

Charity Registration No. 313816

**WOODBROOKE QUAKER STUDY CENTRE
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

WOODBROOKE QUAKER STUDY CENTRE

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Clerks statement	3
Trustees' Annual Report	4
Independent Auditors' report to the members	14
Group Statement of Financial Activities (incorporating the income and expenditure account)	17
Group Balance Sheet	20
Charity Balance Sheet	22
Group Statement of Cash Flows	23
Notes to the financial statements	24

WOODBROOKE QUAKER STUDY CENTRE

REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2017

Trustees

Peter Allen-Williams (2)
Averil Armstrong (Treasurer) (2)
Anne Bennett (1) (3)
Dorothy Carson (3)
John Dash (2)
Joycelin Dawes
Robert Gibson
Michael Hutchinson (Clerk)
Jennifer Maclellan (Assistant Clerk) (1)
Margaret Mortimer (2)
Terry Oakley (3) (4)
David Pulford
Jenny Routledge
Barbara Sharrock (2)
Martina Weitsch (4)

- (1) Members of the Nominations Committee
- (2) Members of the Finance and Property Committee
- (3) Members of the Human Resources Committee
- (4) Member of the Swarthmore Lecture Committee

Management Team

Sandra Berry, Director
Tom Pettitt, Head of Finance
Simon Best, Head of Learning
Darrell Farnsworth, Head of Services

Address

1046 Bristol Road
Birmingham
B29 6LJ

Charity Registration Number

313816

WOODBROOKE QUAKER STUDY CENTRE

REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2017

Auditor	PKF Cooper Parry Group Limited Statutory Auditors Park View One Central Boulevard Blythe Valley Business Park Solihull Birmingham B90 8BG
Investment Managers	CCLA Investment Management Limited COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET
Bankers	Lloyds Bank plc 142 Edgbaston Park Road Birmingham B15 2TY

WOODBROOKE QUAKER STUDY CENTRE

CLERK'S STATEMENT

Spinning plates

2017 was a year of consolidation of our governance and management so Woodbrooke is better equipped to pursue its dual strategic goals of increased accessibility to Woodbrooke learning and improved financial sustainability. Our Director, Sandra Berry, used the analogy of 'spinning plates'. Keeping many plates on poles both balanced and spinning is an apt comparison to the degree to which our committed staff and volunteers not only keep everything going well, but aim to improve where we are in relation to those goals. Success is an outcome of the way in which those working for Woodbrooke have grasped the changes required in organisational culture to seize the opportunities before us. A good example is the way we use increased financial forecasting to increase our ability to plan ahead.

Sometimes the plates do wobble. Implementing the new Alacer booking system, essential to link our booking and planning systems, was high in time cost; storms and unexpected issues with our estate can take further time and energy to sort out. All this affects our delivery of other operational year objectives. The Trustees' task is to ensure we do not lose the direction of travel but can adjust targets to meet current realities. We have confidence in our staff team as they manage ups and downs but keep the forward momentum. In the light of the lessons learned from 2017, the management team and trustees will be reviewing the business targets calendar in our current 5-year plan and update it during 2018. We are well aware of the unsustainability of deficit budgets, but presently see them as essential in fostering the changes we need to meet our goals.

Trustees themselves looked at their own way of working. In particular we worked together on attitudes to risk, helping us to develop a risk policy. Trustees also worked on volunteer management, an estate plan and encouraged the developing learning strategies that include greater use of online courses and fostering links with other Yearly Meetings. We were pleased with our new Website and branding. Woodbrooke is now an accredited Living Wage Employer through the Living Wage Foundation.

Significant improvements in Woodbrooke's relationship with Britain Yearly Meeting (BYM) came to fruition in 2017 and will have lasting benefits. Trustees from both organisations met informally, giving rise to a formal Memorandum of Understanding that has been approved by both sets of trustees. Woodbrooke also has External Recognised Body Status from BYM. Both of these give us new opportunities in helping sustain Quakerism, but also represent the way our close relationship is evolving in secure partnership. Practical current joint work includes the Vibrancy in Meetings Pilot Programme and working towards a joint library service.

We are grateful for the continued support and upholding from all our donors, without whom we could not sustain our work.



Michael Hutchinson
Date

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

The Trustees present their report together with the consolidated accounts of Woodbrooke Quaker Study Centre (Woodbrooke) for the year to 31 December 2017.

The accounts are presented in accordance with the accounting policies set out on pages 24 to 28 of the attached accounts and comply with the charity's trust deed, applicable laws and the requirements of Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102) issued in 2015.

Our purpose and activities

Woodbrooke is a learning organisation which supports and informs Quakers, as individuals and as a community, to enable our work in the world and in local communities from a place of understanding and spiritual renewal.

Our mission is clear - 'fostering of a vital Friends' ministry', where ministry encompasses faith, witness, love and service.

Woodbrooke strategic goals for the period from 2015-2020 are:

1. Increased accessibility to Woodbrooke learning
2. Improved financial responsibility

An important physical resource is our Quaker Study Centre located in Selly Oak, Birmingham. It has 70 bedrooms, a range of teaching/conference facilities and is set in 10 acres of organically-managed grounds and was formerly the home of George and Elizabeth Cadbury.

This Quaker Study Centre provides an ideal environment for the delivery of our own short courses as well as the longer term study programmes that Woodbrooke offers. It is also the base for most of our employees who develop and deliver learning at other venues across the UK and beyond, as well as online courses and resources which helps to increase access to Woodbrooke learning.

The principal activities of our trading subsidiary, Woodbrooke Quaker Centre Limited, are the provision of residential facilities and conference space for groups and individuals, and of guest residential accommodation. These activities generate significant income to help support the primary activities of the charity.

Trustees are aware of and have heeded the public benefit guidance issued by the Charity Commission in their oversight of the programmes and activities of the charity. The course programme is open to anyone, whether they are in formal membership of the Religious Society of Friends or whether they have no previous connection with Quakers at all, and our conference facilities continue to be made use of by many non-Quaker groups. Courses are offered at less than the full cost of developing and running them, and we subsidise the course offering through charitable fundraising and donations as well as the income from the trading company. We offer further help through bursary schemes and offer free accommodation and meals for a Personal Assistant or carer to enable a participant with impairments, disabilities or child care needs to attend a course.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Achievements and Performance

Learn

Some of our highlights this year have been:

- Over 100 courses run at our residential study centre in Selly Oak, Birmingham which attracted over 1,600 participants. This was a slightly smaller programme than in the previous year as we took account of the impact that a weeklong residential gathering of the Religious Society of Friends makes on the demand for our learning. We took advantage of the fact that the gathering took place at the University of Warwick, and held an open day at Woodbrooke with taster sessions of our learning and activities for all ages.
- We visited nearly 30 Quaker meetings to bring our learning to over 500 people in their Quaker community. This is one way that our learning is made more accessible as we know that travelling to Birmingham is not always possible. It also enables a meeting to learn as a community.
- We continued to run a small number of residential courses at Swarthmoor Hall in Cumbria. We are reviewing this relationship and how it can be developed to bring the most benefit to course participants, which numbered over 70 this year.
- We increased the number of online events that we ran this year to almost 20, which attracted around 330 participants. By increasing this mode of learning we provide another route to our learning to both individuals and groups of learners.
- For some people the opportunity to take part in a structured programme provides them with a framework that enables them to explore learning that they may have not felt able to on their own. Over the last year nearly 100 people have participated in one of our three programmes of this type: Equipping for Ministry (EfM), Young Adult Leadership Programme, and Soul of Leadership.

