

**Charity No. 224571**

**THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

# THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

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## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### Reference and administrative details

**Registered charity name** The Central England Area Quaker Meeting Charities

**Working charity name** Central England Quakers (CEQ)

**Charity registration number** 224571

**Area meeting office** 40 Bull Street, Birmingham B4 6AF

**The Trustees**  
Anne Austin  
Patricia Bradbury  
Miriam Branson (released 31 May 2019)  
Rhiannon Grant (released 19 January 2019)  
Jim Green (appointed 1 July 2019)  
Judith Jenner (Clerk from 1 Jan 2018)  
Janet Hilken (appointed 1 April 2019)  
John Kimberley  
Robert Morris  
Anthony Pegler  
Gillian Smith (appointed 1 Jan 2019)  
Jill Stow  
Sue Thompson  
Peter Ullathorne (appointed 1 Jan 2019)

**Auditors**  
BSN Chartered Accountants  
3B Swallowfield Courtyard  
Wolverhampton Road Oldbury, West Midlands  
B69 2JG

**Nominee for Land**  
Friends Trusts Limited  
173-177 Euston Road, London  
NW1 2BJ

**Nominee for Investment**  
Rathbone Greenbank Investments  
10 Queens Square  
Bristol BS1 4NT

**Bankers**  
CAF Bank Limited, Kings Hill,  
West Malling, Kent ME19 4JQ

Lloyds TSB Bank Plc, PO Box 908,  
125 Colmore Row, Birmingham B3 2QD

**Solicitors**  
Veale Wasbrough Vizards  
3 Brindley Place, Birmingham B1 2JB

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

#### A Introduction

The Trustees are pleased to present their report together with the consolidated financial statements of the charity and its subsidiary (together “the group”) for the year ended 31 December 2019. The report aims to summarise the activities, work and key events for the Area Meeting (“AM”) and its Local Meetings (“LMS”). The aim is also to explain the role of the Trustees and their relationship with the Area Meeting which is a worshipping community seeking to live, as individuals and as a community, in accordance with Quaker values and testimonies which are deeply held and long-standing.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

#### B Structure, management and governance

The Religious Society of Friends in Britain is a Christian denomination founded in the seventeenth century.

The Yearly Meeting of the Religious Society of Friends (Quakers) in Britain is the final constitutional authority for the Society. Its membership consists of all those who belong to the Area Meetings in Great Britain. Central England Area Quaker Meeting is one of 70 constituent Area Meetings established for the advancement of religious and other charitable purposes which derive from and bear witness to the principles and practices of the Religious Society of Friends. The principal activity of the Area Meeting is the holding of Meetings for Worship which are open to all who wish to attend in its Local Meetings, together with the other Branches and related projects which support the charity’s objects in an area roughly bounded by Walsall, Warwick and Stourbridge and includes the Birmingham and Coventry conurbations. There is an office and paid secretary in Bull Street Meeting House in the centre of Birmingham.

On 16 March 2009 the Charity Commission granted the Area Meeting a new scheme uniting the former registered and excepted parts of the charity, governing the charities identified in the scheme, to be known together as The Central England Area Quaker Meeting Charities, registered charity number 224571. The charity’s working name is Central England Quakers (“CEQ”). There are three constituent charities within the overall scheme (excluding those that have been removed from the register), one of which is the Area Meeting:

Central England Area Quaker Meeting of the Religious Society of Friends	224571-8
Bull Street Meeting House and Burial Ground	224571-3
West Birmingham Friends Halls	224571-6

Quaker faith is rooted in the belief of living our lives according to our spiritual experience. This is the basis of Quaker testimonies to peace, truth, simplicity, equality and sustainability, which guide Quaker behaviour, work and witness. Some of this work and witness is undertaken by the 16 Local Meetings, and some by 6 Branches – projects or committees set up for specific areas of work related to the testimonies. The financial statements incorporate the affairs of the following Local Meetings and Branches:

##### Local Meetings

Barnt Green and Redditch  
Bournville  
Bull Street  
Cotteridge  
Coventry  
Edgbaston  
Hall Green  
Hartshill  
Kings Heath  
Northfield  
Selly Oak  
Solihull  
Stourbridge  
Sutton Coldfield  
Walsall  
Warwick

##### Branches

West Midlands Quaker Peace Education Project (Peacemakers)  
Quaker Christmas Parcels Committee  
Community Justice Group  
Junior Young Friends  
Peace Committee  
Peace Hub

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

The charity's Governing Document defines the way it is organised and managed.

A key part of the way that Quakers conduct their affairs is the "Quaker Business Method" and applies to all Quaker Meetings for Business and has been followed almost unchanged for over 350 years. The Meetings begin in silence as we wait for the promptings of the Spirit. The Clerk is responsible for the agenda and the conduct of the meeting, and is the servant of the meeting, taking no part in the discussion, but listening to contributions and discerning the sense of the meeting. Quakers do not vote, they discern what is the right decision for the Meeting. The decision/agreement is recorded by means of a Minute and Minutes are written and agreed in session after each item. This is quite different to the conduct of secular business meetings, with the chairperson in a leadership role.

Local Meetings and Branches are Branches of the charity, under the care of CEQ Trustees. They have their own committees, Treasurers and bank accounts, and the relationship between the LMs/Branches and Trustees is set out in a Memorandum of Understanding ("MoU") which all LMs and Branches are required to sign. The MoU gives delegated authority to the LMs/Branches, subject to agreed policies and procedures. Each LM, Branch and Committee within the Area Meeting has a "Link Trustee" to whom they can turn for advice and guidance.

Trustees are appointed by area meeting, on the basis of nominations proposed by the CEQ Nominations Committee. (This process is a key part of the Quaker Business Method, and the CEQ Nominations Committee is responsible for considering all vacancies for voluntary roles, and for recommending "names" to area meeting. These "names" are then appointed or declined at the next area business meeting). In line with Quaker practice, Trustees are appointed for a three-year term, which can be extended for a second "triennium" by mutual agreement between the Trustee and area meeting. Only in exceptional circumstances do Trustees serve a third term.

New Trustees receive a detailed induction "briefing" and are given the opportunity to attend a weekend training course for Trustees at the Woodbrooke Quaker Study Centre.

In the Quaker tradition, decisions about policies, charitable activities and priorities are taken by the members of the Area Meeting at regular business meetings, and not by the charity's Trustees who provide advice and guidance and take responsibility for the statutory and legal duties of the charity. Area business meetings are open to all members of the Area Meeting, and Local Meetings appoint representatives to ensure effective representation. All Local Meetings receive minutes of the business meetings and can comment freely on the work of CEQ.

In 2019 Area Meeting met 9 times for business. Reports were received at the business meetings held during 2019 from Trustees and from Area Meeting Branches and committees: West Midlands Quaker Peace Education Project (Peacemakers), Peace Hub, Quaker Christmas Parcels Committee, Community Justice Group, Junior Young Friends, IT & Data Protection Committee, Low Carbon Commitment Forum, Nominations Committee and Priory Rooms (Bull Street) Ltd. Reports were also given by "sister charities" in which CEQ has a particular interest: Ecobirmingham, the Charities of Susanna Cole and Others, the Woodlands Quaker Home and "Talking Friends". There were reports by Friends (Quakers) who had attended Quaker conferences and similar events relevant to CEQ, and a report on the Ecumenical and Interfaith work undertaken by Quakers across the area meeting. Reports were also received from representatives to committees and groups that are part of Britain Yearly Meeting.

Finally, Priory Rooms (Bull Street) Limited, a professional Quaker owned and managed conference centre, located at Bull St Friends Meeting House, is a wholly owned subsidiary of CEQ. Directors are appointed by CEQ Area Meeting; there are at least two CEQ trustee Directors and at least four non-trustee Directors. The strategic vision for Priory Rooms is described in a "Purpose and Principles" document, and the relationship between the company and CEQ Trustees is set out in a detailed Management Agreement. Both of these documents were reviewed and revised in 2019.

#### **Membership**

The members of the Area Meeting are those persons whose names are for the time being recorded in the official register maintained in accordance with Quaker Faith and Practice ("QFP") of Britain Yearly Meeting. At 31 December 2019 membership of the Area Meeting comprised 453 members (36 fewer than 2018). There were 234 recorded adult attenders (22 fewer than 2018) and 46 recorded children (8 fewer than 2018).

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

#### C Purposes, activities and performance

*The produce of the earth is a gift from our gracious creator to the inhabitants, and to impoverish the earth now to support outward greatness appears to be an injury to the succeeding age. (John Woolman 1772)*

Britain Yearly Meeting committed to become a low carbon community in 2011, this section of the report reflects on the objectives of the charity which are to be achieved whilst honouring this commitment.

#### **Create a sustainable Quaker community and deepen Friends spiritual engagement with the sustainability commitment**

The regular Meeting for Worship is central to the Quaker community and each of the Local Meetings hold this every Sunday, and some during the week as well. Most have their own Meeting House whilst others meet in hired premises. The worshipping communities vary in size with between 100 and 20 members and attenders attached, and between 50 and 6 attend Meeting for Worship each week.

Developing the feeling of fellowship and acceptance between Friends within a Meeting involves many Friends who take on the various roles needed to sustain the worshipping community. Some are appointed as elders and take care of the spiritual life of the Meeting. The elder takes care of the practicalities of the meeting but all present are equally responsible for holding the meeting. Someone may offer a prayer, another a passage from the Bible or a devotional book, someone may speak from their own experience. Occasionally there is singing. All ministry arises from the silence. Sometimes it is a silent meeting. This practice helps create a sustainable community where everyone is accepted.

Elders have arranged study groups on various topics to help Friends to spend time together talking about their faith and sharing their own experience of their commitment to sustainability. In Cotteridge Local Meeting, Friends were able to join a spiritual journey group and meet regularly with 5 or 6 others to share what is happening in their lives and have a time for reflection. Friends at Solihull facilitated a workshop on Spiritual Daily Practice and Friends in many Local Meetings are part of Light Groups. These are some of the ways Quakers deepen their spiritual engagement. Getting to know a smaller group of Friends at this deeper level and bringing this into Meeting for Worship helps build a sustainable community. During 2019 Warwick Meeting came together to explore their five year vision for their future as a spiritual community. In the city centre at the Peace Hub there is a weekly *Silence in the City* meeting each week, which welcomes anyone passing by at lunch time to join a short period of quiet reflection. When Friends in Local Meetings are unable to attend meeting regularly, elders will hold the Meeting for Worship in their home with a few Friends.

