499,664</u>
Total funds	22	<u>15,046,224</u>	<u>13,812,855</u>	<u>15,179,734</u>	<u>13,881,516</u>

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its Statement of Financial Affairs for the financial year.

The annual accounts have been produced in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102, and the Charities Act 2011 and applicable regulations.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

For the year ended 31 March 2021, the Charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

The financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

The financial statements on pages 17 to 30 were approved by the Trustees on 27/10/2021 and signed on their behalf by:

.....
Nicholas McCall - Chair

Company registration number - 00383775

Charity registration number - 314210

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2021

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
Cash flows from operating activities	24	599,244	(789,549)	590,493	(674,219)
Cash flows from investing activities					
Dividend income		275,018	297,298	275,018	297,298
Interest income		84,758	99,596	84,740	99,485
Proceeds from the sale of investments		1,929,812	3,602,359	1,929,812	3,602,359
Purchase of investments		(2,884,156)	(3,326,679)	(2,884,156)	(3,326,679)
Purchase of tangible fixed assets		(2,314)	(11,309)	(2,314)	(11,309)
Purchase of intangible fixed assets		-	(5,000)	-	(5,000)
Proceeds from the sale of tangibles		-	3,112	-	3,112
Net cash (used in) provided by investing activities		<u>(596,882)</u>	<u>659,377</u>	<u>(596,900)</u>	<u>659,266</u>
Change in cash and cash equivalents in the year		2,362	(130,172)	(6,407)	(14,953)
Cash and cash equivalents at the beginning of the year		<u>642,673</u>	<u>772,845</u>	<u>521,303</u>	<u>536,256</u>
Cash and cash equivalents at the end of the year		<u>645,035</u>	<u>642,673</u>	<u>514,896</u>	<u>521,303</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

a) Company information

The Hispanic and Luso Brazilian Council is a company limited by guarantee, incorporated in England and Wales and registered as a charity with the Charities Commission. The principal address and registered office is 126 Wigmore Street, London W1U 3RZ.

b) Basis of preparation of annual accounts

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hispanic and Luso Brazilian Council meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The principal accounting policies are set out below.

The effects of events relating to the year ended 31 March 2021 which occurred before the date of approval of the financial statements by the Trustees have been included in the financial statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2021 and the results for the year ended on that date.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Annual membership subscriptions are recognised in equal monthly instalments over the period of membership. Donations and sponsorship are recognised when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability. Event fees and room hire are recorded when the services are provided. Dividend and interest income are recognised when the Charity has the right to receive payment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

e) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs for trading for fundraising purposes.

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

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

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.

f) Tangible fixed assets and depreciation

All tangible fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Fixtures and fittings	-	20% straight line

g) Intangible assets and amortisation

Intangible assets acquired are initially recorded at cost and are subsequently measured at cost less accumulated amortisation and impairment losses over the useful economic life of that asset as follows:

Website development	-	20% straight line
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h) Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction cost. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in equity instruments

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through the SOFA. Subsequent to initial recognition, investments that can be measured reliably are measured at fair value with changes recognised in the SOFA. Other investments are measured at cost less impairment in the SOFA.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Charity's cash management are included as a component of cash and cash equivalents for the purposes only of the cash flow statement. Cash balances held as part of a fixed asset investment portfolio are presented as part of fixed asset investments

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. Accounting policies (continued)

k) Operating lease agreements

Rentals in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor charged to the Statement of Financial Activities (SOFA) on a straight-line basis over the period of the lease.

l) Pension costs

The charity operates a defined contribution scheme for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are charged to the SOFA as they fall due.

m) Taxation

The Hispanic and Luso Brazilian Council is considered to pass tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively to charitable purposes.

n) Grants

Grants are accounted for under the accruals model of accounting as permitted by FRS102. Grants of a revenue nature are recognised in the SOFA in the same period as the related expenditure.

o) Going concern

There are no material uncertainties about the Charity's ability to continue in operational existence for the foreseeable future. The charity holds sufficient liquid reserves to meet its financial obligations as they currently fall due, and for the foreseeable future.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary. The summary financial performance of the Charity alone is:

	2021	2020
	£	£
Income	399,498	440,929
Gift aid from subsidiary company	<u>-</u>	<u>-</u>
	399,498	440,929
Expenditure on charitable activities	(534,159)	(437,146)
Net gains/(losses) on investments	<u>1,432,879</u>	<u>(968,687)</u>
Net income/(expenditure)	1,298,218	(964,904)
Funds brought forward	<u>13,881,516</u>	<u>14,846,420</u>
Totals funds carried forward	<u>15,179,734</u>	<u>13,881,516</u>
Represented by:		
Restricted funds	365,947	381,852
Unrestricted funds	<u>14,813,787</u>	<u>13,499,664</u>
	<u>15,179,734</u>	<u>13,881,516</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Donations, grants and sponsorship	<u>21,291</u>	<u>24,852</u>	<u>46,143</u>	<u>39,606</u>

4. Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Language courses	<u>-</u>	<u>-</u>	<u>-</u>	<u>390</u>

5. Other trading activities

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Membership and events	<u>128,435</u>	<u>-</u>	<u>128,435</u>	<u>189,572</u>

6. Investment income

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Dividends from investments	275,018	-	275,018	297,298
Bond interest accrued	82,737	-	82,737	96,144
Bank interest received	<u>104</u>	<u>1,917</u>	<u>2,021</u>	<u>3,452</u>
	<u>357,859</u>	<u>1,917</u>	<u>359,776</u>	<u>396,894</u>

7. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Investment Manager's fee	<u>53,738</u>	<u>-</u>	<u>53,738</u>	<u>56,245</u>

8. Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Direct costs	133,571	42,674	176,245	126,339
Support costs	<u>484,102</u>	<u>-</u>	<u>484,102</u>	<u>494,864</u>
	<u>617,673</u>	<u>42,674</u>	<u>660,347</u>	<u>621,203</u>

THE HISPANIC AND LUSO BRAZILIAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. (Continued) Included within direct costs are donations made to the following institutions:

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
LATA Foundation	6,000	-	6,000	-
The Anglo-Argentine Society	-	30,674	30,674	3,000
Anglo Portuguese Society				2,200
The British & Colombian Chamber Of Commerce	-	-	-	5,000
	<u>6,000</u>	<u>30,674</u>	<u>36,674</u>	<u>10,200</u>

9. Support costs

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Staff costs	360,859	-	360,859	357,177
Building costs	58,337	-	58,337	57,900
Other costs	<u>64,906</u>	<u>-</u>	<u>64,906</u>	<u>79,787</u>
	<u>484,102</u>	<u>-</u>	<u>484,102</u>	<u>494,864</u>

10. Other resourced expended

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Audit and accountancy fees	<u>13,872</u>	<u>-</u>	<u>13,872</u>	<u>13,892</u>

11. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	2,050	1,180
Amortisation	3,000	3,000
Auditors remuneration:		
- Audit of the financial statements	<u>7,372</u>	<u>7,392</u>
	<u>12,422</u>	<u>11,572</u>

12. Staff costs and remuneration

Total staff costs were as follows:

	2021 £	2020 £
Wages and salaries	308,173	305,197
Social security cost	27,780	28,229
Other pension costs	21,158	16,161
Other costs	<u>3,748</u>	<u>7,590</u>
	<u>360,859</u>	<u>352,848</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. (Continued)

The average number of staff employed during the year, based on a full time equivalent, was 9 (2020 - 8). All staff were employed by the Charity and staff were recharged to Canning House Limited based on time spent. The total recharge for the year amounted to £172,335 (2020 - £193,849).

There was 1 employee whose total emoluments for the year fell between £90,000 and £100,000 (2020 between £80,000 and £90,000 - 1).

The total amount of employee benefits received by the charity's key management personnel was £90,201 (2020 - £88,868).

The members of the Board of Trustees did not receive any remunerations, nor any reimbursed expenses during the year (2020 - £Nil).

13. Tangible assets – Charity (also comprising that of the group)

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 April 2020	34,661	11,835	46,496
Additions	-	2,314	2,314
Disposals	<u>-</u>	<u>(1,125)</u>	<u>(1,125)</u>
31 March 2021	<u>34,661</u>	<u>13,024</u>	<u>47,685</u>
Depreciation			
At 1 April 2020	32,498	5,503	38,001
Charge for the year	455	1,595	2,050
Disposals	<u>-</u>	<u>(225)</u>	<u>(225)</u>
At 31 March 2021	<u>32,953</u>	<u>6,873</u>	<u>39,826</u>
Net book value			
At 31 March 2021	<u>1,708</u>	<u>6,151</u>	<u>7,859</u>
At 31 March 2020	<u>2,163</u>	<u>6,332</u>	<u>8,495</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Intangible assets – Charity (also comprising that of the group)

	Website development £	Total £
Cost		
At 1 April 2020	15,000	15,000
Additions	<u>-</u>	<u>-</u>
31 March 2021	<u>15,000</u>	<u>15,000</u>
Depreciation		
At 1 April 2020	3,000	3,000
Charge for the year	<u>3,000</u>	<u>3,000</u>
At 31 March 2021	<u>6,000</u>	<u>6,000</u>
Net book value		
At 31 March 2021	<u>9,000</u>	<u>9,000</u>
At 31 March 2020	<u>12,000</u>	<u>12,000</u>

