

**Charity No. 224571**

**THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES**

**TRUSTEES' REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 December 2021**

# 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 (released October 2021)  
Christine Bagnall  
Patricia Bradbury  
James Green  
Judith Jenner (Clerk)  
John Kimberley  
Robert Morris  
Carole Pannell (appointed September 2021)  
Anthony Pegler  
Gillian Smith  
Jill Stow (to February 2022)  
Sue Thompson (to June 2022)  
Peter Ullathorne  
Fiona Waterhouse (released April 2021)

**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 2021

#### 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 2021. 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 15 Local Meetings, and some by 7 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 ("LMs") and Branches:

##### Local Meetings

Barnt Green and Redditch  
Bournville  
Bull Street  
Cotteridge  
Coventry  
Edgbaston  
Hall Green  
Hartshill  
Kings Heath  
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  
Northfield Development Committee  
Peace Committee  
Peace Hub

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 December 2021 (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 business meetings 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 2021 Area Meeting met eight times for business. The first three meetings (in January, March and April) were held by video-conferencing, due to the COVID-19 restrictions, but the other five were held in Meeting Houses with the option to join by video-conferencing (known as "blended" meetings). Reports were received from trustees, and from a number of Area Meeting Branches and committees: Peace Hub, Peace committee, Quaker Christmas Parcels, Quaker Climate Emergency Action, Community Justice Group and Safeguarding. A report was given by a "sister charity", the Old People's Fund Trust, and by ecobirmingham, formerly a CEQ Branch, but which became an independent CIO in 2018. 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 Street 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 2021 membership of the Area Meeting comprised 444 members (12 less than 2020). There were 235 recorded adult attenders and 39 recorded children (7 less than 2020).

## **C Purposes, activities, and performance**

### ***The impact of the pandemic***

Covid 19 remained with us during 2021 but we were more prepared to manage it than the year before. By the time of the third lockdown Friends were more familiar with government guidelines and staying safe. Virtual meetings became easier for Friends and many were able attend Meetings for Worship as well as business in the comfort of their own homes. Friends often preferred these virtual meetings. However, there was an impact on the Local Meeting communities, Peacemakers and the Peace Hub. Priory Rooms conference centre, our trading subsidiary, was closed for the first 4 months of the year.

## **THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)**

During this second year of the Coronavirus pandemic some Meetings became more fragile and fragmented. Many Friends were cautious of social interaction when lockdowns were lifted, this affected many activities although this report shows that many innovative ways were found to continue to worship and learn together.

#### **Worshipping together**

The Meeting for Worship is our core purpose and the centre from which all our activities flow. It has been the custom of Quakers to gather in silence and wait on the spirit regularly. There is the quiet presence of an elder but no leader, each person is responsible for the right holding of the worship. The community is empowered and led by the spirit. When there is a sense of unity those present experience a gathered meeting. For newcomers experiencing this for the first time there is an overwhelming feeling of being surrounded by love. It is impossible to describe, and this mystery is at the heart of our worship. Meeting together has always been an important element of belonging to the Society of Friends. We have continued to meet to worship in one of our 12 Meeting Houses, in a rented room, outside or virtually on Zoom throughout the year. Many challenges had to be overcome. For some it was difficult to find that sense of the gathered meeting when all were not physically in the same room.

2021 began with a third lockdown after a few months of being able to meet for worship, and following the government's guidelines socialising afterwards was very restricted. There were none of the usual chats or sharing over a cup of tea. Friends were now used to virtual meetings and these continued; although able to meet in person many Meetings decided this was too risky. This led to fragmentation and, for some of those without computers, a loss of contact during lockdowns.

Restrictions were lifted in Spring and small groups of Friends returned to worship in the Meeting House. They continued to hold Meetings for Worship in person and on Zoom however this sometimes became intrusive and occasionally disruptive when the equipment broke down.

Nevertheless, there were advantages and some Meetings welcomed Friends in their virtual meetings from other parts of the country and the world. They were able to welcome visitors and renew friendships with those who had moved away.

Some Meetings met in their garden during the spring and early summer. One of the children's meetings met regularly outside, and it was a joy to be surrounded by nature. Returning to Meeting for Worship in these challenging times also gave opportunity for trying to do things differently. Holding Meeting for Worship once a month in the afternoon followed by afternoon tea or inviting someone to share a poem, a piece of music, a story or one of the Advices & Queries at beginning of worship were some of the ways. Another Meeting held an afternoon in person meeting without the intrusion of TV screens, computers, cameras or microphones. It was also possible to hold blended all age Meetings for Worship - although singing was not allowed some of the children played musical instruments and Friends hummed along.