Quakers conduct all their business affairs in worship. Local Meetings, the Area Meetings, committees and Trustees all meet in silence and are led by the spirit. This is central to our practice and can be difficult for new attenders or members to understand. Sometimes Friends need to be reminded about the importance of silence and waiting. Solihull Friends organised a study group in 2019 to discuss this discipline.

#### **Strengthen Meetings' sense of community around the commitment to develop sustainable ways of life and support each other on their own journeys.**

Each Local Meeting appoints overseers to work alongside the elders and they have a special responsibility for the care of the Friends in the Meeting, but care for each other is also the responsibility of all. Some Meetings combine the roles of elder and overseer with one Friend taking the responsibilities of each role. The pastoral role of the overseer is one of the ways the sense of community is strengthened. Local Meetings appoint Friends as Funeral Advisors and support families planning a Quaker Funeral. The Area Meeting appoints Registrars who support couples wanting a Quaker Wedding in one of our Meeting Houses.

Many Meetings have a regular shared lunch after their Meeting for Worship when Friends have time to chat over a meal. Sometimes there is topic for discussion or a speaker. Topics have included Mental Health in Quaker Meeting, being an Eco Church or measuring your carbon footprint. This gives Friends an opportunity to talk to each other about their own experience of developing a sustainable way of life.

Meetings often organise study groups during the year and some take an environmental theme. Cotteridge Meeting had Carbon Conversation Groups and Friends could explore some of the issues with each other. One children's meeting took part in both Garden Watch part of a BBC initiative looking at the garden and the RSPB Birdwatch project earlier in the year. This inspired the children to be more aware of their urban garden.

Selly Oak Meeting has a large garden with a woodland area and is working with Birmingham Wildlife Trust to manage this area of the garden to protect the many living things there.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Death Cafés are now well established in the UK, and Friends are setting these up in their local area and provide a place for people to explore those end of life questions that each person needs to face. Providing a safe environment to talk about fears and concerns is important when considering sustainable ways of life.

Some of the smaller Meetings are finding it difficult just to continue week by week, and this concern was raised during the year; Area Meeting has set up a review. Local Meetings are asked to consider how they can work together more closely and support each other. This may address the question of sustainable local Meetings. Sustaining Quaker communities in local areas is a challenge for some.

#### Support Meetings to work for policy and system change

The Area Meeting Low Carbon Commitment Forum has members from many of the local meetings who meet regularly to share their experience of developing sustainable ways of life. The Forum led a session at an area meeting in May *Climate Changing People's Lives – Young People's Perspectives*. A video of Greta Thunberg was shown, and local young people were able to share their views. During the year Junior Peacemakers and the Peace Hub organised workshops for schools and in the spring term they explored climate justice. Children from participating schools come to the Peace Hub to work on the theme and then plan an activity to share what they have learned with their school.

Many Local Meetings have engaged with both local and national events to campaign on climate justice issues.

Area Meeting Low Carbon Commitment Forum was part of a faith group that organised an ecumenical environmental conference which was attended by about 100 people in July. Entitled *No Planet B: Acting out Faith in the World* it was held at Priory Rooms conference centre at Bull Street Meeting House.

Alongside other Birmingham faith community leaders Area Meeting agreed to sign a letter in support of Birmingham City Council declaring a Climate Emergency. This was agreed by the City Council, and Friends are working both in the city and around the West Midlands to tackle climate change. The declaration recognised that social justice, inequality, natural environmental and health issues are all involved. The challenge now is turning words into action. Local Meetings have engaged with these issues in many ways by raising awareness, supporting projects in the UK and abroad and questioning politicians at the hustings before the election.

Local Meetings support Quaker-led projects in the Gambia, Palestine, Uganda, Ghana as well as supporting asylum seekers and refugees in the UK in a variety of ways. Engaging with politicians, writing letters to their MPs, attending public meetings or joining protests are a few of the ways Friends seek to change policy and change systems. Local Meetings began their support for Jai Jagat 2020 to highlight an international concern for Climate Emergency and the impact on poorer countries.

The Peace Hub was involved in Roots of Resistance *No Faith in War day of action*. This was a Quaker presence at the Defence and Security Equipment International (DSEI) arms fair. Friends from Bull Street, Coventry, Stourbridge, Cotteridge and Solihull local meetings supported other Quakers to either go to London to the day of action or hold a meeting locally to witness for Peace in the world. Friends in Coventry Local Meeting made a tapestry of mini-banners illustrating our Quaker commitment to peace. Following the event, they will be displayed at the National Peace Museum in Bradford.

#### Maintain low carbon and sustainable premises and develop our core practices

The Area Meeting trustees organised a Gathering for Local Meeting Premises representatives with a varied programme covering many aspects of premises management. The topic for the opening talk was *Sustainability, environmental surveys and the Eco Church accreditation*. There are 13 Meeting Houses to be cared for, ranging from 17<sup>th</sup> century – mid 20<sup>th</sup> century buildings, each with their own specific requirements to reduce carbon use. The premises committees in each Meeting are working towards becoming more sustainable. Some have fitted solar panels in previous years; others improved the insulation, and the Area Meeting offers support to the Local Meetings as they continue to look at ways they can do this.

Selly Oak Local Meeting commissioned an energy audit and thermographic survey in 2019 as the first stage of refurbishing. It now plans to improve the insulation and the heating system.

Coventry Local Meeting considered their vision for the Meeting and the Meeting House during 2019. An architect was commissioned to put some of their blue sky thinking into possible low carbon and sustainable plans for their city centre site. New building materials and car parking options are also being considered.

Bull Street Local Meeting and Priory Rooms share a large city centre site and their energy survey highlighted potential for significant energy savings. They also use a rainwater harvesting system in the toilets.

Cotteridge Local Meeting was pleased to achieve the Gold Award from Eco Church in 2019. This involved completing a long questionnaire about all aspects of the Meeting's life – not just the building and energy usage. Stourbridge

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Local Meeting is an Eco Church (having received a Bronze award in 2018) and in redeveloping its garden has provided a bike-friendly venue to promote sustainable transport. Other work in the garden included making a bench from a fallen branch, using bricks from a dismantled shed for buttresses, and new compost bins from reclaimed pallets.

Hartshill Local Meeting's allotment continues to provide fruit and vegetables and many Meeting Houses have gardens which provide a relaxing and peaceful place for quiet reflection.

#### D Performance and monitoring

Trustees are responsible for monitoring the performance of the charity and managing its many administrative activities. In January 2019 there were 12 serving Trustees. During the year two new Trustees were appointed and two released, There were 12 trustees in December. Trustees met 5 times in 2019, in February, May, July, September and November and held a training day in February.

Oversight of and support for Local Meetings and Branches is provided by "Link Trustees", and reports from Link Trustees are received at each meeting of Trustees.

Trustees report regularly to the Area Meeting business meetings, to keep members of the Area Meeting informed and to seek discernment of, and approval to, key policy decisions. In 2019 Trustees reported to/consulted Area Meeting on six occasions:-

- March 2019 – report on the work of Trustees in 2018
- May 2019 – proposal to employ an Operations Manager to support the administrative work of Trustees - approved in principle
- June 2019 – consideration, and approval of, a new CEQ ethical investment policy
- July 2019 – request for approval from Area Meeting to a grant to a sister charity, Old Peoples Fund Trust
- October 2019 – the 2018 CEQ Report & Accounts were tabled, and an illustrated summary of the Report and Accounts "Central England Quakers in 2018" was widely distributed.
- November 2019 – presentation given to Friends on the central funds forecasts for 2019 and budget proposals for 2020, and approval by Area Meeting of the 2020 budgets.

Much of the Trustee work is undertaken by five Trustee Service Committees:-

1. Finance
2. Property
3. Employment
4. Records Advisory
5. Governance & Compliance

The members of the Committees 1-4 are appointed by area meeting, and need not be Trustees, though the terms of reference for each Committee specify a minimum number of Trustee members. Members of the Governance & Compliance Committee are all Trustees and appointed by Trustees.

#### 1 Finance

The Trustees Finance Committee consists of a "central Treasurer team" each member of which has a designated role, together with a Clerk and one member without an assigned role.

The team comprises

- General Fund Treasurer
- Treasurer to Trustees (ex-officio)
- Administration Treasurer
- Investment Treasurer
- Contribution Schedule Treasurer
- Local Meeting Support
- Finance Administrator (ex-officio)

The Clerk to Finance Committee fulfils the role of Area Meeting Treasurer (an appointment required by the CEQ Governing Document).



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

#### Accounts and budgets

Management Accounts (receipts and payments) for 6 central funds are issued quarterly and monitored by Finance Committee. For the first three quarters actual figures are compared with the budget for the year, but at the end of the third quarter a forecast is published for the fourth quarter (and full year), and over the final quarter actuals are compared with forecast.

For the 2018 CEQ Report and Accounts, all Local Meetings and Branches submitted their examined accounts by the 31 March 2019 deadline (for the fourth year running). The external audit of the accounts was undertaken, with a satisfactory outcome. The 2018 CEQ Report and Accounts were approved by Trustees (and submitted to the Charity Commission) in September 2019.

In November 2019 a presentation was given to area meeting on forecasts for 2019 and draft budgets for 2020. The 2020 budgets for the Trustee and General Funds were approved by area meeting.

In November 2019 the Annual Briefing for Treasurers and Examiners was held at the Priory Rooms and all Local Meetings and Branches were represented. This annual briefing advises local Treasurers of any changes to policies or procedures, and any changes to reporting requirements for the forthcoming year-end.

#### Investment Policy and performance

CEQ has three categories of investments (excluding investment properties, described in Note 12 to the Accounts):

- *Central investment portfolios* – these comprise Building Fund and General Fund investments. During 2019 the centrally-held investments increased by 15%, and the combined value at 31 December 2019 was £695,741.
- *Trustee Reserve Funds* - five separate funds, four of which have arisen from the historical proceeds of sale of land or properties (described in Notes 17 and 18 to the accounts) are invested in CCLA COIF Charities Ethical Investment Fund. This fund is managed by CCLA and monitored by the Finance Committee. During 2019 the CCLA Fund increased by 18%, and the combined value at 31 December 2019 was £801,513.
- *Local Meeting and Branch Investments* - some (but not all) Local Meetings and Branches hold investments which form part of their individual reserves. These funds are managed by the LMs/Branches themselves. In many cases the investments are in professionally managed unit trusts, but in the case of independently managed portfolios, investment decisions are generally based on professional advice, via a nominated broker. Encouragement has been given to Local Meetings to invest “spare cash” in the CCLA COIF Ethical Investment Fund, recognising that money held in bank accounts currently earns little or no interest.