15. Investments

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Subsidiary undertaking	-	-	1	1
UK and overseas equities:				
Market value at 1 April 2019	11,632,123	12,661,762	11,632,123	12,661,762
Acquisitions at cost	2,884,156	3,326,679	2,884,156	3,326,679
Disposals at opening book value or cost of new purchase	(1,929,812)	(3,602,359)	(1,929,812)	(3,602,359)
Unrealised gains/(losses) on revaluation	<u>1,478,362</u>	<u>(753,959)</u>	<u>1,478,362</u>	<u>(753,959)</u>
Market value at 31 March 2021	14,064,829	11,632,123	14,064,829	11,632,123
Cash balance (held by brokers)	<u>317,359</u>	<u>1,384,030</u>	<u>317,359</u>	<u>1,384,030</u>
Investments under management	<u>14,382,188</u>	<u>13,016,153</u>	<u>14,382,188</u>	<u>13,016,153</u>
	<u>14,382,188</u>	<u>13,016,153</u>	<u>14,382,189</u>	<u>13,016,154</u>

The market value of £14,064,829 (2020 - £11,632,123) above represents investments quoted on a recognised securities exchange.

	2021 £	2020 £
UK equity	2,561,629	1,951,011
Overseas equity	4,087,006	2,626,409
UK bonds	6,376,719	6,443,993
Alternative investments	<u>1,039,475</u>	<u>610,710</u>
	<u>14,064,829</u>	<u>11,632,123</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Investments (continued)

Subsidiary undertaking

The charity has a wholly owned trading subsidiary, Canning House Limited (company registration number 03317927), which is incorporated in England and Wales. The subsidiary's principal activity is to run services for corporate members and relevant commercial activities including the running of conferences. All profits are donated to the Charity under gift aid.

Summary of profit and loss for Canning House Limited

	2021 £	2020 £
Turnover	128,949	182,970
Cost of sales and expenses	<u>(193,798)</u>	<u>(251,631)</u>
Net profit	<u>(64,849)</u>	<u>(68,661)</u>
The assets and liabilities of the subsidiary were:		
Current assets	139,639	201,112
Current liabilities	<u>(273,148)</u>	<u>(269,772)</u>
Total net assets	<u>(133,509)</u>	<u>(68,660)</u>
Aggregate share capital and reserves	<u>(133,509)</u>	<u>(68,660)</u>

16. Stocks – Charity (also comprising that of the group)

	2021 £	2020 £
Stock of medals	<u>4,198</u>	<u>4,198</u>

17. Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	29,000	66,650	20,000	3,600
Prepayments and accrued income	109,219	122,077	108,719	108,807
Other debtors	24,791	30,719	24,791	27,297
Amounts owed by group undertakings	-	-	<u>242,974</u>	<u>199,035</u>
	<u>163,010</u>	<u>219,446</u>	<u>396,484</u>	<u>338,739</u>

18. Analysis of cash and cash equivalents

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cash at bank	<u>645,035</u>	<u>642,673</u>	<u>514,896</u>	<u>521,303</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Creditors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	2,214	168	1,974	168
Taxation and social security	5,780	1,363	5,780	1,363
Other creditors	-	-	-	-
Accruals and deferred income		<u>88,579</u>	<u>127,138</u>	<u>17,842</u>
	<u>157,072</u>	<u>90,110</u>	<u>134,892</u>	<u>19,373</u>
	<u>165,066</u>			

20. Financial instruments

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Financial assets				
Financial assets measured at fair value through the SOFA	15,027,223	13,658,826	14,897,084	13,537,456
Financial assets measured at amortised cost	<u>53,791</u>	<u>97,369</u>	<u>287,766</u>	<u>229,933</u>
	<u>15,081,014</u>	<u>13,756,195</u>	<u>15,184,850</u>	<u>13,767,389</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>158,659</u>	<u>22,073</u>	<u>134,892</u>	<u>19,373</u>

Financial assets measured at fair value through the SOFA comprise of bank and cash balances as well as investments carried at market value. Accounting policies adopted are included within note 1i) to these financial statements.

Financial assets measured at amortised cost comprise of investments held at cost, trade debtors, other debtors and amounts owed by group undertakings. Further details in respect of these balances can be found in note 17 to these financial statements and the accounting policies adopted are included within note 1g) to these financial statements.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals. Further details in respect of these balances can be found in note 19 to these financial statements and the accounting policies adopted are included within note 1g) to these financial statements.