Friends do not only gather to worship on Sundays, nor just in their Meeting Houses. Prison and university chaplains were able to hold Quaker Meetings for Worship in quite different venues for some of those they meet with. During the pandemic there were restrictions on groups meeting together but there were some opportunities. Some Local Meetings regularly hold Meetings for Healing and these were sometimes held virtually. Hopefully more weekday meetings will be possible as restrictions are lifted.

#### **Building community**

Quakers who worship together are a community who support each other in many ways. The impact of Covid, government restrictions, and fearfulness led pastoral support teams to find ways to keep in touch and provide necessary care and communication. Friends at one Meeting held a monthly coffee morning where they remembered those in need of support and wrote greetings cards for them. At another Meeting Friends shared their own journey into membership and were able to learn more about each other. Many Meetings have a regular Newsletter which was a way of keeping in touch, sharing planned events as well as news, features, book reviews, games, puzzles, recipes and reports.

Most of these events were virtual and it was possible to continue to arrange bible study, book groups and continue sharing in an Experiment with Light group. A wide range of topics were covered by Friends in Local Meetings including privilege and power, finding spiritual direction, Early Quakers and Nature celebrations. In previous years Meetings have met at Woodbrooke, the Quaker Study Centre but it was closed for business during much of the year. However, they offered 'Woodbrooke Where you Are' sessions both on Zoom and in person when restrictions were lifted. One Meeting enjoyed two sessions during the year, Quaker history in a nutshell and Hope as a spiritual practice. There were also film nights and for the more active, walking groups. Sometimes it was just companionable to sit round a fire pit in the garden and toast marshmallows. As Friends met together in these various ways the life of the community was enriched despite the restrictions.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

#### Witness in the world

One of Quakerism's strongly held beliefs is that the way we live bears testimony to God's spirit at work in the world. It is this spirit that inspires both Meetings and individuals to act under concern. During 2021 many Meetings did a lot of work on climate justice in the preparation for COP26 hosted in Glasgow by the UK government in November. Delegates from many countries attended the event and some Friends went in person to join the climate protests happening during the 10 days.

During the months leading up to the conference Meetings organised a variety of events to raise awareness of the global impact of climate change and to think about our personal responsibility as well as to question our government's actions/decisions.

One Meeting has a Making a Difference group and used craftivism to send peaceful messages which included making green hearts, a banner for Global Day of Action for Climate Justice, and sending greetings cards to politicians reminding them of the COP26 commitments. One of the children's meetings made yellow canaries to symbolise the need the world has for non-toxic air. One was sent to the local MP and they were pleased that he replied with a handwritten letter. Two Local Meetings hosted pilgrims walking to Glasgow to be there for COP26. The pilgrims met with local groups and shared their concerns about the current climate emergency. One group had a Coat of Hope and Friends were able to contribute messages of hope as it journeyed to Glasgow. Marches were organised and in Birmingham Friends from many Local Meetings joined thousands of people showing their support for COP26 and asking for positive commitments from the world leaders. The Area Meeting Young People's group joined the march as well. Young people also contributed to the Loving Earth Project which was a national event making textile panels showing environmental concerns and what actions are needed. The complete set of panels was taken to COP 26 in November. A selection of them were displayed at the Peace Hub and following a poetry writing workshop young people were able to read their poems on environmental concerns.

There was ongoing support for local asylum seekers to provide food and other essential items, and this often meant working with other charities in the area. Some Meetings have become Sanctuary Meetings, making a commitment to help those seeking refuge. Following the withdrawal of US troops in Afghanistan in August and the change in government there many Afghans fled the country. Some Friends helped at a Clothing Hub in the city when donations were pouring in. As well as practical support most Meetings offer financial support to other charities through their regular special collections.

The annual Quaker Christmas Parcels committee was able to organise the packing and distribution of food parcels in December, and with the help of the Probation service 530 parcels were provided for families of prisoners this year. 325 parcels were also distributed to local groups working with refugees and asylum seekers in Coventry and Birmingham, Wolverhampton and Walsall areas. This project has continued for 58 years and only in 2020 was it not possible to pack the food and vouchers were given instead.