In 2019 a detailed review of the charity’s investment policy was undertaken, and a revised policy was approved by Area Meeting in June 2019.

The key changes to the Central investment portfolios, implemented in 2019, were:-

- The General Fund investment portfolio held by CEQ’s stockbroker (Walker Crips) was sold and reinvested in the CCLA COIF Charities Ethical Investment Fund (value at 31 December 2019 was £200,366)
- The Building Fund and Bull Street Fund investments were merged into a single Building Fund, and the portfolio previously invested with Walker Crips was switched to Rathbone Greenbank Investments (value at 31 Dec 2019: £495,375)
- The Sellywood House Fund invested in the CCLA COIF Charities Ethical Investment Fund was switched from income units to accumulation units, pending a re-evaluation of the use of this fund and its income.

The decision to switch the Building Fund from Walker Crips to Rathbones was based on two key factors:-

- 1 A desire to improve, significantly, the ethical screening of the portfolio, which Rathbones is better placed to provide
- 2 A need to move from an advisory service to a fully managed “discretionary” service, to avoid the burden of responsibility currently placed on Finance Committee for managing the portfolios. Britain Yearly Meeting (BYM) invests with Rathbones, and the ethical screening criteria agreed with CEQ was based closely on those agreed with BYM, which are consistent with the revised CEQ ethical investment policy.

During the year Trustees considered the need to amend the designation of one of the Trustee Reserve Funds (Sellywood House Fund, value at 31 Dec 2019 £334,962) which was no longer able to be used for its current designated purpose. Following “due diligence”, a decision was made to offer a grant of £100,000 from the Fund to a sister charity (Central England Quaker Old People’s Fund Trust) to help fund the refurbishment of Oak Tree House (a residential home for Friends and others in their retirement). This was approved by Area Meeting in July 2019, and

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

the grant was eventually awarded in March 2020. Further discernment of the right use of this Fund will be undertaken by Trustees in 2020.

#### Reserves Policy and performance

The Reserves Policy for the Area Meeting's central funds, which was first approved by Trustees in April 2009, and revised in 2010, 2011, 2013, 2016, 2018 and was further revised in 2019. The aim of the policy is twofold:

- to ensure that the charity has adequate funds to undertake its charitable activities and protect itself from fluctuations in income or expenditure; and
- to reassure CEQ members and the public that it is using its income for charitable work, and not accumulating excessive reserves.

The policy sets limits for funds held as investments and cash held in bank accounts, taking due account of cash flow fluctuations, income generation from capital, and protection from potential financial risks. It is used as the basis of all budgeting and spending reviews and makes an important contribution to the good governance of the charity.

Most Local Meetings and Branches carry some reserves of their own to cover day-to-day needs, and for property maintenance, also to protect the remuneration of employees where appropriate. In November 2015 guidelines were issued by Finance Committee to Local Meetings and Branches to enable them to develop their own Policies, and all Local Meetings and Branches are encouraged to develop individual Reserves Policies, using these guidelines.

Specific reserves policies for each central fund (see further details in Notes 17 and 18 for the performance of restricted and designated funds) are as follows:

- *General and Trustee Funds (Unrestricted)* - These central funds are used to manage the overall charity's objectives and encompass a number of individual funds and purposes. The reserves policy for these funds is summarised in a table below.
- *Local Meetings and Branches (Restricted and Designated)* – All Local Meetings and Branches should cover their own financial risks as per the charity's memorandum of understanding.
- *Building Fund investments (Restricted)* – Income from the investments is needed to cover annual grants to Local Meetings to avoid using capital. Average grants are assumed as c. £12k per annum with an assumed investment yield of 2.5%. Therefore, target value is £480,000 minimum (value at 31 December 2019: £495,375).
- *Building Fund bank account (designated)* is used to support everyday grants and cash flow loans to Local Meetings to cover their building repairs and maintenance, a minimum cash balance of £30,000 is set for this reserve (value at 31 December 2019: £47,000 – surplus to be carried forward to 2020).
- *Trustee Reserve Funds (Restricted and Designated)* – These (historical) funds with income mandated to Local Meetings are separately identified (see Notes 17 and 18). Apart from the Sellywood House Fund (see above), there are no plans to expend the capital.
- *Black Country Fund (Designated)* – The Black Country Fund will continue to receive income from the Trustee Reserve Fund of c. £9k per annum with no target level of reserves to be held.
- *Redditch Building Fund* – This fund was established to make repairs and improvements to Redditch Meeting House (which is no longer used for Meetings for Worship and is currently an investment property). There is no income source, and if and when it is depleted the Trustee Fund will be used for ongoing expenditure.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Table: Reserves policy for Trustee and General Funds

Fund/Criteria	Policy	Target Values	Actual Values 31 Dec 2019
General Fund bank account/ General fund commitments	Budget should be balanced and capital should not be used for operational expenditure	£30,000	£37,118
General Fund reserve/ Unforeseen expenditure	Maintain a general fund reserve ( <i>established in 2013 from the proceeds of Trustee Reserve Funds</i> )	£25,000	£24,862
General Fund Investments/ to cover exceptional unforeseen expenditure and provide adequate investment income	Investments to be equivalent to between 6 – 12 months general fund expenditure	£100,000	£100,366
General Fund/ Contingency to cover a major financial disaster affecting a Local Meeting or Branch	Contingency Investment fund in addition to unforeseen expenditure above	£100,000	£100,000
Trustee Fund bank account/	Protection for general cash flow, salary payments and contingency for unforeseen repairs	Minimum £60,000 in total	£94,219 (excluding early payment of Priory Rooms Gift), surplus c/f to 2020

#### Other Financial activities and issues

The Contribution Schedule continues to be supported by individual Friends, and the total funds distributed to beneficiaries in 2019 was £58,722. This represents a decrease of 5% on the previous year.

One of Trustees' tasks is to provide Minutes of Authority for Local Meetings or Branches that are opening bank accounts or investment accounts and several such Minutes were produced during the year. Trustees also assist Local Meetings with completing applications to open new bank accounts or purchase investments.

#### Performance of the trading subsidiary (Priory Rooms)

Priory Rooms had another very successful year in 2019, with sales revenue of £721,557 and profit after tax of £149,592. The CEQ charity received, in May 2019, a donation for 2018 of £94,004. The donation for 2019 was not only a record £120,000, but was paid early, in December 2019. This was treated as a dividend distribution in 2019 as required by the technical guidance released by The Institute of Chartered Accountants in England and Wales (ICAEW)

#### Grants policy

The Area Meeting is not a grant-making charity and the items referred to as grants mostly consist of the gifts (from central funds and Local Meetings) to the charity's parent body, Britain Yearly Meeting, contributions to other Quaker work, donations to non-Quaker charities (mainly by Local Meetings acting under concern) and subscriptions to ecumenical bodies of which CEQ is a member.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

In 2019 the following donations were made from charitable funds to external beneficiaries: -

	£
Overseas beneficiaries	900
Non-CEQ Quaker charities	53,356 *
Britain Yearly Meeting	47,743
Non-Quaker charities	30,878
Non-charities	<u>265</u>
	133,142

\* includes a £41,500 donation to ecobirmingham (formerly a CEQ Branch but from July 2018 an independent CIO supported by CEQ).

The funds used for these purposes derive from members' donations and investment income and not from the general public. All of the donations (as listed above) were approved at a formal Business Meeting, and recorded by Minute.

#### Going concern

The Trustees are of the view that the charity is a going concern, the evidence for which is as follows:

All of the key funds held by the charity are overall above target levels, as defined in the Reserves Policy. Principal sources of income are the rents from investment properties and donations from members. The former source is underpinned by the length and stability of the leases, and the latter has been stable for many years, with no known risk of any significant reduction.

The impact of the COVID-19 pandemic in 2020 is being carefully monitored by the Trustees and cost cutting measures have been undertaken for the charity as well as seeking support from the government schemes where possible.

The nature of the charity's income means that the Priory Rooms donation and donations from Local Meetings and Branches may be affected but there are sufficient reserves to support the charity through this.

The risks faced by the charity are well understood, with extensive mitigation measures in place. Specific financial risks are incorporated in the reserves policy.

With the exception of one of its Branches, the charity is not dependent on external funding or fundraising for its income, and the relatively small scale of the activities limits the risks associated with this Branch.

Property (repair and maintenance) risks are mitigated by the regular (quinquennial) building surveys undertaken, and by the comprehensive insurance cover that is in place. Major unforeseen expenditure on Property is protected by the substantial (£500k) central Building Fund held in reserve.

#### **2 Property.**

Part of the Committee's work is allocated to three "working groups" responsible for Property Management and Compliance ("PMC"), Investment properties and Bull Street Premises

**PMC's work covers:-**

- Distribution of Annual Property Questionnaires to all Local Meetings with properties (completed in 2019)
- Arranging Quinquennial Surveys (next due 2020)
- Reviewing the property section of the "Memorandum of Understanding" (between Local Meetings and Trustees) and monitoring compliance (completed in 2019)
- Managing the charity's insurance policies and obtaining building and contents valuations (next due 2021)
- Developing a Lettings Policy and providing Local Meetings with a model hire agreement (both were reviewed and revised in 2018)
- Ensuring that risk assessments are undertaken annually and providing local Premises Committees with templates
- Promoting awareness of the CEQ Health & Safety Policy, and keeping the property sections of the Policy under review
- Arranging and leading annual gatherings of local Premises Committee Representatives. A very successful gathering was held in October 2019

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

The **investment properties group** is responsible for negotiating, managing and renewing leases for the various properties (see Note 12 for details), for arranging repairs for those properties for which CEQ is responsible (as landlord), and to arrange valuations of the properties every 5 years (undertaken/completed in December 2019). A new valuation was also undertaken of the Woodlands Quaker Home. This property is owned by CEQ but is occupied and managed by an independent charitable company. The last valuation of this property was undertaken in 2010.

The group's work in 2019 was mainly confined to some repairs at 53 Church Road (occupied by ecobirmingham), and some minor repairs to Redditch Meeting House (leased to a Dance School) following petty vandalism.