21. Pensions

The charitable company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pensions cost represents contributions payable by the Charity during the year and amounts to £10,996 (2020 - £7,559) and by the Group £21,158 (2020 - £16,161). At the year end there was £5,780 (2020 - £1,363) outstanding from the Charity included in creditors due within one year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Statement of funds

	At 1 April 2020 £	Incoming resources £	Resources expended £	At 31 March 2021 £
Restricted funds:				
Canning House Library Appeal	298,313	1,678	(12,500)	287,491
UK-Brazil Conversa Fund	-	24,858	-	24,858
Anglo Portugese Society Fund	33,305	97	(500)	32,902
Anglo Argentine Society Fund	29,598	76	(29,674)	-
British and Colombian Chamber of Commerce Fund	<u>20,636</u>	<u>60</u>	<u>-</u>	<u>20,696</u>
	381,852	26,769	(42,674)	365,947
Unrestricted funds:				
General funds	<u>13,431,003</u>	<u>1,934,557</u>	<u>(685,283)</u>	<u>14,680,277</u>
Total funds	<u>13,812,855</u>	<u>1,961,326</u>	<u>(727,957)</u>	<u>15,046,224</u>

Details of the funds are listed below:

- Canning House Library Appeal – set up in 2004 for new library facilities.
- Anglo accounts – deposits made for future charitable activities in mutual agreement with the Anglo Portuguese Society, Anglo Argentine society and British and Colombian chamber of Commerce for charitable, cultural and educations purposes. The above funds were set aside in conjunction with the sale of 2 Belgrave Square.

23. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Fixed assets	14,399,047	-	14,399,047	13,036,648
Net current assets	<u>281,230</u>	<u>365,947</u>	<u>647,177</u>	<u>776,207</u>
	<u>14,680,277</u>	<u>365,947</u>	<u>15,046,224</u>	<u>13,812,855</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. Reconciliation of net movement in funds to net cash flows from operating activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net movement in funds	1,239,276	(1,033,565)	1,298,218	(964,904)
Adjustments for:				
Depreciation	2,050	1,180	2,050	1,180
Amortisation	3,000	3,000	3,000	3,000
Loss/(gain) on disposal of tangibles	900	(106)	900	(106)
Unrealised (gains)/losses on revaluation	(1,478,362)	753,959	(1,478,362)	753,959
Decrease/(increase) in cash balances held in investments	1,066,671	(84,103)	1,066,671	(84,103)
Decrease/(increase) in stocks	-	-	-	-
Decrease/(increase) in debtors	56,436	(20,281)	(57,745)	13,805
Increase/(decrease) in creditors	74,956	(12,739)	115,519	(267)
Dividend income	(275,018)	(297,298)	(275,018)	(297,298)
Interest income	<u>(84,758)</u>	<u>(99,596)</u>	<u>(84,740)</u>	<u>(99,485)</u>
Cash flows from operating activities	<u>599,244</u>	<u>(789,549)</u>	<u>590,493</u>	<u>(674,219)</u>

25. Financial commitments

At 31 March 2021, the Charity had the following commitments under non-cancellable operating leases:

	2021	2020
	£	£
Land and buildings		
- Falling due within one year	58,167	57,167
- Falling due between two and five years	<u>49,167</u>	<u>107,333</u>
	<u>107,334</u>	<u>164,500</u>
Other		
- Falling due within one year	2,628	2,630
- Falling due between two and five years	<u>2,367</u>	<u>3,550</u>
	<u>4,995</u>	<u>6,180</u>
Total financial commitments	<u>112,329</u>	<u>170,680</u>

26. Contingent liabilities

During the prior year, the Charity entered into an agreement with LSE under a 5 year rolling contract for funding of up to £100,000 per year relating to The Canning House Research Forum, with a break clause in year 3. At the balance sheet date, the Charity had a contingent liability in respect of the future funding costs to be provided towards the research of up to £100,000 plus the percentage increase in CPI in the prior period.

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27. Related party transactions

Whenever appropriate, the entire net profit of the subsidiary company, Canning House Limited, is donated annually by deed to the parent charitable company under gift aid and amounted to £Nil (2020 - £Nil) inclusive of the tax credit.

Historically, the Charity acted as agent for the UK-Brazil Conversa, a forum which was founded by Alan Charlton, one of the Charity's Trustees. At 1 April 2020, the Charity took full control of the UK-Brazil Conversa, and the value of the account at this date of £24,852 was donated to the Charity as a Restricted fund. All subsequent transactions within this fund are included within the financial statements.

28. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party other than the Board of Trustees themselves.