'People ask me, "How can you find the time to EfM whilst working full time and juggling other commitments?" Well, it is like asking, "How can you stop for petrol when you are already running so late?" EfM provided the refuelling I desperately needed to make progress on my life's journey – and to make it possible to offer others a lift towards their destination.'

- Woodbrooke Quaker Study Centre provided the perfect venue for us to deliver learning as part of our work with pupils from Quaker Schools in the UK and Japan, and as part of our training for Quaker Peacework and the Ecumenical Accompaniment Programme.
- In the now named Centre for Research in Quaker Studies (CRQS), we reached the highest number of students at 40. Our postgraduate work continues to flourish and the research informs and strengthens our learning.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Meet & Stay

Our residential conference venue in Selly Oak, Birmingham has been well used during the year by a number of both Quaker and non-Quaker groups and organisations. These range from faith groups, charities, education providers, and some commercial organisations.

We continue to attract individuals who are looking for a good place to stay. Many return as they appreciate the fact that Woodbrooke is different from lots of other venues.

We are recognised and appreciated by all that use us for the calm and friendly atmosphere that we can offer.

*"In the noisy rush of modern life we need periods of quiet
when the soul may feed in peace on that which shall
nourish it for action."*

John Wilhem Rowntree, circa 1890

Support

The support Woodbrooke as a Charity receives is immense.

We have a continuously changing team of four volunteer Friends in Residence who provide out of hours hospitality and administration service as well as a constant Quaker presence at our centre in Selly Oak, Birmingham. Our garden team is only able to keep the grounds looking so well cared for by the additional help from both day volunteers and those that come for a few weeks at a time in the busiest periods of the gardening calendar.

Our learning programme would be much the poorer without the work of over 120 Associate Tutors; many offering their time as volunteers or for a small remuneration.

Our charity and limited company are overseen by volunteer Trustees and Directors and they bring a wealth of experience and skills to provide strategic direction as well as governance. Financial donations help us to work outside the constraints of a simple financial cost benefit business model for our learning. Without the support of donors we would need to limit our work to courses and learning that would bring in equivalent income to their cost.

During 2017 we were supported by the following trusts:

- B E Rodmell Trust
- C.B & H.H Taylor 1984 Trust
- George Cadbury Fund
- Joseph Rowntree Charitable Trust
- Sir James Reckitt Charity
- The Doric Charitable Trust
- W F Southall Trust
- Westcroft Trust
- William A Cadbury Charitable Trust
- William P Bancroft and Jenepher Gillet Trust

We are indebted to all those that offer support in whatever form it comes: financial, volunteer help, and spiritual upholding.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

FINANCIAL REVIEW

During the year total incoming resources amounted to £1,839,416 (2016 - £1,867,586). Incoming resources from commercial trading operations (conference and visitor income) increased by £99,405 to £579,168 whilst course and related fees decreased by £91,954 to £786,442.

Woodbrooke benefits greatly from unearned income, namely general donations, bursary donations and legacies to help fund its educational expenditure and significant thanks are due to all those who have given so generously.

There is an ongoing grant receivable of just over £100,000 per annum towards core funding for the education programme from the Joseph Rowntree Charitable Trust. Other Trust donations remained at broadly similar levels.

Individuals and meetings continue to make regular donations although over time these are declining slightly.

Investment income and interest receivable in the year decreased slightly to £98,294 (2016 - £105,966) due to the sale of £240k of investments during the year. This income was generated from a portfolio of listed investments which rose by 8% per unit during the year and had a market value of just over £2.8 million at 31 December 2017.

Resources expended amounted to £2,135,258 (2016 £2,046,031). Of this £1,685,147 (2016 - £1,612,599) related to the costs, including support costs, of providing courses and advancing the Quaker faith.

Costs of generating funds, including commercial trading operations, amounted to £450,111 (2016 - £433,432).

The resultant net outgoing resources for the year amounted to £295,842 (2016 – £178,445). However, the gains on investments and revaluation of heritage assets of £224,287 (2016 - £255,605) resulted in a smaller net decrease in total funds of £71,555 (2016: increase of £77,160) for the year.

Trustees are clear that our strategic direction should always focus on our vision and mission – and the primary needs of the Religious Society of Friends. Trustees are also aware of the risks to the financial future of Woodbrooke when deficit budgets draw on reserves. Generating further income will require some thinking and puts great pressures on staff and volunteers, but overall we have a good basis from which to be courageous for the future. Much has been laid by consolidating a changed Woodbrooke culture working to those possibilities, giving us the confidence we need to go forward. A great challenge is how we reduce the deficit.

Financial position

The group balance sheet shows total funds of £6,276,440 (2016 - £6,347,995).

These funds include permanent endowment funds of £804,626 (2016 - £713,107). Whilst the income from these funds may be utilised by the charity, the endowment funds balances themselves are 'capital' and must be invested and held indefinitely by the charity.

Also included in total funds is an amount of £391,572 (2016 - £457,894) which is restricted. Full details of these restricted funds can be found in note 19 to the accounts.

Funds totalling £750,000 (2016 - £1,021,586) have been designated, or set aside, by the Trustees for specific purposes. These purposes and an analysis of the movements on the funds are set out in note 20 to the accounts.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

FINANCIAL REVIEW (continued)

Financial position (continued)

Funds totalling £3,670,511 (2016 - £3,635,639) represent tangible and heritage fixed assets which cannot be realised, except in exceptional circumstances.

General funds, including non-charitable trading funds, of the group at 31 December 2017 total £633,136 (2016 - £513,484) and represent "free reserves".

The free reserves are in line with the parameters set out in the reserves policy described below. The Trustees consider the reserves to be adequate but not excessive given the charity's reliance on voluntary income and need to maintain and invest in a Grade 2 Listed property that is over 180 years old.

Reserves policy

As is clear from the foregoing, the charity carries out a range of activities, some of which are short term projects whilst others comprise long term projects requiring significant ongoing financial commitment.

In 2015 Trustees examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. They decided to hold General Funds of a sum of about £700,000, sufficient to meet possible budget deficits over the next five years, to accommodate fluctuations in the value of stock market valuations, and to hold a reserve against major unexpected repairs.

The Trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

The Trustees further decided to designate funds for four purposes:

- to match the employer debt on withdrawal from the pension plan offered by the Pensions Trust. (but see Note 20)
- to provide scholarships through the Eva Koch Fund.
- to meet projected capital requirements over the next 5 years, including maintaining the historic property in good condition against a schedule of works.
- for the development of Woodbrooke's work over the next 3-5 years.

Investment policy

The charity has a portfolio of listed investments which had a market value of £2.816 million at 31 December 2017 (2016 - £2.843 million). None were purchased during the year, but sales totalling £240k took place during the year .

There are no restrictions on the charity's power to invest. Most investments are managed by CCLA Investment Management Limited (COIF Charity Funds). The COIF investment managers' objective is to provide capital growth and rising income over time, through well diversified investments, principally equities but including other asset classes, with an average annual real total return to investors of 3.5% – 4.0%.

The Trustees regularly review information from the investment managers, and meet with them periodically to monitor performance, ethical criteria and the investment strategy. In order to meet their ethical criteria, during the year they completed the transfer of their investments into the Charities Ethical Investment Fund. They meet regularly with the investment managers,

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

FINANCIAL REVIEW (continued)

Investment policy (continued)

compare performance regularly against the Charities Investment Fund and currently are satisfied by its performance. The funds brought in from the Corder and Gwen Catchpool Fund as a result of the Uniting Direction included an investment in the F&C Stewardship Income Fund (Distribution). This fund also applies ethical criteria in its investment strategy. Trustees are continuing with this investment for the time being, and it was valued at £67,402 at 31 December 2017 (2016 - £61,640).