The Bull Street properties (40 Bull Street – Meeting House and Priory Rooms Conference Centre, and 41 Bull Street – Peace Hub) are managed by the **“Bull Street Premises Group”** (BSPG) which draws its membership from CEQ Trustees, Bull Street Local Meeting, Peace Hub and Priory Rooms Directors & staff. Repairs, maintenance and improvements are funded from the Bull Street Fund (see Note 19) and expenditure in 2019 was £30,037.

In 2019 our solicitor was asked to prepare an Advice Note which covered key points relating to the various properties in Bull Street in which CEQ has an interest, including 1 Colmore Square and Temple Court. There is now a plan of the overall site showing the plots either owned and leased by CEQ or over which we have restricted covenants. This large file is now deposited in the Strong Room for future reference.

#### Meeting House projects, and “Property Link Friends”

Each Meeting House has a member of the Trustees Property Committee assigned to liaise with the Local Meeting as “Property Link Friend” (PLF). PLFs report to the Committee on their linked properties at each Committee meeting.

A number of Meeting House projects were undertaken in 2019, including:-

- Selly Oak Meeting House drive and pathway lighting project (grant from Building Fund £6,000)
- Repairs to Bournville Meeting House following major damage to the front entrance caused by a vehicle (insurance claim)
- Garden development project at Warwick Meeting House – this was commissioned in 2018 (and a grant from the Building Fund of £15,000 was awarded that year) but unfortunately the work was been delayed by problems with the main contractor. Work started towards the end of 2019.
- Repairs to part of a boundary wall at Hartshill Meeting House which collapsed in 2018. Rectification was delayed by a dispute with the neighbour over ownership, since resolved by means of a boundary agreement signed by both parties. The work was finally completed in 2019 (grant from building fund £11,342, paid in March 2020).
- Preliminary planning for a major refurbishment of Coventry Meeting House, including the installation of a lift (grant from Building Fund of £7,500 to cover professional fees).

Total value of Building Fund grants in 2019 (including the grant paid after the year-end) was £24,842. There were no new loans, but repayments of existing loans totalled £15,200.

Historic England visited three Meeting Houses in the spring and Edgbaston Meeting House is now a Grade 2 listed building and Stourbridge Meeting House is now listed 2\* (previously Grade 2).

Transfer of Kings Heath Meeting House: This Meeting House is owned by a separate charity, South Birmingham Friends Institute Trust (SBFIT), and is the only Meeting House occupied by a CEQ Local Meeting which CEQ does not own. Discussions between the Trustees of CEQ and SBFIT commenced in 2019 with the aim of transferring the ownership from SBFIT to CEQ. Agreement in principle was reached before the end of the year, and the transfer was formally approved by Area Meeting in March 2020. Hopefully the transfer will take place in 2020.

### **3 Employment Committee**

The Committee held four meetings during the year. Besides taking responsibility for the welfare of staff it stays informed about changes in law to do with employment regulations and keeps policies under review, revising them when required. These policies can be found on the CEQ website and Local Meetings can access them.

The Committee supports Local Meetings when they recruit new staff and will give advice and guidance. In 2019 they decided to review the current staff contracts with the intention of moving to a standard CEQ contract which is compliant with current legislation, equal and fair to all staff members. With the assistance of Roots HR (a Human Resources CIC for Social Sector Employers) this work is now being progressed. Each year in December the Committee recommends to Trustees the staff pay increase for the following year. There is also the concern for lone workers at our Meeting Houses and the stress employees sometime experience in their work. This year trustees agreed to offer a telephone counselling service to employees and their families. Local Meetings were informed of

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

this facility and employees given details of the service they can access 24/7. On-line safeguarding training by the NSPCC was also provided for any staff member wishing to do the 3-hour introductory course.

#### 4 *Records Advisory*

The Records Advisory Committee met 4 times in 2019 and often combines the committee meeting with a prior session in the strong room processing the records. Friends Trusts Ltd – who hold the title Area Meeting properties on our behalf – asked for a list of all the deeds and leases which we hold in the deeds cabinet and this is a significant task which is continuing.

Following the renewal of the metal shelving, the records are now held and labelled in meeting and committee order. Sensitive records are kept in locked filing cabinet. Accessions of older records are prepared and taken to the Library of Birmingham archives as necessary. One small accession of records to the library was made this year.

The committee continues to receive records from Local Meetings and committees but is aware that there are some which still need to be sent in.

We encourage Friends to regard the strong room as a resource for the Area Meeting in which records, which no longer have to be referred to, are kept in a secure place rather than in homes and Meeting Houses. The committee is always happy to discuss any queries that may arise.

Access to the records in the Library of Birmingham is not onerous and they are viewed in a good environment in the Wolfson Centre. Some records are closed for specified periods of time for confidentiality reasons and require special permission to view or are examined by members of the committee on behalf of the enquirer.

#### 5 *Governance and compliance*

The matters the committee considered in 2019 include:

**Safeguarding:** Britain Yearly Meeting was asked to contribute to an Independent Inquiry into Child Sexual Abuse in faith communities and our Area Meeting was selected to complete this survey. The Safeguarding Officers undertook this in the autumn on our behalf. Trustees hope to use this exercise to check that they are doing the best they can in this area of our work. The Safeguarding Officers arranged a training day in November and the focus was on our policy for Vulnerable Adults. The current policy is being updated and will come to Area Meeting for approval in due course.

**General Data Protection Regulations (GDPR):** Trustees have continued to oversee GDPR in the Area Meeting and a paper copy of the Membership Directory, in compliance with CEQ's Data Protection policies, was published in 2019. This involved the Area Meeting Secretary in a lot of work collecting the permission forms and creating the database to comply with the new policies on collecting, storing and sharing contact details of Members and Attenders in the Area Meeting. The Data Leads in the Local Meetings had to collect the permission forms and check all of those on their lists. Distribution of the printed Membership Directory also had to be controlled and only those who requested a copy through their overseers/data leads in Local Meetings received them. Friends serving the Area Meeting in key roles received a copy. The IT and Data Protection Committee, established in 2017, was laid down by Area Meeting, and trustees oversee GDPR.

**Memorandum of Understanding:** This is the agreement between Trustees and the Local Meetings and Branches that ensures that all legal requirements are being met, in terms of financial procedures, property management, employment practice, keeping and storing records and personal data as well as safeguarding. For trustees it is important we have the assurance that the charity is working well and is compliant. A review of compliance was undertaken by all Local Meetings and Branches in 2019. The information gathered will be used to update the charity's Risk Register 2020, with consideration given to how the risks have changed over the previous year.

**Management of risk:** A Risk Management Policy was developed in 2019 and agreed by trustees in 2020. The Risk Register was reviewed and updated by the 5 service committees and key risks identified.

The key risks to the charity are as follows, with action taken to mitigate the risks noted:

##### 1 Decrease in active members

The charity is heavily dependent on members to volunteer for key roles and finding sufficient members with appropriate skills and time to serve on the Trustee Committees or as local Treasurers is increasingly difficult. Smaller Local Meetings are finding it difficult to sustain themselves.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Having considered the need for out-sourced services, or additional paid staff trustees agreed to recruit a paid Operations Manager to assist Trustees with administrative tasks, and to reduce the risk associated with over-dependence on certain key volunteers. Trustees were unable to make an appointment. It is hoped that the recruitment process will resume in 2020.

#### 2 Cyber Fraud and IT systems

Treasurers are encouraged to use internet banking for their financial transactions. They use their PC or laptop at home and it is impossible to ensure these personal computers have protection from cyber fraud. All online payments are subject to dual authorisation.

Committee clerks hold data on their PC or laptop and it is impossible to ensure they have adequate protection. Friends are advised to set up generic email accounts and not use their personal email addresses. Committees are advised to use a cloud storage system for sensitive documents.

#### 3 Compliance with legislation and regulation

Trustees maintain policies covering all aspects of property, finance and employment these are agreed by the Area Meeting and posted on the CEQ website. Compliance with policies by Local Meetings and Branches is reviewed every two years, via the Memorandum of Understanding. Their Link Trustee or Property Link Friend liaises with them regularly to ensure they understand their responsibility.

#### 4 Maintenance and safety of CEQ properties

Property management is overseen by Trustees Property Committee, with Committee members assigned to individual Local Meetings as "Property Link Friends". Local Meetings are required to complete an annual questionnaire covering a range of property issues. Detailed surveys of all properties are undertaken every 5 years (known as the Quinquennial Survey). The next round of surveys is scheduled for 2020.

Risk Assessments (including the assessment of Fire Risks) are prepared by Local Meetings and Branches and reviewed annually. Financial support is available from the Central Building Fund for major improvements or unforeseen major repairs to Meeting Houses. Guidance is given to Local Meetings by Property Committee on fire and emergency exit safety.

#### 5 Misappropriation or inaccurate recording of funds

Internal fraud is an ever-present risk, but there are robust financial procedures in place.

All Local Meeting and Branch annual accounts are examined prior to consolidation. Examiners are asked to complete an examination checklist, with a section enabling them to record any matters of concern.

Management of central funds is overseen by Trustees Finance Committee.

All on line payments are subject to dual authorisation, and limits of authority for cheques are defined and controlled.

Opening of (or changes to) bank accounts and applications for investments are subject to validation by two Trustees.

## E **Future Plans**

Future plans developed in 2019 were overshadowed by the impact of the COVID-19 pandemic which affected the charity significantly from mid-March 2020. The following statement reflects the key plans as at May 2020.

#### 1 COVID-19 - immediate consequences

The COVID-19 outbreak began in China in late December 2019 and spread rapidly around the world. The World Health Organisation declared a public health emergency on 30 January 2020 and the outbreak was declared a pandemic on 11 March. Public health restrictions imposed by the UK Government required the closure of CEQ's premises which includes the Local Meeting Houses, Priory Rooms conference centre, West Midlands Peace Education offices and the Peace Hub. This meant serious reductions in our ability to carry out work in the normal way, with consequent losses in income from trading and community use of our buildings. Rents from the investment properties were also reduced. Trustees and the Local Meetings do have reserves to cover loss of income and payment of staff salaries.

Trustees took immediate steps to review cashflow and income forecasts and assured themselves that the charity remains a going concern for 2020. The situation is still on-going and future plans are likely to continue to change.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

#### 2 COVID-19 recovery

Trustees are working with the Local Meetings to put in place plans for reopening their buildings safely, and rebuilding the relationships with community groups that meet there.

#### 3 Low Carbon Community

To continue the vision for a Low Carbon Community and support the CEQ Climate Emergency Action Group working towards zero carbon communities in the West Midlands, and continue to work with local ecumenical and interfaith groups on a wide range of sustainability initiatives. To support Local Quaker Meetings taking steps to become more sustainable, and Friends following a low carbon lifestyle.