Some Friends are appointed as chaplains and work with ecumenical teams in some of the prisons, universities and hospital in the area. The Community Justice Group is a way of supporting each other in this challenging work to bring a Quaker presence into sometimes quite stressful situations.

#### Peace

Witnessing for peace is central to Quakers who joined with other churches and faith groups in Coventry and, at the annual Peace Festival, the Meeting House was included in the Peace Walk where a short message of welcome and peace was given. During the Remembrance Day events many Quakers chose to wear a white poppy and in Coventry Friends laid wreath of white poppies to remember all the civilian casualties in the London Road Cemetery.

Building peace is a core element in the work Peacemakers do in schools with both primary and secondary year groups. Work in schools was restricted during the lockdowns but virtual resources were developed. When the schools were open the team were able to offer a programme to support children responding to difficulties brought by Covid restrictions and lockdowns. These activities encouraged working together, building a sense of achievement with time for reflective questioning. Recognising that "peace begins with me" is a crucial message in peace work. The newly developed RESTORE course for schools provided time to stop and reflect – then look for opportunities. A Local Meeting received a legacy and decided to set up the Cotteridge Community Quaker Fund for local community initiatives, building relationships in the local area as part of their witness for peaceful communities.

Some Friends raise awareness of government decisions that have a negative effect both locally and internationally. One Local Meeting held a silent vigil to protest against the police, crime security and courts bill. Another joined with the local interfaith group and had a stall in the town centre to raise awareness of reduction in the UK Aid budget and collected signatures on a petition to reinstate overseas aid commitment.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Support for international projects is maintained at a distance and includes raising funds from special collections and sometimes in person visits to the projects.

The Peace Hub actively encourages people to find out more and act on some of these issues and during the year included economic equality and climate justice. Each topic is live for 3 months and the Think Global, Act Local, Get Equal topic encouraged people to think about Fairtrade and to campaign for a living wage amongst other things.

Moving into 2022 we are hopeful that a gradual return to pre-Covid times will be possible but it will not be an easy journey as Friends slowly adjust.

#### **D Performance and monitoring**

Trustees are responsible for monitoring the performance of the charity and managing its many administrative activities. In January 2021 there were 13 serving trustees. During the year one new trustee was appointed and two released, so there were 12 trustees serving in December. Trustees met four times in 2021, in February, June, September and November and one additional "meeting for worship for discernment" was held in January, to consider strategic priorities.

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 2021 trustees reported to/consulted Area Meeting on six occasions: -

- January 2021 – Minute from a special meeting of trustees held in January to consider strategic priorities
- March 2021 – a Minute recording the establishment of a trustee "Meeting House Management Group (MHMG)" to manage the finances and property for two Local Meetings and two Meeting Houses used exclusively for lettings.
- June 2021 – Trustees report on work undertaken in 2021
- July 2021 – update from MHMG
- October 2021 – proposals to offer Priory Rooms a loan (agreed)
- November 2021 – written presentation given to Friends on the central funds' forecasts for 2021 and budget proposals for 2022, and approval by Area Meeting of the 2022 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**

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 CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

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

#### **Accounts and budgets**

Management Accounts (receipts and payments) for 8 centrally-managed 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 2020 CEQ Report and Accounts, all Local Meetings and Branches submitted their examined accounts by the 31 March 2021 deadline (for the sixth year running). The external audit of the accounts was undertaken, with a satisfactory outcome. The 2020 CEQ Report and Accounts were approved by trustees (and submitted to the Charity Commission) in September 2021.

In November 2021 the Annual Briefing for treasurers and examiners was held as a blended meeting (i.e. some attending in person and others by video-conferencing), 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.

#### **The impact of the Covid-19 pandemic**

The pandemic continued to impact CEQ finances in two ways: -

- a) Local Meeting Funds: Due to the closure of Meeting Houses during lockdown, and ongoing restrictions on the use of the buildings, the letting of rooms to local groups continued to be impacted during 2021. However, the loss of income in the previous year (2020) was partially recovered through a successful insurance claim, generating a refund in 2021 of £108,000.
- b) Priory Rooms (Bull Street) Ltd: The Priory Rooms Conference Centre lockdown continued until April, with a significant impact on sales revenue, and business was slow to pick up. The trading loss for 2021 was just over £130,000. This had a major impact on the CEQ charity's finances in 2021, as the annual gift to the charity from Priory Rooms in 2021 was nil (compared with £120,000 in 2020).