Going concern

The Trustees' have considered the financial position of the group at a Trustees meeting in June 2017 and having taken account of all external financing and future cash flow projections, they are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Woodbrooke Quaker Study Centre is governed by a trust deed formulated in 1903 and is a registered charity, not limited by guarantee, Charity Registration No 383816. A separate subsidiary trading company was established in 2000 as a limited company to deal with the organisation's conference and other non-educational activity.

Uniting direction

On 9 April 2009, the Charity Commission issued a Uniting Direction under which the charity called Corder and Gwen Catchpool Bursary Fund (previously registered on the Register of Charities as 702399) was to be treated as forming part of Woodbrooke Quaker Study Centre for the purposes of Part 4 (Registration and Names of Charities) and Part 8 (Charity Accounts, Reports and Returns) of the Charities Act 2011.

Governance

As a Quaker establishment, Woodbrooke's task is to operate effectively within charity law and to model the best of Quaker practice. The overall responsibility for Woodbrooke ultimately lies with the Trustees who meet at least three times a year. Each Trustee is expected to serve on at least one of the Trustee body's four committees – a Finance and Property Committee, a Nominations Committee, a Human Resources Committee, and the Swarthmore Lecture Committee. These committees meet between two and four times a year. Day to day management of the Centre is delegated to the Director and her staff. The Director reports to the Trustees on a formal basis at each Trustees' meeting and regularly throughout the year on an ad hoc basis. Every Trustee meeting agenda includes a closed session when Trustees meet without staff to raise whatever matter is deemed appropriate.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Trustees

The Trustees comprise three honorary officers and a number of nominated and appointed members. Although no maximum number has been set, the Trustee body lies normally in the range twelve to fifteen. In 2017 there were 14 Trustees in total that served during the course of the year. All Trustees are Quakers, a constitutional requirement, and they come from diverse regions around the UK. The honorary officers (Clerk, Assistant Clerk and Treasurer) are appointed by the Trustees.

Trustees are appointed for a period of three years in the first place and are then eligible for re-appointment for a further period of three years and exceptionally, one further term. A period of three years must then elapse before further re-appointment. The officers (Clerk, Assistant Clerk and Treasurer) may have their periods of service extended at the discretion of the Trustees. While such additional service lies outside the normal appointments rota, the total length of service in these offices shall not normally exceed six years.

The appointment and induction of Trustees blends established Quaker practice with other guidelines. Trustees are appointed through the Quaker nomination process, for which detailed guidance is given in Quaker Faith and Practice. They must meet the constitutional criteria and be suitable appointees under charity law. A skills audit of Trustees is undertaken regularly. Expertise amongst the current Trustee body includes the management of third sector organisations, senior local authority service, financial management within a major industry, higher education management, professional architectural practice, and extensive voluntary experience, both in the UK and abroad.

Induction includes provision of detailed information on Trustees' legal and other responsibilities: all are supplied with up-to-date publications, including material from the Charity Commission. New Trustees are supported by a more experienced Trustee, who will be available in the early stages of an appointment for discussion and contact prior to meetings. All Trustees are encouraged to take part in as many aspects of Woodbrooke's life as possible, including attending courses and serving on the team of Quaker volunteers who support Woodbrooke, for instance as Friends in Residence or as Associate Tutors. In 2012, Governance Procedures were completed which are available to all Trustees and staff.

Strategic planning and the appointment of the Director are the Trustees' responsibility; day-to-day operation of the Centre is delegated to the Director and her colleagues. Day to day management of the charity's financial activities and the implementation of policies is delegated to the Finance Department. The department administers payments and keeps the books and records of the charity.

Professional advice is sought, from auditors, surveyors, solicitors and others, to enable Trustees to make informed and responsible decisions.

At their meetings the Trustees review the investment performance, review the Centre's performance against budget through the management accounts and decide future Centre policies.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Trustees (continued)

The following Trustees were in office and served during the period of 1 January 2017 to 31 December 2017; three Trustees were appointed during the end of the year as shown:

Appointed/Released

Peter Allen-Williams
Averil Armstrong
Anne Bennett
Dorothy Carson
John Dash
Robert Gibson
Michael Hutchinson
Jennifer MacLennan
Margaret Mortimer
Terry Oakley
David Pulford
Jenny Routledge
Barbara Sharrock
Martina Weitsch

Appointed 1 January 2017

Appointed 1 January 2017

Appointed 1 January 2017

No trustee received any remuneration in respect of services as a trustee during the year (2016: £nil). Travel expenses totalling £3,934 (2016: £2,943) were reimbursed to 14 (2016: 12) Trustees during the year.

No trustees (2016: none) received remuneration during the year in their capacity as a tutor. Three trustees (2016: two) were reimbursed expenses totalling £208 (2016: £121) in connection with their work as tutors during the year.

When reviewing the aims and activities of Woodbrooke, the Trustees have regard to the guidance provided by the Charity Commission in respect to the provision of public benefit by charities.

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group, and of the incoming resources and application of resources of the charity and 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume the charity will continue in operation;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

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

Senior management

The Woodbrooke Management Team is as follows:

All staff roles are assigned to one of ten salary bands. Annually, Trustees set salary levels for each band. In 2015, professional external advice was taken to give guidance on market comparators for each band, and to ensure each job role was allocated to an appropriate salary band. Trustees are mindful of the top: bottom salary range. There are no performance elements to senior management salaries.

Sandra Berry, Director since November 2010, holds a degree in Information Technology. Her previous career with BT spanned 27 years in a range of technical, management and leadership roles. She is in membership of the Religious Society of Friends (Quakers).

Tom Pettitt, Head of Finance since 2006, holds a degree in Geography and an MBA. Most of his working life has been spent managing small not-for-profit agencies, or looking after their business affairs.

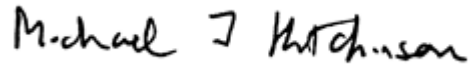
Simon Best, appointed Head of Learning from December 2015, has worked as Nurturing Friends and Meeting Tutor at Woodbrooke, with Young Friends General Meeting, The Leaveners and the Children and Young People's team of Britain Yearly Meeting. He has a PhD in Quaker Studies with a thesis focussing on the spiritual beliefs and religious practices of adolescent Quakers. In 2011 he gave the George Gorman Lecture on the title of: Quakerism: a radical, sustainable faith? He is in membership of the Religious Society of Friends (Quakers).

WOODBROOKE QUAKER STUDY CENTRE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

Darrell Farnsworth, Head of Services at Woodbrooke since April 2015, has worked in the catering and hospitality industry for nearly 20 years and has been a member of the Institute of Hospitality for 13 years. He holds a BA (Hons) in Service Sector Management.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink that reads "Michael J Hutchinson". The signature is written in a cursive, slightly slanted style.