#### 4 Staff to support the charity

To employ paid staff to take on responsibilities for managing some of the property and give support to Local Meetings.

#### 5 Support reduction in members

To develop ways to support smaller Local Meetings.

#### 6 Reserves

To keep the CEQ central fund Reserves Policy under review.

#### 7 Post year-end capital expenditure

On the 31 July 2020 the Charity entered into a contract with a supplier for the "Heating and Hot Water" project to update the boiler and heating systems at the Bull Street Meeting House. At the end of 2019 this was being considered however no capital spending was committed at that time. The most current estimate of the total cost of the project, excluding consultancy fees, is £110,000.

## F Public benefit statement

The Trustees consider they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The charity makes available and provides the following to further its purposes for the public benefit:

- Regular holding of public Meetings for Worship.
- Provision of information about the Quaker way to "seekers", through courses, discussion, study groups and literature.
- Meetings for Worship at the University of Warwick, University of Birmingham and at HMP Birmingham and HMP Oakwood.
- Meeting Houses which are used by many different groups and are of value to the local community.
- Support for a Dance School, which leases Redditch Meeting House, and provides tuition for young people
- Information on energy-saving and lifestyle improvements through CEQ Climate Emergency Action Group.
- Training in mediation skills in schools and anti-bullying strategies, provided by the West Midlands Quaker Peace Education Project.
- Raising awareness of matters of concern (e.g. Domestic Violence), by hosting public events.
- Gifts of food for families in need, through the Quaker Christmas Parcels Project and involvement with Foodbanks in local areas.
- Housing and care for elderly people, in partnership with other Quaker charities.
- Funding for overseas work and for witness in UK.
- Working with Interfaith and Ecumenical groups to further community cohesion and understanding

Trustees consider that the following in particular benefit from the charity's activities:

- All who are interested in the Religious Society of Friends, its worship, values, testimonies, business methods, projects and concerns.
- Members of CEQ, who are encouraged to participate actively in the work of the charity and its decision-making. Quakers have no paid clergy, and volunteers who are given training as required, and acquire knowledge and skills carry much of the work out.
- "Attendees" at Meetings for Worship, who are permitted to take an active part in many Quaker roles, and who may benefit as above.
- Local communities, which benefit from the use of Quaker Meeting Houses.
- Local councils, which may benefit from the use of Meeting Houses as polling stations and councillors' surgeries.
- Local schools, which benefit from the work of the West Midlands Quaker Peace Education Project.



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

- Sex offenders helped by Circles of Support and Accountability.
- Prisoners supported by Quaker prison chaplains, and Quakers involved in the criminal justice system.
- Asylum seekers, who are supported by various projects and through the work done on their behalf.
- Mental health patients in the Birmingham area, who benefit from the work of Quaker chaplains.
- Older people, through the provision of residential care.
- People interested in developing a more sustainable, low carbon lifestyle, through the Eco Church scheme and the services of ecobirmingham.

### Trustees' responsibilities in relation to the financial statements

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Governing Document. 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 corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement of information to the auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the Trustees, having made enquiries of fellow Trustees and the group's auditor that they ought to have individually taken, have taken all steps that they ought to have taken as a Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee's annual report was approved on 16 September 2020 and signed on behalf of the Trustees by;

Judith Jenner        )  
                              ) Trustees  
Robert Morris        )

The financial statements were submitted to the Charity Commission on 23 September 2020 and to the Quaker Stewardship Committee on 23 September 2020.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

#### Opinion

We have audited the financial statements of The Central England Area Quaker Meeting Charities and group for the year ended 31 December 2019 which comprise of the charity and group statement of financial activities, the charity and group statement of financial position, statement of cash flows and the related notes, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed. In our opinion the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Trustee's 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES (continued)

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- certain disclosures of Trustee remuneration specified by law are not made; or
- adequate accounting records have not been kept by the parent charity; or
- returns adequate for our audit have not been received from Branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

In preparing the financial statements, the Trustees are responsible for assessing the 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 charity or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES**

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES (continued)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Philippa Hawkes CA (Senior Statutory Auditor)

For and on behalf of  
BSN Associates Limited  
Chartered Accountants & statutory auditor  
3B Swallowfield Courtyard  
Wolverhampton Road  
Oldbury  
West Midlands  
B69 2JG

16 September 2020

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
<b>Income</b>				
Donations and legacies	135,646	147,832	283,478	328,108
Charitable activities	180,882	57,502	238,384	332,760
Other trading activities	126,000	-	126,000	100,006
Investment Income	284,513	20,447	304,960	291,670
Other Income	15,027	556	15,583	13,001
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total income</b>	<b>742,068</b>	<b>226,337</b>	<b>968,405</b>	<b>1,065,545</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Expenditure</b>				
Cost of raising funds	(7,749)	(15,767)	(23,516)	(26,939)
Charitable activities	(691,591)	(268,505)	(960,096)	(944,389)
Other Expenses	-	-	-	(121,424)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total expenditure</b>	<b>(699,341)</b>	<b>(284,272)</b>	<b>(983,613)</b>	<b>(1,092,752)</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net gains/(losses) on investments	262,309	125,048	<b>387,357</b>	<b>(20,297)</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net income/(expenditure) before transfers</b>	<b>305,037</b>	<b>67,113</b>	<b>372,150</b>	<b>(47,504)</b>
Transfers between funds	(93,916)	93,916	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net movement in funds</b>	<b>211,121</b>	<b>161,029</b>	<b>372,150</b>	<b>(47,504)</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total funds brought forward</b>	<b>7,765,837</b>	<b>911,459</b>	<b>8,677,296</b>	<b>8,724,800</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total funds carried forward</b>	<b>7,976,957</b>	<b>1,072,488</b>	<b>9,049,445</b>	<b>8,677,296</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CONSOLIDATED (GROUP) STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies		135,646	147,832	283,478	328,108
Charitable activities		180,882	57,502	238,384	332,760
Other trading activities		715,657	-	715,657	687,211
Investment Income		290,369	20,447	310,816	297,455
Other Income		15,027	556	15,583	13,001
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	<b>4</b>	<b>1,337,581</b>	<b>226,337</b>	<b>1,563,918</b>	<b>1,658,535</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>					
Cost of raising funds	5	(571,879)	(15,767)	(587,646)	(576,845)
Charitable activities	6	(715,309)	(268,505)	(983,814)	(963,245)
Other Expenses	7	-	-	-	(121,424)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>(1,287,189)</b>	<b>(284,272)</b>	<b>(1,571,461)</b>	<b>(1,661,514)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investments	9	284,236	125,048	409,284	(32,039)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income/(expenditure) before transfers</b>		<b>334,629</b>	<b>67,113</b>	<b>401,741</b>	<b>(35,018)</b>
Transfers between funds		(93,916)	93,916	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		<b>240,713</b>	<b>161,029</b>	<b>401,742</b>	<b>(35,018)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds brought forward</b>		<b>8,080,457</b>	<b>911,459</b>	<b>8,991,916</b>	<b>9,026,934</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>8,321,170</b>	<b>1,072,488</b>	<b>9,393,658</b>	<b>8,991,916</b>
		<hr/>	<hr/>	<hr/>	<hr/>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CHARITY AND CONSOLIDATED (GROUP) BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	Charity 2019	Charity 2018	Group 2019	Group 2018
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,549,239	1,626,780	1,612,342	1,693,172
Investments	12	6,507,696	6,127,850	6,656,910	6,225,368
<b>Total fixed assets</b>		<b>8,056,935</b>	<b>7,754,630</b>	<b>8,269,252</b>	<b>7,948,540</b>
<b>Current assets</b>					
Debtors	13	43,109	139,794	139,661	126,781
Cash at bank and in hand		1,022,015	849,442	1,147,469	1,068,149
<b>Total current assets</b>		<b>1,065,123</b>	<b>989,236</b>	<b>1,287,130</b>	<b>1,194,930</b>
<b>Liabilities</b>					
Creditors falling due within 1 year	14	(72,613)	(66,570)	(149,894)	(140,551)
<b>Net current assets</b>		<b>992,510</b>	<b>922,666</b>	<b>1,137,237</b>	<b>1,054,379</b>
<b>Total assets less current liabilities</b>		<b>9,049,445</b>	<b>8,677,296</b>	<b>9,406,488</b>	<b>9,002,919</b>
Creditors falling due after 1 year	14	-	-	(2,249)	-
Provisions	16	-	-	(10,581)	(11,003)
<b>Net assets</b>	19	<b>9,049,445</b>	<b>8,677,296</b>	<b>9,393,658</b>	<b>8,991,916</b>
Unrestricted		6,285,975	6,309,186	6,630,188	6,623,808
Restricted	17	1,072,488	911,459	1,072,488	911,459
Designated	18	1,690,982	1,456,650	1,690,982	1,456,649
<b>Total funds</b>		<b>9,049,445</b>	<b>8,677,296</b>	<b>9,393,658</b>	<b>8,991,916</b>

The financial statements were approved by the Trustees on 16 September 2020 and signed on their behalf by:

Judith Jenner )  
 ) Trustees  
 Robert Morris )

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

GROUP STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	Total Funds £	Total Funds £
Net movement in funds	401,742	(35,016)
Depreciation Charge	101,259	96,397
Dividends and interest	(81,884)	(70,458)
Losses/(gains) on investments	(409,284)	32,038
(Increase)/decrease in debtors	(31,076)	34,305
Increase/(decrease) in creditors and provisions	11,167	26,305
<b>Net cash used in operating activities</b>	<b>(8,076)</b>	<b>83,570</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest received	81,884	70,458
Purchase of fixed assets	(20,429)	(47,244)
Net sale/(purchase) of investments	7,742	47,617
<b>Net cash provided by investing activities</b>	<b>69,197</b>	<b>70,831</b>
<b>Cash flows from financing activities:</b>		
Repayment of borrowing	18,200	(41,957)
<b>Management of liquid resources</b>		
Movement in short term deposits	146,625	(107,761)
<b>Increase/(decrease) in cash in the year</b>	<b>225,946</b>	<b>4,684</b>
<b>Increase/(decrease) in short term deposits</b>	<b>(146,625)</b>	<b>107,761</b>
Cash at bank and in hand	1,031,040	810,831
Short term deposits	37,109	144,870
<b>Net funds brought forward</b>	<b>1,068,149</b>	<b>955,701</b>
Cash at bank and in hand	963,736	1,031,040
Short term deposits	183,734	37,109
<b>Net funds carried forward</b>	<b>1,147,470</b>	<b>1,068,149</b>



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1. General information

The charity is a registered charity in England and Wales and is unincorporated. The address of the area meeting office is: 40 Bull Street, Birmingham B4 6AF.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to the charities preparing their accounts in accordance with FRS 102 (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 3. Accounting policies

##### Basis of preparation and assessment of going concern

The financial statements incorporate the affairs of Central England Area Quaker Meeting and the Local Meetings and other Branches set out in note 21 to the financial statements. Transfers between the Local Meetings, the Branches and the Area Meeting are eliminated from income and expenditure. The financial statements also exclude those donations received by the Area Meeting and Local Meetings, which are paid over to various charities at the donors' requests.