#### **Service agreement between the charity and Priory Rooms (Bull Street) Ltd**

Towards the end of 2020 the Priory Rooms company was faced with making staff redundant, and CEQ trustees decided to postpone the appointment of a Principal Officer and to ask Priory Rooms staff to undertake some of the Principal Officer tasks (notably those relating to finance and property). A service agreement was drawn up, and took effect on 1 November 2020. CEQ agreed to pay £10,000 per quarter for these services, and this was increased to £13,000 in October 2021 when the Area Meeting Secretary retired, and the service agreement was extended to cover the work of the CEQ office. This arrangement was mutually beneficial, and has enabled Priory Rooms to retain key staff in anticipation of a return to normal trading. The service agreement has been extended to continue into 2022.

#### **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 the Building Fund and General Fund investments. During 2021 these centrally-held investments increased in value by 11%
- *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 (income units). This fund is managed by CCLA and monitored by the Finance Committee. During 2021 the CCLA fund unit price increased by 13.5%, and the combined value of the four Reserve Funds at 31 December 2021 was £562,664. The fifth Reserve Fund is the Trustee General Reserve (formerly known as the Sellywood House Fund but re-designated in 2021), which is invested in CCLA COIF Charities Ethical Investment Fund (accumulation units) which is described in Note 18 to the Accounts. During the year, as anticipated in the 2021 budget, £50,000 of this General Reserve Fund was sold, to support expenditure and to maintain central funds above the minimum values specified in the CEQ Reserves Policy. The value of the Fund at 31 December 2021 was £171,960.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

- *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 earns little or no interest and with rising inflation the value of the funds may erode.

#### **Reserves policy and performance**

The reserves policy for the Area Meeting's central funds, was first approved by trustees in April 2009. It is regularly reviewed and was further revised in 2021. 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 overleaf.
- *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. £12,000 per annum with an assumed investment yield of 2.5%. Therefore, target value is £480,000 minimum (value at 31 December 2021: £503,144 including £40,000 set aside for the future upkeep of Kings Heath Meeting House).
- *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 £60,000 is set for this reserve (value at 31 December 2021: £89,693). The "surplus" will be carried forward to fund projects in 2022.
- *Trustee Reserve Funds (Restricted and Designated)* – These (historical) funds, four of which have income mandated to Local Meetings, are separately identified (see Notes 17 and 18). Apart from the Trustee General Reserve (see above), there are no current 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. £9,000 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 2021 (continued)**

*Table: Reserves policy for unrestricted Trustee and General Funds*

<b>Fund/Criteria</b>	<b>Policy</b>	<b>Target Values</b>	<b>Actual Values 31 Dec 2021</b>
General Fund bank account/ General Fund commitments	Budget should be balanced and capital should not be used for operational expenditure	£30,000	£31,704
General Fund Reserve/ Unforeseen expenditure	<i>(established in 2013 from the proceeds of Trustee Reserve Funds)</i> – this fund will be wound up in 2022, with the proceeds transferred to the General Fund	£25,000	£17,678
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	£141,643
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	£61,115

***Other Financial activities and issues***

The Contribution Schedule continues to be supported by individual Friends, and the total funds distributed to beneficiaries in 2021 was £60,759. This represents an increase of 8% 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. Trustees also assist Local Meetings with completing applications to open new bank accounts or purchase investments.

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

When lockdowns began in March 2020 no-one would have predicted that, a year on, trading ability would still be severely impacted, but this is what Priory Rooms faced in the early months of 2021. Due to the COVID-19 restrictions, the first booking that could be taken was not until the end of April 2021, when all of our rooms were leased, plus the Peace Hub, to the BBC for the production of the drama series “You don’t know me”. Following that, the hiring of rooms was limited, with clients very hesitant to commit themselves to face-to-face meetings because of continued high rates of infection. In October, Priory Rooms was also hit by the closure of the car park due to remedial work on the Metro tracks in Bull Street, but trading continued and the position was improving into November until the emergence of the Omicron variant, which further impacted trading, leading to an annual loss for the year after tax of just over £130,000. The Government’s furlough scheme, which helped to retain staff, finished at the end of September. One member of staff was made redundant and the working hours of some of the others was reduced, enabling the business to enter 2022 with almost all of the staff team intact and well placed for a recovery. At the end of the year future bookings were predicting a hopeful start to 2022, which has materialised, with a particularly good trading month in March.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