Michael Hutchinson

1 June 2018

WOODBROOKE QUAKER STUDY CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WOODBROOKE QUAKER STUDY CENTRE FOR THE YEAR ENDED 31 DECEMBER 2017

Opinion

We have audited the financial statements of Woodbrooke Quaker Study Centre (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 group's and parent charity's affairs as at 31 December 2017, and of the 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; and
- 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 group and parent charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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

WOODBROOKE QUAKER STUDY CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOODBROOKE QUAKER STUDY CENTRE FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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 require 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 parent charity'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 12, the trustees are responsible for the preparation of financial statements which 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 group's and parent charity'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 group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

WOODBROOKE QUAKER STUDY CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOODBROOKE QUAKER STUDY CENTRE FOR THE YEAR ENDED 31 DECEMBER 2017

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



PKF COOPER PARRY GROUP LIMITED

Chartered Accountants
Statutory Auditors
Park View
One Central Boulevard
Blythe Valley Park
Solihull
West Midlands
B90 8BG

Date: 1 June 2018

PKF Cooper Parry Group Limited is eligible to act as auditor under section 1212 of the Companies Act 2006.

WOODBROOKE QUAKER STUDY CENTRE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total £	2016 Total £
Income and endowments from:						
Donations and legacies	2	244,906	95,250	34,700	374,856	393,295
Rental Income		656	-	-	656	10,166
Commercial trading operations	14	579,168	-	-	579,168	479,763
Investment Income	3	90,139	8,155	-	98,294	105,966
Charitable activities						
Courses and related fees	4	786,442	-	-	786,442	878,396
Total income and endowments		<u>1,701,311</u>	<u>103,405</u>	<u>34,700</u>	<u>1,839,416</u>	<u>1,867,586</u>
Expenditure on:						
Raising funds	5	11,442	-	-	11,442	10,890
Commercial trading operations	14	438,669	-	-	438,669	422,542
		<u>450,111</u>	<u>-</u>	<u>-</u>	<u>450,111</u>	<u>433,432</u>
Charitable activities						
Provision of courses and advancement of Quaker faith	6	1,557,752	127,395	-	1,685,147	1,612,599
Total expenditure		<u>2,007,863</u>	<u>127,395</u>	<u>-</u>	<u>2,135,258</u>	<u>2,046,031</u>
Net (expenditure)/income c/f		(306,552)	(23,990)	34,700	(295,842)	(178,445)

WOODBROOKE QUAKER STUDY CENTRE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total £	2016 Total £
Net (expenditure)/income b/f		(306,552)	(23,990)	34,700	(295,842)	(178,445)
Net gains on investments		138,566	16,902	56,819	212,287	255,605
Net gains on revaluation of assets		12,000	-	-	12,000	-
Net income/(expenditure) before transfers		(155,986)	(7,088)	91,519	(71,555)	77,160
Transfer between funds	19	59,234	(59,234)	-	-	-
Net movement in fund		(96,752)	(66,322)	91,519	(71,555)	77,160
Reconciliation of funds						
Funds brought forward at 1 January 2017		5,176,994	457,894	713,107	6,347,995	6,270,835
Funds carried forward at 31 December 2017		5,080,242	391,572	804,626	6,276,440	6,347,995

WOODBROOKE QUAKER STUDY CENTRE

HISTORICAL COST NET MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Net movement in funds (page 18)	(71,555)	77,160
(Gains) on investments based on market value	(212,287)	(255,605)
	<hr/>	<hr/>
Historical cost net movements in funds	(283,842)	178,445
	<hr/>	<hr/>

All incoming resources and resourced expended are derived from continuing activities in each of the above two financial periods.

The statement of financial activities includes all gains and losses recognised in the above two financial periods.

WOODBROOKE QUAKER STUDY CENTRE

GROUP BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	11		3,486,711		3,463,839
Heritage assets	12		183,800		171,800
Investments	13		2,816,125		2,843,839
			<hr/>		<hr/>
			6,486,636		6,479,478
Current assets					
Stocks		8,930		7,120	
Debtors	15	179,185		229,621	
Short term deposits				60,000	
Cash at bank and in hand		149,828		129,058	
			<hr/>	<hr/>	
			337,943	425,799	
Creditors: amounts falling due within one year	16	(371,139)		(362,282)	
			<hr/>	<hr/>	
Net current assets			(33,196)		63,517
			<hr/>		<hr/>
Total assets less current liabilities			6,453,440		6,542,995
Provisions for liabilities and charges	17		(177,000)		(195,000)
			<hr/>		<hr/>
Net Assets			6,276,440		6,347,995
			<hr/>		<hr/>
Funds					
Capital fund					
Endowment funds	18		804,626		713,107
Income funds					
Restricted funds	19		391,572		457,894
Unrestricted funds					
Designated funds	20	750,000		1,021,586	
Tangible and heritage fixed asset funds	20	3,670,511		3,635,639	
General fund	20	633,136		513,484	
Pension designated fund	20	177,000		195,000	
Pension fund	20	(177,000)	5,053,647	(195,000)	5,170,709
			<hr/>	<hr/>	
			6,249,845		6,341,710
Non charitable trading funds	20		26,595		6,285
			<hr/>		<hr/>
			6,276,440		6,347,995
			<hr/>		<hr/>

WOODBROOKE QUAKER STUDY CENTRE

GROUP BALANCE SHEET AS AT 31 DECEMBER 2017

These financial statements were approved by the Trustees on 1 June 2018 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Averil', with a long, sweeping horizontal line extending to the right.

Averil Armstrong-Trustee

WOODBROOKE QUAKER STUDY CENTRE

CHARITY BALANCE SHEET AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	11		3,431,523		3,427,313
Heritage assets	12		183,800		171,800
Investments	13		2,916,125		2,943,839
			<u>6,531,448</u>		<u>6,542,952</u>
Current assets					
Stocks		655		1,770	
Debtors: due within 1 year	15	307,310		288,169	
Short term deposits		-		60,000	
Cash at bank and in hand		140,969		106,721	
			<u>448,934</u>	<u>456,660</u>	
Creditors: amounts falling due within one year	16	(553,537)		(462,902)	
Net current assets			<u>(104,603)</u>		<u>(6,242)</u>
Total assets less current liabilities			<u>6,426,845</u>		<u>6,536,710</u>
Provisions for liabilities and charges	17		(177,000)		(195,000)
Net Assets			<u>6,249,845</u>		<u>6,341,710</u>
Funds					
Capital fund					
Endowment funds	18		804,626		713,107
Income funds					
Restricted funds	19		391,572		457,894
Unrestricted funds					
Designated funds	20	750,000		1,021,586	
Tangible and heritage fixed asset funds	20	3,615,323		3,599,113	
General fund	20	688,324		550,010	
Pension designated fund	20	177,000		195,000	
Pension fund	20	(177,000)	5,053,647	(195,000)	5,170,709
			<u>6,249,845</u>		<u>6,341,710</u>

These financial statements were approved by the Trustees on 1 June 2018 and signed on their behalf by


Averil Armstrong-Trustee

WOODBROOKE QUAKER STUDY CENTRE

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Net cash outflow from operating activities			
Reconciliation to changes in resources			
Net outgoing resources before other recognised gains and losses		(71,555)	(178,445)
(Gains) / losses on investments		(224,287)	-
Investment income		(98,294)	(105,966)
Depreciation of tangible fixed assets		105,758	106,740
Decrease / (Increase) in debtors		50,436	(25,343)
(Increase) / decrease in stock		(1,810)	2,839
Increase / (decrease) in creditors		8,858	(34,073)
Net cash used in operating activities		(230,894)	(183,563)
Cash flows from investing activities			
Dividends, interest and rents from investments		98,294	105,966
Payments to acquire tangible fixed assets		(128,630)	(95,798)
Proceeds of investments		240,000	-
Net cash inflow from investing activities		209,664	10,168
Cash flows from financing activities			
Finance costs		(18,000)	(8,000)
Net cash outflow from financing activities		(18,000)	(8,000)
Change in cash and cash equivalents in the year	23/24	(39,230)	(181,395)

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies

Basis of accounting

Woodbrooke Quaker Study Centre (the charity) is a registered unincorporated charity in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to provide education for members of the Religious Society of Friends and others, particularly in Quaker faith, life and work, and in other areas of spiritual, intellectual and social benefit.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2015, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary Woodbrooke Quaker Centre Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by Accounting and Reporting by charities: Statement of Recommended Practice.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

Incoming resources (continued)

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Resources expended and basis of allocation of costs

Expenditure is included in the Statement of Financial Activities when incurred and includes any attributable VAT which cannot be recovered. The majority of costs are attributable to specific activities although certain shared costs are apportioned.