The financial statements also incorporate, where applicable and where amounts are described as 'group', the affairs of Priory Rooms (Bull Street) Limited, a wholly owned subsidiary.

The subsidiary, which is a limited company and not a charity has been consolidated on a line by line basis. Intergroup balances have been eliminated on consolidation.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Central England Quakers (CEQ) constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern, as set out in their report.

##### Fund accounting

In order to differentiate the availability of funds they are categorised according to the following definitions:

- Unrestricted general funds are available for any purpose of the Area Meeting;
- Designated funds represent amounts set aside for specific purposes but which remain at the discretion of the Area Meeting; and
- Restricted funds represent contributions, legacies and donations received earmarked by the testator or donor for specific purposes.

##### Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is recognised as above except where the income is subject to conditions that require a level of performance before the charity is entitled to the funds, when the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate and when the charity has been notified of the amount and settlement date.

Investment income is recognised when receivable and is shown gross to include income tax recovered and recoverable. Other income is accounted for on the basis of amounts receivable for the year.

**3. Accounting policies (continued)**

**Donated services and facilities**

Donated professional services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. The charity benefits greatly from the involvement and enthusiastic support of its many members, in accordance with the Charities SORP (FRS 102), the general volunteer time of members is not recognised.

On receipt, donated professional services or facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on the accruals basis, inclusive of any value added tax that cannot be recovered.

**Taxation**

Priory Rooms (Bull Street) Limited is chargeable to corporation tax on its income and capital gains. Otherwise Central England Area Quaker Meeting is a charity and is exempt from taxation on income derived from its charitable activities. Priory Rooms (Bull Street) Limited provides for taxation deferred as a result of timing differences that have originated but not reversed at the balance sheet date.

**Tangible fixed assets**

The charity owns a number of functional properties comprising Meeting Houses, wardens' accommodation and their contents, and other buildings used by CEQ Branches. These buildings are held in perpetuity for Meetings for Worship or other charitable activities, and contribute to the furtherance of the Central England Quaker's charitable objectives and are considered to be heritage assets under FRS 102. The heritage assets have been grouped together in the following categories:

***Meeting Houses, Wardens' Accommodation and other buildings***

There is £nil cost and £nil accumulated depreciation recognised for these heritage assets, as allowable under Section 18 of FRS 102. Whilst it is believed that the market value, both at the time of acquisition and at the balance sheet date, was significantly in excess of £nil deemed cost and net book value, it is not possible to obtain a reliable estimate of the market value at either date. Conventional valuation techniques are not appropriate for the unique and historical nature of the assets. In addition, the Trustees consider it an inefficient use of the charity's funds to obtain valuations for all 15 properties and not befitting of the objectives of the charity.

Major expenditure on improvements to property at 40 Bull Street incurred during 1999 were capitalised and are being depreciated at 5% per annum on cost from 1 January 2004. Expenditure on the conference centre in Bull Street is being depreciated at 2% per annum on cost from 1 January 2004.

Any developments or improvements to the building greater than £10,000 are capitalised at cost and depreciated over the improvement's useful economic life. Maintenance costs are charged to the SOFA in the period they are incurred.

***Contents of Meeting Houses***

A number of the Meeting Houses contents have also been recognised at £nil cost and £nil accumulated depreciation as it is impracticable and an inefficient use of the charity's resources to value the specific items in the following categories: organs, pianos, Quaker artwork, library books and other contents.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 3. Accounting policies (continued)

The Trustees capitalise individual items of equipment costing £10,000 or more where there is a continuing economic value and a reliable measurement of cost or fair value is available. These assets are depreciated annually so as to write off the cost over their economic useful lives. In the subsidiary company equipment is capitalised where the asset has a continuing economic value.

Other fixed assets, which have been capitalised, are being depreciated at the following annual rates on cost:

Furniture and fittings	-	at varying rates on cost
Computer equipment	-	25% on cost

#### Investments

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange and fair value is equivalent to the market value. Holdings in common investment funds, unit trusts and open ended investment companies are at bid price. The charity does not acquire put options, derivatives or other complex financial interests.

Investment properties are re-valued periodically or when changes in rental income necessitate revaluation. Fair value is generally open market value.

All gains and losses are taken to the Statement of Financial Activities as they arise.

Short term deposits comprise funds held in savings or deposit (rather than current) accounts which are surplus to immediate cash flow requirements and are classified as cash and cash equivalents.

#### Pension costs

The charity and its subsidiary contribute to defined contribution schemes for some of their employees. The pension cost represents the total amount payable to the schemes in the year. The pension cost is directly charged to funds with contributory employees.

#### 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.

#### 4. Income

The comparative amounts for 2018 between consolidated funds are:

	2018 Unrestricted Funds	2018 Restricted Funds	2018 <b>Total</b>
	£	£	£
Donations and legacies	170,684	157,424	<b>328,108</b>
Charitable activities	184,789	147,971	<b>332,760</b>
Other trading activities	687,211	-	<b>687,211</b>
Investment Income	278,989	18,466	<b>297,455</b>
Other Income	5,859	7,142	<b>13,001</b>
<b>Total income</b>	<b>1,327,532</b>	<b>331,003</b>	<b>1,658,535</b>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. Costs of raising funds

	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
	£	£	£	£
<b>Priory Rooms (Bull St) Limited:</b>				
Meeting & conference facilities	562,303	-	562,303	544,588
Corporation Tax	1,827	-	1,827	5,318
<b>Commercial lettings:</b>				
Loan interest	5,958	-	5,958	15,171
Letting fees	-	-	-	-
Northfield Ecocentre office costs	-	-	-	8,864
Other	1,791	15,767	17,558	2,904
	<b>571,879</b>	<b>15,767</b>	<b>587,646</b>	<b>576,845</b>
<b>2018</b>	<b>567,254</b>	<b>9,591</b>	<b>576,845</b>	

6. Expenditure on charitable activities

Support, governance and other costs are directly incurred by the various funds, there is no apportionment required centrally and there are no central function costs.

	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
	£	£	£	
Payroll costs	58,968	148,738	207,706	258,039
Repairs and maintenance	198,883	19,102	217,985	168,062
Costs of Quaker activities	208,418	55,711	264,129	264,281
Depreciation	101,259	-	101,259	96,397
Other employee costs	58,977	34,951	93,928	65,616
Utilities	41,228	5,837	47,065	52,196
Insurance	18,596	2,222	20,818	21,568
Costs of governance	27,860	671	28,531	31,404
Other costs	1,120	1,273	2,393	5,681
	<b>715,309</b>	<b>268,505</b>	<b>983,814</b>	<b>963,245</b>
<b>2018</b>	<b>627,077</b>	<b>336,168</b>	<b>963,245</b>	

Included within the expenditure on activities are amounts paid to defined contribution pension plans for employees of £18,117 (2018: £18,389).

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 6. Expenditure on charitable activities (*continued*)

Costs of governance includes the auditors' remuneration of £9,420 (2018: £9,240) for auditing and accounting fees which is incurred by the central funds and is not apportioned to individual Branches. The amount also includes irrecoverable value added tax.

#### 7. Other Expense

ecobirmingham (previously Northfield Ecocentre) departed from the CEQ group during 2018 and the amount of £121,424 was the fund balance existing at the date of departure.

#### 8. Staff details and analysis of staff costs, trustee remuneration and expenses

The charity does not employ a chief executive and the Trustees consider the key management personnel to be the Trustees. The Trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2018: £Nil). No Trustees received reimbursement of travelling expenses in 2019 (2018: £138). No trustee received payment for professional or other services supplied to the charity (2018: £Nil).

No employee earned £60,000 per annum or more (2018: Nil). Pension costs are incurred directly by the cost centre where staff are employed and allocated to the various funds accordingly.

There are 8 statutory directors of the subsidiary (2018: 8) who receive no remuneration or benefits.

The average number of employees during the year analysed by function was:

	2019	2018
Conference facilities	13	13
Other Branches and projects	5	9
Wardens, caretakers and gardeners	9	10
Administration	1	1
	<u>29</u>	<u>33</u>

The total staff costs for the year were:

	2019	2018
	£	£
Wages and salaries – conference facilities	243,215	232,779
Wages and salaries – other	152,660	208,362
National insurance	47,179	63,504
Pension costs	29,486	29,288
	<u>472,539</u>	<u>533,933</u>

All conference facilities staff are employed by the subsidiary company, Priory Rooms (Bull Street) Limited. These costs are included in costs of raising funds.

#### 9. Net gains/(losses) on investments

	2019	2018
	£	£
Unrestricted	87,711	56,817
Designated	196,525	(37,266)
Restricted	125,048	(51,590)
	<u>409,284</u>	<u>(32,039)</u>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. Related party transactions

Included within donations to the charity is an aggregate amount of £11,072 received from the Trustees.