#### **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.

In 2021 the following donations were made from charitable funds to external beneficiaries (£): -

Overseas beneficiaries	nil
Non-CEQ Quaker charities	47,505 *
Britain Yearly Meeting	44,968
Non-Quaker charities	23,405
Non-charities	<u>2,959</u>
<b>TOTAL</b>	<b>118,837</b>

\* includes a £33,375 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, donations from members and the hire of rooms. The rent income is underpinned by the length and stability of the leases, and donations from members have been stable for many years, with no known risk of any significant reduction.

The Covid-19 pandemic has had a significant impact on the charity's finances in 2021, and will also affect 2022, but there are sufficient reserves to support the charity through this period.

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 (c. £500,000) central Building Fund held in reserve.

## **2 Property**

A key task for Property committee in 2021 (continued from 2020) was managing the use of Meeting Houses safely under Covid-19 restrictions.

Part of Property 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 (implemented in 2021)
- Arranging Quinquennial Surveys (implemented in 2020)
- Reviewing the property section of the "Memorandum of Understanding" (between Local Meetings and trustees) and monitoring compliance (completed in 2021)
- Managing the charity's insurance policies and obtaining building and contents valuations (undertaken 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, but due to the pandemic it was not appropriate to arrange one in 2020 or 2021

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (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 formal valuations of the properties every 5 years, with a "desktop" review of values undertaken annually.

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 18). Expenditure in 2021 was £10,293.

**Meeting House Management Group (MHMG):** this new group was established in March 2021 as a working group of Property committee, to oversee the management of the property and assets of Meeting Houses that are no longer the responsibility of Local Meetings/committees. Initially four Meetings/Meeting Houses are being supported – two continuing Local Meetings (Barnt Green & Redditch and Kings Heath), and two Meeting Houses which are no longer used for Quaker worship (Edgbaston and Northfield). The funds held by the former Local Meetings have been transferred into a new centrally-managed "Group MH" bank account, but for the time being the money is being held in four separate designated funds rather than "pooled". Lettings and property management are being handled by Priory Rooms staff under the terms of the Service Agreement.

#### **Meeting House projects, and "Property Link Friends"**

Each Meeting House has a member of 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 2021, including: -

- Refurbishment of the bathroom of the Hartshill Meeting House Flat (grant from Building Fund of £2,500 and a loan of £2,500).
- Ongoing planning for a major refurbishment of Coventry Meeting House, including the installation of a lift (grant from Building Fund of £11,400 to cover professional fees was awarded in November 2020). A design was selected by the local Business Meeting in February 2022.
- Repairs to and refurbishment of the Meeting Houses managed by MHMG, mainly to improve the facilities for hirers. This work was funded from MHMG's resources.

There was just one Building Fund grant in 2021, of £2,500, and one new loan of £2,500. Repayments of existing loans totalled £17,600.

### **3 Employment**

The Employment committee held six meetings during the year and continued to have oversight of the Area Meeting employees. During the second year of government-imposed restrictions and lockdowns the welfare of the staff was a primary concern. Some staff continued to work from home and flexible furlough arrangements were in place.

The government's furlough scheme continued for the first six months of 2021 and contributed 80% of staff salaries. The Finance Administrator managed these claims which with flexible furlough was quite complicated. Trustees continued to be committed to pay staff their full salary whilst on furlough. In July the Government scheme was reduced to 70% and in August to 60%. Again, Trustees agreed to top up to full salary. Additionally, all CEQ employees are paid at least the Voluntary Living Wage (VLW), and this was increased in November to £9.90 per hour, a rise of 4.21%. All staff received an annual cost of living pay rise in 2022.

The committee also had to keep up to date with employment regulations and many policies were revised in the light of these changes. All policies are regularly reviewed and updated as required. In 2021 these included: CEQ Staff IT Policy, Volunteer policy, Time off in lieu (TOIL) policy, and Induction and Probation for Staff policy. The Annual Leave and TOIL Record Sheet was updated, and following the review of contracts in 2020 a new template for future CEQ Staff Contracts was agreed. The revised policies were sent to both staff and line managers and posted on the CEQ website, making them accessible. The trustees have a COMPLY retained contract with the company Roots HR to support these HR tasks.