Resources expended comprise the following:

The cost of generating funds includes fundraising costs which comprise salaries, direct expenditure and overhead costs of the staff who promote fundraising, including events, the cost of commercial trading operations and the fees paid to investment managers in connection with the management of the charity's investment portfolio.

The cost of charitable activities comprises direct costs on the provision of courses and the advancement of the Quaker faith and includes direct staff costs attributable to the activity and an allocation of general management and overhead costs. They include support costs which represent costs incurred in supporting the provision of courses which is the main charitable work of Woodbrooke. Support costs include management, policy, and course administration costs.

Governance costs include costs which are directly attributable to legal procedure necessary for compliance with statutory requirements.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation. An impairment review is carried out annually.

All costs relating to major refurbishment are capitalised: other assets costing in excess of £500 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates in order to write off the cost or valuation of each asset over its estimated useful life:

Freehold properties	1% on (deemed cost) or valuation
Property refurbishment and improvements	5-25% on cost
Household furniture and equipment	10-25% on cost
Office equipment	10-25% on cost

Heritage assets

Heritage assets comprising rare books and manuscripts are included on the balance sheet at a valuation determined by the Trustees, with professional assistance, in January 2015 and based on market value as at that date. Certain works of art, donated to the charity in past years and which are considered to be of historic importance and part of the Centre's heritage, are also included in these accounts at a valuation determined by the Trustees, with professional assistance, in December 2017. Such heritage assets are not depreciated. Their value and condition is reviewed annually by the Trustees who are satisfied that their residual value is not less than their book value.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment market due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in the SOFA.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies (continued)

Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Trustees.

The tangible and heritage fixed assets fund represents the net book value of the tangible and heritage fixed assets of the charity and group. Such assets are essential to the charity and group being able to continue to fulfil their charitable objectives and, as such, do not represent assets which can be realised except in exceptional circumstances.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The endowment funds comprise monies which must indefinitely be held as capital. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Pension costs

On behalf of one employee, the charity contributed to a defined benefits pension scheme (the Teachers' Pension Scheme) a scheme providing benefits based on final pensionable pay. The assets of the scheme are held and managed separately from those of the charity. The expected cost of providing pensions, as calculated periodically by the Government Actuary, is charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the charity, in such a way that the pension cost is substantially a level percentage of current and expected future pensionable payroll.

The charity contributes to the Unitised Ethical Plan and the Flexible Retirement Plan offered by The Pensions Trust. These are money purchase schemes designed to provide retirement benefits to employees.

The schemes are multi-employer pension plans where it is not possible to separately identify the assets and liabilities of participating employers. Therefore, the charity's accounts include pension costs payable in respect to the plan on a defined contribution basis.

The charity participates in the Pension Trust's Growth Plan. The Growth Plan Series 1, 2 and 3 is in most respects a money purchase arrangement but has some guarantees. The Growth Plan Series 4, to which the charity currently contributes is a defined contribution scheme, is a multi-employer pension plan where it is not possible to separately identify the assets and liabilities of participating employers. Therefore, the charity's accounts include pension costs payable in respect to the plan on a defined contribution basis. Additional disclosures in relation to the pension plan are given in note 27.

The charity contributes towards the personal pension plans of a number of employees. Contributions to such plans are charged to the statement of financial activities when they become payable.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £	Total 2016 £
Donations	239,324	83,750	-	323,074	285,473
Bursaries	-	11,500	-	11,500	23,545
Legacies	5,582	-	34,700	40,282	84,277
	<hr/> 244,906	<hr/> 95,250	<hr/> 34,700	<hr/> 374,856	<hr/> 393,295

Income from donations bursaries and legacies was £374,856 (2016: £393,295) of which £244,906 (2016: £325,141) was attributable to unrestricted funds, £95,250 (2016: £68,154) was attributable to restricted funds and £34,700 (2016: nil) to endowment funds.

3. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Investment income	89,505	7,688	97,193	103,992
Interest on bank accounts and short-term deposits	634	467	1,101	1,974
	<hr/> 90,139	<hr/> 8,155	<hr/> 98,294	<hr/> 105,966

Investment income was £98,294 (2016: £105,966) of which £90,139 (2016: £96,796) was attributable to unrestricted funds and £8,155 (2016: £9,170) was attributable to restricted funds.

4. Courses and Related Fees

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Student's fees	755,311	-	755,311	820,786
Visitors	2,971	-	2,971	14,203
Other	28,160	-	28,160	43,407
	<hr/> 786,442	<hr/> -	<hr/> 786,442	<hr/> 878,396

All of the above income for this year and the comparative year was attributable to unrestricted funds.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

5. Costs of Generating Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Salaries	8,746	-	8,746	8,967
Expenses	2,696	-	2,696	1,923
	<hr/> 11,442	<hr/> -	<hr/> 11,442	<hr/> 10,890

All of the above income for this year and the comparative year was attributable to unrestricted funds.

6. Provision of Quaker Courses an Advancement of Quaker Faith

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Direct costs				
Education costs	442,283	95,344	537,627	527,961
Course accommodation and related costs	474,568	-	474,568	440,685
Bursaries	8,117	32,051	40,168	25,444
Upkeep of premises	211,087	-	211,087	219,703
Other	26,630	-	26,630	25,017
	<hr/> 1,162,685	<hr/> 127,395	<hr/> 1,290,080	<hr/> 1,238,810
Support costs				
Staff costs	198,550	-	198,550	176,507
Administration	73,915	-	73,915	62,966
Publicity	51,233	-	51,233	36,548
Finance cost	(18,000)	-	(18,000)	(8,000)
Other	26,056	-	26,056	38,190
Governance (note 7)	63,313	-	63,313	67,578
	<hr/> 395,067	<hr/> -	<hr/> 395,067	<hr/> 373,789
	<hr/> 1,557,752	<hr/> 127,395	<hr/> 1,685,147	<hr/> 1,612,599

£1,557,752 (2016: £1,477,083) of the above costs were attributable to unrestricted funds and £127,395 (2016: £135,517) were attributable to restricted funds.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

7. Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Staff costs	48,583	-	48,583	48,862
Trustee's expenses and meeting costs	4,158	-	4,158	4,148
Legal fees	-	-	-	1,860
Audit fees	10,572	-	10,572	12,708
	<u>63,313</u>	<u>-</u>	<u>63,313</u>	<u>67,578</u>

All of the above expenditure for this year and the comparative year was attributable to unrestricted funds.