11. Tangible fixed assets

Group	Refurbishment of Meeting House £	Conference centre etc. £	Furniture & fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2019	744,563	2,015,647	223,770	33,431	3,017,411
Additions	-	-	19,442	987	20,429
<b>At 31 December 2019</b>	<b>744,563</b>	<b>2,015,647</b>	<b>243,212</b>	<b>34,418</b>	<b>3,037,840</b>
<b>Depreciation</b>					
At 1 January 2019	534,901	598,529	160,620	30,189	1,324,239
Charge for year	37,228	40,313	22,244	1,474	101,259
<b>At 31 December 2019</b>	<b>572,129</b>	<b>638,842</b>	<b>182,864</b>	<b>31,663</b>	<b>1,425,498</b>
<b>Net book amounts</b>					
<b>At 31 December 2019</b>	<b>172,434</b>	<b>1,376,805</b>	<b>60,348</b>	<b>2,755</b>	<b>1,612,342</b>
At 31 December 2018	209,662	1,417,118	63,150	3,242	1,693,172
<b>Charity</b>					
	Refurbishment of Meeting House £	Conference centre etc. £	Furniture & fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2019	744,563	2,015,647	10,262	-	2,770,472
Additions	-	-	-	-	-
<b>At 31 December 2019</b>	<b>744,563</b>	<b>2,015,647</b>	<b>10,262</b>	<b>-</b>	<b>2,770,472</b>
<b>Depreciation</b>					
At 1 January 2019	534,901	598,529	10,262	-	1,143,692
Charge for year	37,228	40,313	-	-	77,541
<b>At 31 December 2019</b>	<b>572,129</b>	<b>638,842</b>	<b>10,262</b>	<b>-</b>	<b>1,221,233</b>
<b>Net book amounts</b>					
<b>At 31 December 2019</b>	<b>172,434</b>	<b>1,376,805</b>	<b>-</b>	<b>-</b>	<b>1,549,239</b>
At 31 December 2018	209,662	1,417,118	-	-	1,626,780

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 11. Tangible fixed assets (continued)

All Group tangible assets are classified as unrestricted funds as they are held as part of the Trustees Fund where all assets are used for whatever is deemed appropriate to further the charity's objectives.

##### Refurbishment of Bull St Meeting House

During 1999 a programme of improvement and refurbishment was carried out at 40 Bull Street at a cost of £702,704, which has been capitalised and is being depreciated at 5% per annum from 1 January 2004.

##### Conference Centre

The centre consists of a conference suite and ground level refreshment area for the use of the charity and other Quaker and charitable bodies together with significant commercial use. The operation of the centre is managed by the charity's subsidiary company, Priory Rooms (Bull Street) Limited. The conference centre is being depreciated at 2% per annum from 1 January 2004.

##### Heritage assets

As described in the accounting policies note, there is a cost and accumulated depreciation of £nil for the Meeting Houses and wardens' accommodation owned and used by the charity and group for Worship and charity activities. The buildings are maintained by the charity for their contribution to knowledge and culture of the Quaker faith. It would be impracticable and an inefficient use of the charity's funds to obtain market valuations for such unique assets and their contents. A description is given of each of the assets below and the year in which the Meeting Houses were constructed. On the basis of the age of the properties, had the original cost been capitalised, the Trustees are of the view that the assets would be fully depreciated at the balance sheet date. No reliable information exists to include original cost and accumulated depreciation amounts.

The charity is the beneficial owner of the following heritage asset properties:

Type of property	Year	Address
<b>Freehold</b>		
Meeting House and wardens' bungalow	1969	6 & 6b Sandhills Road, Barnt Green, B45 8NR
Meeting House and wardens' bungalow	1964	23 Watford Road, Cotteridge, Birmingham, B30 1JB
Meeting House	1930	Church Road, Northfield, Birmingham, B31 2LB
Meeting House and Conference Centre	1931	40 Bull Street, Birmingham, B4 6AF
CEQ Peace Hub	1931	41 Bull Street, Birmingham B4 6AF
Meeting House	1953	Hill Street, Coventry, CV1 4AN
Meeting House	1892	George Road, Edgbaston, Birmingham, B15 1JP
Meeting House	1927	Hamlet Road, Hall Green, Birmingham, B28 9BG
Meeting House and wardens' house	1972	112 Castle Road, Hartshill, CV10 0SG
Meeting House and wardens' flat	1695	39 High Street, Warwick, CV34 4AX
Meeting House	1939	Kenelm Road, Sutton Coldfield, B73 6HD
Woodlands Quaker Home	1945	434 Penn Road, Penn, Wolverhampton, WV4 4DH
<b>Long leasehold</b>		
Meeting House	1689	Scotts Road, Stourbridge, DY8 1UR
Meeting House	1905	65 Linden Road, Bournville, Birmingham, B30 1JT
<b>Short leasehold</b>		
Meeting House	1926	930 Bristol Road, Selly Oak, Birmingham, B29 6NP

Kings Heath Meeting House, which is occupied rent free by the Local Meeting, is owned by a separate charity, South Birmingham Friends Institute Trust.

The heritage asset contents of the above properties for which there is no recorded cost are classified into the following categories: organs, pianos, Quaker artwork, library books and other contents. The Trustees preserve these assets by keeping a register of assets held at each Branch and insuring the assets appropriately to protect them from damage or loss.

The titles to all of the properties owned by the charity and group are held by Friends Trusts Ltd as Nominee with strict restrictions on disposition of the freehold which requires authorisation by an order of the court.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. Fixed asset investments

Group investments:

	2019		2018	
	Freehold properties £	Listed securities £	Freehold properties £	Listed securities £
Market value brought forward	4,257,000	1,998,368	4,167,000	2,168,023
Net additions/(sales)	-	(55,242)	-	(137,617)
Revaluation	47,500	409,284	90,000	(32,038)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Group investments</b>	<b>4,304,500</b>	<b>2,352,410</b>	<b>4,257,000</b>	<b>1,998,368</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Group fixed asset investments are held between funds as follows:

	2019	2018
	£	£
Unrestricted	4,659,487	4,527,438
Restricted	813,181	728,612
Designated	1,184,242	999,318
	<hr/>	<hr/>
<b>Total Group investments</b>	<b>6,656,910</b>	<b>6,255,368</b>
	<hr/>	<hr/>

Charity investments:

	2019	2018
	£	£
<b>Market value</b>		
Freehold properties	4,304,500	4,257,000
Listed securities	2,203,196	1,870,850
	<hr/>	<hr/>
<b>Total Charity investments</b>	<b>6,507,696</b>	<b>6,127,850</b>
	<hr/>	<hr/>

Freehold Properties

The charity and group own the following freehold investment properties held by Friends Trusts Ltd as Nominee:

A bungalow adjacent to Barnt Green Meeting House at 6a Sandhills Road, Barnt Green. The property was valued on an open market basis at £170,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019. The property is subject to a shorthold tenancy.

The property known as Redditch Meeting House, Matchborough, Redditch, B98 0ER. Following the termination of a lease to Worcester County Council (from 2009 to 2015), the property was let on short lease from 1 November 2015 to Latham School of Dance and from 1 August 2018 to Amelia's Dance Academy. The property was revalued on an open market basis at £82,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019.



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 12. Fixed asset investments (continued)

Private flat and community cafe at 39 High Street Warwick CV34 4AX. The property was valued on an open market basis at £120,000 by Lawrence and Wightman, Chartered Surveyors on 31 December 2019. The property has been let to a private tenant since June 2016.

Office accommodation at 51 Church Road, Northfield, Birmingham, B31 2LB. This property was valued on an open market basis at £127,500 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019. It is leased to Oulsnam and a renewed ten year lease from 25 December 2013 was signed in August 2014.

Office accommodation at 53 Church Road, Northfield, Birmingham, B31 2LB. It was valued on an open market basis at £90,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019. It is leased to ecobirmingham, and a five year lease was signed on 2 July 2018.

A bungalow adjacent to the Meeting House in Selly Oak was formerly warden's accommodation and treated as a functional property but during 2014 it was adapted for commercial letting, and was reclassified as an investment property. The property was valued on an open market basis at £35,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019.

A flat within the Hartshill Meeting House has been converted into private rented accommodation and was reclassified as an investment property for 2019. The flat was valued at £65,000 on an open market basis by Lawrence & Wightman on 31 December 2019.

An office development on land owned by the Area Meeting at 1 Colmore Square, Birmingham. The land is let on a 250 years lease from 29 September 1999 and was valued on an open market basis at £3,615,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2019.

The types of investment held at 31 December 2019 and their market values were:

	2019	2018
	£	£
Listed investments (incl. loan stocks)	232,797	424,014
Investment properties	4,304,500	4,257,000
Social investments	7,341	22,769
Other investments (Unit Trusts, Branch & Trustee Reserves)	2,112,272	1,551,585
<b>Total Group investments</b>	<b>6,656,910</b>	<b>6,255,368</b>

#### Unlisted investments

The charity owns 100% of the Ordinary share capital of Priory Rooms (Bull Street) Limited (company number: 05129631). There is no investment cost included in for the subsidiary in the charity's balance sheet, with all profit is donated back to the parent entity to support with the charitable objectives of Central England Quakers.

	2019	2018
	£	£
Aggregate capital and reserves	344,214	314,623
Profit for the year after taxation	149,592	12,487

The 2018 profit before taxation is inclusive of a £94,004 donation to CEQ. The comparable £120,000 donation in 2019 was treated as a dividend distribution as required by the technical guidance released by The Institute of Chartered Accountants in England and Wales (ICAEW).

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. Fixed asset investments (continued)

The following is a summary of the profit for the year after taxation in Priory Rooms (Bull Street) Limited.

	2019	2018
	£	£
Sales of conference facilities	715,657	687,211
Cost of sales	(114,512)	(104,709)
Distribution costs	(7,028)	(7,979)
Administrative expenses	(464,481)	(450,756)
Donation to parent charity	-	(94,004)
Management charge to parent charity	(6,000)	(6,000)
	<hr/>	<hr/>
<b>Operating profit</b>	<b>123,636</b>	<b>23,761</b>
Income and realised gains from investments	5,856	5,785
Gain on financial assets at fair value	21,927	(11,741)
	<hr/>	<hr/>
<b>Profit before taxation</b>	<b>151,419</b>	<b>17,805</b>
Provision for deferred taxation (note 17)	(1,827)	(5,318)
	<hr/>	<hr/>
<b>Profit after taxation</b>	<b>149,592</b>	<b>12,488</b>
	<hr/>	<hr/>

The company paid a dividend of £120,000 to the parent charity during the year (2018: Nil)

13. Debtors

	2019	2018
	£	£
<b>Group</b>		
Trade debtors	96,552	80,993
Other debtors	43,109	45,788
	<hr/>	<hr/>
	<b>139,661</b>	126,781
	<hr/>	<hr/>
	2019	2018
	£	£
<b>Charity</b>		
Amount due from subsidiary undertaking (see below)	-	94,004
Other debtors	43,109	45,790
	<hr/>	<hr/>
	<b>43,109</b>	139,794
	<hr/>	<hr/>

At 31 December 2018 the subsidiary company proposed a payment of £94,004 to the charity under gift aid arrangements to be treated as a post balance sheet donation.