8. Net Income/(Expenditure) for the Year

	2017 £	2016 £
Net income/(expenditure) is stated after charging:		
Staff costs (note 9)	1,267,013	1,193,037
Auditor's remuneration – Audit services	16,982	22,693
Depreciation – owned assets	105,758	106,740
Operating lease rentals	14,742	6,390
	<u>1,267,013</u>	<u>1,193,037</u>

9. Staff Costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,117,678	1,056,190
Social security costs	87,002	82,967
Pension costs	62,333	53,880
	<u>1,267,013</u>	<u>1,193,037</u>
	<u>2017 £</u>	<u>2016 £</u>
Costs of generating voluntary income	8,746	8,967
Commercial trading activity	249,327	230,597
Provision of courses and advancement of Quaker faith and related support services	960,357	904,611
Governance costs	48,583	48,862
	<u>1,267,013</u>	<u>1,193,037</u>

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

9. Staff Costs (continued)

No employee earned £60,000 per annum or more (including benefits) during the year (2016: £nil).

The average number of employees during the year was as follows:

	2017 No	2016 No
Generating voluntary income	-	-
Commercial trading activity	10	10
Provision of courses and advancements of Quaker faith and related support services	45	44
Management governance and administration of the charity	3	3
	<hr/> 58	<hr/> 57

During the financial year, the group employed 47 (2016: 47) full time equivalent employees.

In addition, time, the value of which it is impossible to reflect in these accounts, was donated by many volunteers throughout the year.

10. Trustees and Key Management Personnel Remuneration and Expenses

No trustee received any remuneration in respect of services as a trustee during the year (2016: £nil). Travel expenses totalling £3,934 (2016: £2,943) were reimbursed to 14 (2016: 12) Trustees during the year.

No trustees (2016: none) received remuneration during the year in their capacity as a tutor. Three trustees (2016: two) were reimbursed expenses totalling £208 (2016: £121) in connection with their voluntary work as tutors during the year.

The total amount of employee benefits received by key management personnel is £157,726 (2016: £164,916). Woodbrooke considers its key management personnel to be the Director and Management Team.

During the year three trustees (2016: three) made charitable donations to the charity to a total of £550 (2016: £850).

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

11. Tangible Fixed Assets

	Freehold Buildings £	Property Refurb and Improvement £	Household Furniture and Equipment £	Office Equipment £	Total £
GROUP					
Cost or deemed cost					
At 1 January 2017	3,309,000	321,270	150,336	79,457	3,860,063
Additions	-	100,052	12,863	15,715	128,630
Disposals	-	-	-	-	-
At 31 December 2017	3,309,000	421,322	163,199	95,172	3,988,692
Depreciation					
At 1 January 2017	33,090	204,627	109,604	48,903	396,224
Charge for the year	33,090	33,922	19,137	19,609	105,758
Disposals	-	-	-	-	-
At 31 December 2017	66,180	238,549	128,741	68,512	501,982
Net book value					
At 31 December 2017	3,242,820	182,773	34,458	26,660	3,486,711
At 31 December 2016	3,275,910	116,643	40,732	30,554	3,463,839

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

11. Tangible Fixed Assets (Continued)

	Freehold Buildings £	Property Refurb and Improvement £	Household Furniture and Equipment £	Office Equipment £	Total £
CHARITY					
Cost or deemed cost					
At 1 January 2017	3,309,000	263,905	97,405	79,457	3,749,767
Additions	-	72,292	6,773	15,715	94,780
Disposals	-	-	-	-	-
At 31 December 2017	3,309,000	336,197	104,178	95,172	3,844,547
Depreciation					
At 1 January 2017	33,090	170,965	69,401	48,998	322,454
Charge for the year	33,090	25,448	12,519	19,513	90,570
Disposals	-	-	-	-	-
At 31 December 2017	66,180	196,413	81,920	68,511	413,024
Net book value					
At 31 December 2017	3,242,820	139,784	22,258	26,661	3,431,523
At 31 December 2016	3,275,910	92,952	27,897	30,554	3,427,313

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

11. **Tangible Fixed Assets (Continued)**

The freehold buildings comprising Woodbrooke Quaker Study Centre are situated on a ten acre site at 1046 Bristol Road, Birmingham, B29 6LJ. The freehold properties were valued by Lawrence and Wightman, Chartered Surveyors, at an estimate of the Market Valuation as at 31 December 2015. The trustees are taking this valuation as deemed cost and have implemented the valuation as a prior year restatement in 2015 as permitted by the transition rules of FRS102.

Title of the freehold buildings is registered with Friends Trusts Limited, who hold the title on Trust for the charity.

Capital Commitments

At 31 December 2017, the group and charity had no capital commitments in respect to building improvements and refurbishment. (2016: £Nil).

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

12. Heritage Assets

GROUP AND CHARITY

	Rare Books £	Works and Manuscripts £	Total £
Valuation			
At 1 January 2017	133,300	38,500	171,800
Revaluation in year	-	12,000	12,000
At 31 December 2017	<u>133,300</u>	<u>50,500</u>	<u>183,800</u>

The Centre owns various rare books and manuscripts which are acknowledged to be of historic importance and which are retained as part of the Centre's heritage and under the objects of the charity. The books and manuscripts are deemed, therefore, to be heritage fixed assets and have been included in the accounts at a valuation determined by the Trustees, with professional assistance. Such assets are not depreciated. Their value and condition are reviewed annually by the Trustees who are satisfied that their residual value is not less than their book value. In January 2014, three independent librarians gave their informed opinion that as of December 2012, there had been no material change in the valuation from the last one carried out in 2008.

The Centre owns certain works of art, valued at £50,500, which were donated to the charity in past years and which are considered to be of importance and part of the Centre's heritage. The collection was valued by Fellows & Sons Limited, Auctioneers and Valuers, Birmingham as at 31 December 2017 on the basis of replacement cost.

The Charity holds a rare visitors' book donated by Sir Adrian Cadbury which is not recognised in the Balance Sheet as cost information is not readily available and the Trustees believe that the benefit of obtaining a valuation for this item would not justify the cost. The visitors' book was gifted to the Charity and therefore has no original cost. The Trustees are of the opinion that should a valuation for the book be obtained, that the valuation would not be material in the context of these accounts and is incidental to the main activities of the Charity. Consequently, further disclosures are not deemed necessary.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. Investments

Listed investments held at 31 December 2017 comprised of the followings:

	2017 £	2016 £
Listed investments		
Market value at 1 January 2017	2,843,839	2,588,234
Additions		-
Disposals	(240,000)	-
Net unrealised investment gains	212,286	255,605
	<hr/>	<hr/>
Market value at 31 December 2017	2,816,125	2,843,839
	<hr/>	<hr/>
Total group investments	2,816,125	2,843,839
Investment in subsidiary undertaking		
Ordinary shares in Woodbrooke Quaker Centre Limited	100,000	100,000
	<hr/>	<hr/>
Total Charity Investments	2,916,125	2,943,839
	<hr/>	<hr/>
Historical cost of listed investments at 31 December 2017	1,919,685	2,083,287
	<hr/>	<hr/>

Listed investment held 31 December 2017 comprised of the following:

Group and Charity

	2017 £
UK Common Investment Funds and Unit Trusts	2,816,125
	<hr/>

At 31 December 2017 the portfolio of listed investments included the following material holdings:

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. Investments (continued)

	Percentage of portfolio %	2017 £
COIF – Charities Ethical Investment Fund	97.6	2,748,723
F and C Stewardship Fund	2.4	67,402

The Managers of the COIF Charities Ethical Investment Fund identify four main risks. Investors are exposed to market price risk, which can be defined as the uncertainty about future price movements of the financial instruments the Fund is invested in. There is a credit risk in that the Fund's transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase or the cash for a sale. There is a liquidity risk if the Fund is unable to meet the payment of any redemption of units that unitholders may wish to make, and there is a currency risk in that the Fund is exposed to fluctuations in foreign currencies as some of its assets and revenue are denominated in currencies other than sterling, the base currency of the Fund.