In 2019 the gift of £120,000 was treated as a dividend paid in the year.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

14. Creditors: Amounts falling due within one year

	2019	2018
	£	£
<b>Group</b>		
Trade creditors	12,053	7,819
Social security and other taxes	42,998	39,495
Accruals	94,843	93,237
	<u>149,894</u>	<u>140,551</u>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Charity</b>		
Social security and other taxes	13,780	7,942
Accruals	58,833	58,629
	<u>72,613</u>	<u>66,570</u>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Corporation Tax (in Subsidiary)	2,249	-
	<u>2,249</u>	<u>-</u>

15. Secured assets

Freehold land and buildings at Penn Road, Wolverhampton, West Midlands, WV4 4DH, have been given as security for loan finance obtained by the charity from Triodos Bank NV and in turn made available to Woodlands Quaker Home in respect of expenditure on new buildings. The amount of loan finance outstanding at 31 December 2019 was £70,085 (2018: £73,051). The loan is not included in these financial statements as the charity does not expect to have to meet any part of the debt. The last relevant market valuation for the secured property was £1,450,000 in May 2019.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

16. Provision for liabilities

	2019 £	2018 £
<b>Deferred tax</b>		
Accelerated capital allowances	10,581	11,003
	_____	_____
		<b>Deferred tax £</b>
Balance at 1 January 2019		11,002
Provided during year		(421)
		_____
<b>At 31 December 2019</b>		<b>10,581</b>
		_____

The provision for deferred taxation arises in the charity's subsidiary company. The provision relates to unrestricted funds in 2019 and 2018.

17. Restricted funds

	Opening Balance £	Income £	Expenditure £	Investment gains/(losses) £	Transfers £	Closing Balance £
Local Meetings	17,265	53,692	60,460	21,887	176,770	209,154
Other Branches	330,474	171,587	221,266	3,746	(123,011)	161,530
Building Fund	390,114	1,058	2,546	67,648	40,157	496,431
Trustees Reserves	173,606	-	-	31,767	-	205,373
	_____	_____	_____	_____	_____	_____
<b>Restricted funds</b>	<b>911,459</b>	<b>226,337</b>	<b>284,272</b>	<b>125,048</b>	<b>93,916</b>	<b>1,072,488</b>
	_____	_____	_____	_____	_____	_____

**Local Meetings funds** are for the purpose of the respective Meetings and are raised from their members or from letting their premises to third parties. These funds are needed for the repair and maintenance of premises, to meet various administrative costs and to support committees and charitable activities. Local Meetings also organise collections after Meeting for Worship for a variety of bodies, some of which are Quaker and others not. These monies pass through the Local Meetings on to the bodies concerned. The Local Meetings may also choose to add to a collection or make a special grant from funds for charitable purposes.

**Other Branches** consist of those bodies set up by the Area Meeting for particular purposes and identified in the Trustees Report. The definition of a Branch is a committee or project that has its own bank account.

As described in the Trustees Report, branches of note are West Midlands Quaker Peace Education Project (known as "Peacemakers") and Peace Hub.

**Building Fund Investments** (previously classified as designated) comprise of investments held to support the maintenance, repair and improvement of the charity's Meeting Houses. The income from the investments is applied to a designated "Building Fund" bank account from which grants and loans are made to individual Local Meetings.

In **Trustees' Reserve Funds**, there are four Reserve Funds which consist of investments held by Trustees, derived from the sale of previous Meeting Houses together with some bequests, where the income is applied to the benefit of some Local Meetings. The two Funds which remain restricted are the proceeds of Atherstone Meeting House with income applied to Hartshill Local Meeting and the proceeds of Cotteridge Land Sale with income applied to Cotteridge Local Meeting.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

18. Designated funds

	Opening Balance	Income	Expenditure	Investment gains/(losses)	Transfers	Closing Balance
	£	£	£	£	£	£
Local Meetings	<b>807,524</b>	359,602	334,714	92,252	16,511	<b>941,178</b>
Redditch	<b>15,477</b>	17	14	-	-	<b>15,481</b>
Bull Street	<b>39,449</b>	1,747	41,836	-	58,578	<b>57,938</b>
Building Fund	<b>77,631</b>	14,889	25,269	5,386	(18,523)	<b>54,112</b>
Black Country	<b>20,435</b>	7,771	2,074	-	-	<b>26,132</b>
Sellywood House	<b>275,354</b>	5,016	5,016	58,487	1,121	<b>334,962</b>
Trustees Reserves	<b>220,780</b>	-	-	40,400	-	<b>261,179</b>
<b>Designated funds</b>	<b>1,456,649</b>	<b>389,042</b>	<b>408,923</b>	<b>196,525</b>	<b>57,687</b>	<b>1,690,982</b>

**Local Meetings funds** are for the purpose of the respective Meetings and are raised from their members or from letting their premises to third parties. These funds are needed for the repair and maintenance of premises, to meet various administrative costs and to support committees and charitable activities. Local Meetings also organise collections after Meeting for Worship for a variety of bodies, some of which are Quaker and others not. These monies pass through the Local Meetings on to the bodies concerned. The Local Meetings may also choose to add to a collection or make a special grant from funds for charitable purposes.

**Redditch Building Fund** is held in respect of the Redditch Meeting House. The Meeting House at Redditch is no longer used by the Local Meeting and is leased to a Dance School. The landlord's responsibilities therefore lie with the Trustees and the previous sinking fund is held in a CAF Gold Account entitled 'Redditch Building Fund' to cover those items that are defined in the lease as being the responsibility of the landlord. Part of the fund was used in 2015 to make property 'fit for purpose' for the new tenant.

In 2009 a separate **Bull Street fund** was established to provide for the future refurbishment of the 40 Bull Street property (including Priory Rooms Conference Centre). The fund was used between 2014 and 2016 to support the refurbishment of Bull Street Meeting House (and Priory Rooms) and the conversion of the adjacent 41 Bull Street property for Quaker use as a Peace and Justice Centre (Peace Hub). Since 2016 the Fund has been used for annual repairs, maintenance and improvements to both properties. The principal source of income is transfers from the Trustee Fund. The Bull Street Investments were merged with the Building Fund Investments on 1 January 2019.

**The Building Fund** receives income from Building Fund Investments (see Restricted Funds) and provides loans or grants to assist Local Meetings to maintain their properties if a major repair is beyond their means and to carry out agreed improvements to premises.

**The Black Country Fund** is a designated fund established by area meeting in June 2015 to support the development of Quakerism in the Black Country. The fund comprises the residual assets of the former Dudley Local Meeting, which was laid down on 31 December 2015, and receives the dividend income from one of the Trustee Reserve Funds known as "Dudley Meeting Houses" (see below).

**Sellywood House Fund** was originally created to provide bursary support to Friends in residence at Sellywood House (a home for elderly Quakers). The capital is owned by the Area Meeting, and until the end of 2008 the income was distributed to Friends in need by a CEQ committee. In late 2008 a decision was made to wind up the committee and to mandate the income from the investments to The Charities of Susanna Cole and Others, charity number 204531 (a related Quaker charity), delegating to Susanna Cole Trustees the responsibility for distributing the income to Friends in need. Accordingly, from 1 January 2009, the scheme ceased to operate as a Branch of the CEQ charity, and the capital investments were reclassified as a designated fund.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

18. Designated funds (continued)

In **Trustees' Reserve Funds**, there are four Reserve Funds which consist of investments held by Trustees, derived from the sale of previous Meeting Houses together with some bequests, where the income is applied to the benefit of some Local Meetings. Previously classified as Restricted, two of the four funds have been reclassified as designated; Dudley Meeting Houses with income applied to the Black Country Fund and Proceeds of Church Road Properties Northfield with income applied to the Northfield Development Committee.

19. Analysis of Group assets between funds

	Tangible Fixed Assets	Fixed Asset Investments	Net Current Assets	Creditors due after one year	Total
	£	£	£	£	£
<b>Unrestricted funds</b>	1,612,342	4,659,493	371,183	12,830	6,630,188
<b>Restricted funds</b>					
Local Meetings	-	144,427	64,727	-	209,154
Other Branches	-	24,212	137,318	-	161,530
Building Fund	-	439,161	57,270	-	496,431
Trustees Reserves	-	205,373	-	-	205,373
<b>Designated funds</b>					
Local Meetings	-	588,101	351,429	-	939,530
Other Branches	-	-	1,648	-	1,648
Redditch	-	-	15,481	-	15,481
Bull Street	-	-	57,938	-	57,938
Building Fund	-	-	54,112	-	54,112
Black Country	-	-	26,132	-	26,132
Sellywood House	-	334,962	-	-	334,962
Trustee Reserves	-	261,179	-	-	261,179
	<b>1,612,342</b>	<b>6,656,910</b>	<b>1,137,237</b>	<b>12,830</b>	<b>9,393,658</b>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

20. Consolidated (Group) Statement of Financial Activities for the year ended 31 December 2018

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
<b>Income</b>				
Donations and legacies	170,684	157,424	328,108	295,031
Charitable activities	184,789	147,971	332,760	313,585
Other trading activities	687,211	-	687,211	636,214
Investment Income	278,989	18,466	297,455	290,206
Other Income	5,859	7,142	13,001	7,164
<b>Total income</b>	<b>1,327,532</b>	<b>331,003</b>	<b>1,658,535</b>	1,542,200
<b>Expenditure</b>				
Cost of raising funds	(567,254)	(9,591)	(576,845)	(579,874)
Charitable activities	(627,077)	(336,168)	(963,245)	(919,620)
Other Expenses	-	(121,424)	(121,424)	-
<b>Total expenditure</b>	<b>(1,194,331)</b>	<b>(467,183)</b>	<b>(1,661,514)</b>	(1,499,494)
Net gains/(losses) on investments	19,551	(51,590)	(32,039)	154,551
<b>Net income/(expenditure) before transfers</b>	<b>152,752</b>	<b>(187,770)</b>	<b>(35,018)</b>	197,257
Transfers between funds	(79,553)	79,553	-	-
<b>Net movement in funds</b>	<b>73,199</b>	<b>(108,217)</b>	<b>(35,018)</b>	197,257
<b>Total funds brought forward</b>	<b>8,007,258</b>	<b>1,019,676</b>	<b>9,026,934</b>	8,829,677
<b>Total funds carried forward</b>	<b>8,080,457</b>	<b>911,459</b>	<b>8,991,916</b>	9,026,934

**THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

**21. Capital commitments**

There was no future capital expenditure contracted for but not provided in the financial statements at 31 December 2019 and 31 December 2018.