Woodbrooke Trustees are satisfied that the investment manager has suitable and robust practices to mitigate these risks, and provides appropriate annual reporting to investors.

The charity owns the entire share capital of Woodbrooke Quaker Centre Limited, a company incorporated in England and Wales, whose principal activity is the provision of conference facilities and accommodation.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

14. Financial Activities of the Trading Subsidiary

The financial activities shown in the consolidated statement of financial activities includes those of the charity's wholly owned subsidiary, Woodbrooke Quaker Centre Limited. A summary of the financial activities undertaken by the subsidiary is set out below:

	2017 £	2016 £
Turnover	579,168	479,763
Administrative expenses (including rent payable and loan interest payable to the charity of £34,840 (2016: £31,646) and £nil (2016: £290) respectively)	(473,499)	(454,477)
Operating profit	105,669	25,286
Gift Aid	(85,359)	(21,080)
Profit for the financial year before corporation tax	20,310	4,206
Other movements	-	92,270
Retained profit by the subsidiary	20,310	96,476

15. Debtors

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Amounts falling due within one year				
Fee debtors	66,023	93,726	40,863	66,116
Other debtors	30,115	72,297	52,566	71,489
Amounts due from subsidiary undertaking	-	-	159,604	91,277
Accrued investment income	22,452	22,899	25,327	22,899
Prepayments	60,595	40,699	28,950	36,388
	179,185	229,621	307,310	288,169

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

16. Creditors

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year				
Expense creditors	101,863	64,115	34,768	27,048
Tuition fees paid in advance	114,044	152,644	93,822	118,032
Amounts owed to subsidiary undertaking	-	-	298,031	198,470
Social security and other taxes	41,589	42,140	21,997	22,682
Other creditors	113,643	103,383	104,919	96,670
	<u>371,139</u>	<u>362,282</u>	<u>553,537</u>	<u>462,902</u>

17. Provision for Liabilities and Charges

	2017	2016
	£	£
As at 1 January 2017	195,000	203,000
Movement in the year through income and expenditure accounts	(18,000)	(8,000)
As at 31 December 2017	<u>177,000</u>	<u>195,000</u>

In accordance with Financial Reporting Standard 102, the charity has recognised a provision for the future deficit contribution payments it is required to make under the terms of its membership of The Pensions Trust Growth Plan pension plan. Movements in the provision are recognised in the Statement of Financial Activities. (See note 26 for further detail of the Growth Plan).

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

18. Endowment Funds

	At 1 Jan 2017 £	Donations £	Investment gains £	At 31 Dec 2017 £
GROUP AND CHARITY				
General permanent endowment fund	162,605	-	12,956	175,561
Trustee permanent endowment fund	360,299	-	28,708	389,007
Helen Dixon permanent endowment fund	183,332	-	14,608	197,940
Friends Loan permanent endowment fund	6,871	34,700	547	42,118
	<u>713,107</u>	<u>34,700</u>	<u>56,819</u>	<u>804,626</u>

The General permanent endowment fund was established in 1945 and is represented by fixed asset investments.

The Trustee permanent endowment fund was established in 1970 and is represented by fixed asset investments.

The Helen Dixon permanent endowment fund was established in 2007 and is represented by fixed asset investments.

The Friends Loan permanent endowment fund is represented by fixed asset investments.

An analysis between the initial gifts and subsequent increases and decreases is not available.

Income from all funds may be used for general purposes.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

19. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

GROUP AND CHARITY	1 January 2017 £	Incoming £	Outgoing £	Transfers £	31 January 2017 £
General Bursary Funds	29,539	11,570	(18,260)	(1,152)	21,697
CPQS Bursary fund	996	-	-	-	996
Hoffmann Bursary Fund	36,197	110	(7,000)	(1,804)	27,503
Swarthmore Lecture Fund	2,265	-	(5,669)	3,404	-
Ferguson Fund	95,903	188	(61,124)	(25,000)	9,967
Libraries Development Fund	7,146	18,750	(24,159)	-	1,737
E-learning Fund	13,030	35	(3,518)	(672)	8,875
Capital Accessibility Fund	40,000	65,000	-	(32,500)	72,500
World War One Fund	3,104	-	(150)	(100)	2,854
	<hr/> 228,180	<hr/> 95,653	<hr/> (119,880)	<hr/> (57,824)	<hr/> 146,129
Catchpool Fund	229,714	24,654	(7,515)	(1,410)	245,443
Total Restricted Funds	<hr/> 457,894	<hr/> 120,307	<hr/> (127,395)	<hr/> (59,234)	<hr/> 391,572

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

19. Restricted Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

- **General Bursary Funds**
These funds provide for students or groups wishing to receive financial support to study with Woodbrooke.
- **CPQS Bursary Fund**
A fund to assist an overseas student to undertake study within the Centre for Post Graduate Studies. This fund was previously known as the Taylor Fund.
- **Hoffmann Bursary Fund**
Derived from a legacy from the estate of Ralf Hoffmann, this is a bursary fund to assist students with longer periods of study.
- **Swarthmore Lecture Fund**
A fund to meet the expenses of the annual Swarthmore Lecture.
- **The Ferguson Fund**
A fund to support new educational developments.
- **Libraries Development Fund**
A fund to support the Joint Libraries Development Project being undertaken with Friends House.
- **E-learning Fund**
A fund to enable Woodbrooke to develop e-learning initiatives.
- **Capital Accessibility Fund**
A fund to assist in improving the accessibility to the premises.
- **World War One Fund**
A fund to develop resources about Quaker aspects of World War One.
- **Catchpool Fund**
The fund provides financial assistance to enable people from mainland Europe to take part in courses and events run by Woodbrooke both in the UK and mainland Europe.

Transfers from restricted funds to unrestricted funds represent the recharging of overheads and other costs to the relevant restricted fund. A transfer from unrestricted funds to a restricted fund ensures the latter fund is not overspent.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

20. Unrestricted Funds

	1 January 2017 £	Incoming £	Outgoing £	Transfers £	31 January 2017 £
GROUP AND CHARITY					
Designated funds	1,021,586	-	(410,152)	138,566	750,000
Tangible and heritage fixed asset fund	3,635,639	12,000	(105,758)	128,630	3,670,511
General funds	513,484	1,328,068	(1,018,454)	(189,962)	633,136
Non-charitable funds	6,285	493,809	(473,499)	-	26,595
Pension liability fund	(195,000)	18,000	-	-	(177,000)
Pension fund	195,000	-	-	(18,000)	177,000
	<u>5,176,994</u>	<u>1,851,877</u>	<u>(2,007,863)</u>	<u>59,234</u>	<u>5,080,242</u>
CHARITY					
Designated funds	1,021,586	-	(410,152)	138,566	750,000
Tangible and heritage fixed asset fund	3,599,113	12,000	(90,570)	94,780	3,615,323
General funds	550,010	1,362,898	(1,068,472)	(156,112)	688,324
Pension liability fund	(195,000)	18,000	-	-	(177,000)
Pension fund	195,000	-	-	(18,000)	177,000
	<u>5,170,709</u>	<u>1,392,898</u>	<u>(1,569,194)</u>	<u>59,234</u>	<u>5,053,647</u>

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

20. Unrestricted Funds (continued)

Designated Funds GROUP AND CHARITY	1 January 2017 £	Incoming £	Outgoing £	Transfers £	31 January 2017 £
Development fund	517,784	138,566	(305,905)	-	350,445
Capital fund	492,388	-	(94,780)	-	397,608
Eva Koch Fund	11,414	-	(9,467)	-	1,947
	<u>1,021,586</u>	<u>138,566</u>	<u>(410,152)</u>	<u>-</u>	<u>750,000</u>

The specific purposes for which the funds have been designated are as follows:

- **Development Fund**
To provide a fund from which to finance the future development of the charity's work.
- **Capital Fund**
To provide a fund from which to finance the future development of the charity's facilities.
- **Eva Koch Fund**
To provide a bursary fund for the appointment of Fellows to undertake research projects and publish their work.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

21. Analysis of Net Assets between Funds

GROUP

	General Fund including non- charitable trading fund £	Tangible and heritage fixed asset fund £	Designated fund including pension fund £	Restricted fund £	Endowment fund £	Total £
Fund balances at 31 December 2017 are represented by:						
Tangible fixed assets	-	3,486,711	-	-	-	3,486,711
Heritage assets	-	183,800	-	-	-	183,800
Fixed asset investments	894,927	-	750,000	366,572	804,626	2,816,125
Net current assets	(58,196)	-	-	25,000	-	(33,196)
Pension liability	(177,000)	-	-	-	-	(177,000)
	<u>659,730</u>	<u>3,670,511</u>	<u>750,000</u>	<u>391,572</u>	<u>804,626</u>	<u>6,276,440</u>

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

21. Analysis of Net Assets between Funds (continued)

CHARITY

	General Fund including non- charitable trading fund £	Tangible and heritage fixed asset fund £	Designated fund including pension fund £	Restricted fund £	Endowment fund £	Total £
Fund balances at 31 December 2017 are represented by:						
Tangible fixed assets	-	3,431,523	-	-	-	3,431,523
Heritage assets	-	183,800	-	-	-	183,800
Fixed asset investments	994,927	-	750,000	366,572	804,626	2,916,125
Net current assets	(129,603)	-	-	25,000	-	(104,603)
Pension liability	(177,000)	-	-	-	-	(177,000)
	<u>688,324</u>	<u>3,615,323</u>	<u>750,000</u>	<u>391,572</u>	<u>804,626</u>	<u>6,249,845</u>

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

22. Taxation

Woodbrooke Quaker Study Centre is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

23. Reconciliation of Net Cash Flows to Movement in Net Funds

NET FUNDS

GROUP	2017 £	2016 £
Decrease in cash	(39,230)	(181,395)
Repayment of loans	-	-
Movement in net funds	(39,230)	(181,395)
Net funds at 1 January	189,058	370,453
Net funds at 31 December	149,828	189,058

24. Analysis of Net Cash

	At 1 January 2017 £	Cash flow £	Non-cash changes £	At 31 December 2017 £
Cash at bank and in hand	129,058	20,770	-	149,828
Short term deposits	60,000	(60,000)	-	-
	189,058	(39,230)	-	149,828

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

25. Operating Lease Commitments

GROUP

At 31 December 2017 the group had minimum lease payments under non-cancellable operating leases as set out below.

	2017 £	2016 £
Operating leases which expire		
Within 1 year	8,744	9,100
Within 2 to 5 years	10,705	13,918
More than 5 years	-	205
	<hr/> 19,449	<hr/> 23,223
	<hr/>	<hr/>

CHARITY

At 31 December 2017 the charity had minimum lease payments under non-cancellable operating leases as set out below.

	2017 Items not land and buildings £	2016 Items not land and buildings £
Operating leases which expire		
Within 1 year	-	-
	<hr/> -	<hr/> -
	<hr/>	<hr/>

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. Pensions

The charity's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales ("TPS") for academic and related staff which is a defined benefit scheme and a defined contribution scheme with The Pensions Trust. In addition Woodbrooke contributes to the personal pension plans of certain employees.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012.

The pensions charge represents employer contributions payable to all schemes of £62,333 (2016: £53,880). Employee and employer contributions totalling £9,997 (2016: £9,618) were outstanding at the end of the financial year.

The Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

One member of staff participates in the Teachers' Pension Scheme. Employer contributions in the year amounted to £6,142 (2016: £6,504).

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. Pensions (continued)

Valuation of the Teachers' Pension Scheme (continued)

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charity has set out above the information available on the scheme.

The Pensions Trust

The charity participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26 Pensions (continued)

Deficit contributions

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2016 to 30 September 2025 £12,945,440 per annum
(payable monthly and increasing by 3% each on 1 April)

From 1 April 2016 to September 2028 £54,560 per annum
(payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Value of Provision

	Year ended 31 December 2017 £000	Period Ending 31 December 2016 £000
Present value of provision	177	195

Reconciliation of Opening and Closing Provisions

	Year ended 31 December 2017 £000	Period Ending 31 December 2016 £000
Provision at start of period	195	203
Unwinding of the discount factor (interest expense)	3	4
Deficit contribution paid	(21)	(21)
Remeasurement - impact of any change in assumptions	-	9
Remeasurement - amendments to the contribution schedule		-
Provision at end of period	177	195

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

26. Pensions (continued)

Income and Expenditure Impact

	Year ended 31 December 2017 £000	Period Ending 31 December 2016 £000
Interest expense	3	4
Remeasurements – impact of any change in assumptions	-	9
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	-	-

Assumptions

	31 December 2017 % per annum	31 December 2016 % per annum
Rate of discount	1.39	1.44

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Employer contributions for the year payable into the Growth Plan Series 4, the Unitised Ethical Plan or the Flexible Retirement Plan amounted to £49,679 (2016: £42,694).

Personal Pensions

Four (2016: four) other staff have their own private pensions to which Woodbrooke contributes at the rate of 6%. The employer contributions amounted to £6,439 (2016: £7,929).

27. Contingent Liability

The Corder and Gwen Catchpool Bursary Fund received a substantial bequest in 2002 and this subsequently became a restricted fund within the charity under a 2009 Uniting Direction from the Charity Commission. Following clarification of the legal position regarding this bequest under German law, the Trustees have been informed that until the year 2030, and given certain circumstances, there is a potential claim that may be made by specific descendants of the testator against the charity for €250,000 (approximately £222,000 as valued at 31 December 2017) i.e. half of the original legacy. The Corder and Gwen Catchpool Bursary Fund is currently valued at £23,000 in excess of this sum. No provision has been made in these accounts for any amount that may be payable.

WOODBROOKE QUAKER STUDY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

28. Related Party Transactions

John Dash is the husband of the Clerk of the Trustees of the Joseph Rowntree Charitable Trust, a charity that contributes just over £100,000 per annum towards core funding for the education programme through a three year funding agreement that runs until May 2018.

Note 10 contains details of expenses paid to Trustees during the year.

Robert Gibson is a Trustee of the Sir James Reckitt Charity, a charity that made one donation of £15,000 during the year.

During the year the following transactions took place with the Charity's wholly owned subsidiary, Woodbrooke Quaker Centre Limited:

- Recharges to the subsidiary for its share of overhead services totalling £74,245 (2016: £70,197).
- Recharges from the subsidiary to the charity for its share of overhead costs totalling £203,216 (2016: £172,134).
- The provision of a licence from the charity to the subsidiary for the use of the site totalling £34,830 (2016: £31,646).
- Interest payable from the subsidiary to the charity in respect of a loan provided to the subsidiary totalling £nil (2016: £290). The loan to which the interest relates was written off during 2016.
- A gift aid payment from the subsidiary to the charity totalling £85,359 (2016: £21,080).

As at 31 December 2017 the charity owed Woodbrooke Quaker Centre Limited £138,427 (2016: £107,193).