The committee paid particular attention to the welfare of staff during the pandemic, especially when some had to self-isolate. The contracted 24-hour telephone counselling support service with BHSF which was set up for employees and their families in 2020, was upgraded and an enhanced service continued to be available for our staff and their families.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

#### 4 Records Advisory

Following the easing of Covid lockdown restrictions, the committee was able to meet four times during 2021. These were usually blended meetings. A number of workshops to deal with archiving also took place. We were sad to hear of the death of Miriam Branson, a long standing and helpful member of the committee but we were pleased to welcome Fiona Waterhouse.

The delayed accession of records to the Library of Birmingham took place in April and the gift of books to the Cadbury Research Library was progressed during 2021.

We continued to receive records from Local Meetings and Branches as well as trustee committees. The listing of deeds in the strong room was completed, although this will need monitoring and revising as necessary. We also continued to receive and advise on queries regarding records from the general public as well as Quakers.

#### 5 Governance and Compliance

Six trustees are members of this committee which met four times during the year. In 2021 the committee considered the following matters.

**Safeguarding:** The co-ordinators were invited to report to this committee in February and presented the new policy and tool kit. Trustees were asked to approve it before being presented to Area Meeting in July. The co-ordinators held two training sessions on Zoom for volunteers in Local Meetings to update them on current policy in the autumn. The CEQ Safeguarding Trustee keeps in regular contact with the two safeguarding co-ordinators about issues of concern and reports regularly to trustees.

**Governing Document:** As a consequence of the lockdown, the Charity Commission advised charities to check the section of their Governing Document referring to the right holding of business meetings. Trustees discovered that changes should be made to the to take account of the use of virtual meetings for our routine business meetings. This was completed and all business meetings in the Area Meeting can be held virtually.

**Memorandum of Understanding:** This is the agreement between trustees and the Local Meetings and Branches to ensure that all legal requirements are being met financially, with the upkeep of the property, employment practice, keeping and storing records and personal data, health & safety as well as safeguarding children and vulnerable adults. This is the assurance that the charity is working well and is compliant. Most reports from Local Meetings and Branches were received by end of the year and checked by the service committees. Any non-compliance issues were followed up.

**General Data Protection Regulation:** Trustees oversee GDPR in the Area Meeting. The policies were in reviewed 2021 and small changes were made. A reminder was sent to Local Meetings to ensure they remain compliant.

**Management of risk:** The Risk Register is kept up to date by each of the service committees and overseen by the Governance and Compliance committee. During the year the following key risks were identified.

##### a) *Loss of income as a result of a pandemic*

The trustees, Local Meetings and Branches each have their own reserves policies and these were tested this year because of the lockdown and restrictions on meeting. Government support was available and was applied for, the insurance companies were able to pay out on claims for loss of income in 2020. Trustees continued to monitor Local Meetings and were pleased that they were managing their resources. At the routine meetings the effect on the Area Meeting, Local Meetings and Branches was monitored. However, the biggest financial loss was with Priory Rooms and this will affect the charity in 2022. This was reviewed in June and a group was appointed to consider how to respond to this situation. The Area Meeting agreed to offer the Priory Rooms a flexible loan to mitigate against cash flow problems until business recovered.

##### b) *Decrease in active membership*

The charity is heavily dependent on members to take on key roles and there are fewer Friends able to serve on the many trustees' committees. The Local Meetings have the same problem and finding treasurers and clerks is increasingly difficult. In 2021 two smaller Local Meetings continued to meet but their property and finances were managed by the Meeting House Management Group (see section 2). This arrangement is working well. Recruitment for a Principal Officer recommenced with the hope that the post would be filled in 2022.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

#### **c) Reputational damage**

The use of social media to promote a particular campaign has become more widely used, leading to a loss of control, and it is easy for Friends to set up Facebook pages which present distorted information. Also, Friends can use the local press to publish articles presenting their own opinion in the name of Quakers. This happened in 2021 and the incident was reported to the Charity Commission. Subsequently a policy for staff and volunteers using social media or the press was developed in 2021, to be adopted in 2022.

#### **c) IT systems**

The use of home PCs, laptops, smart phones and tablets by volunteers is a recognised risk in the organisation, and with the need for staff working from home during the lockdown this risk increased. As well as drafting a new IT policy for staff a cloud storage system for the charity's shared documents was set up. These will be monitored. Local role holders continue to be encouraged to use generic email accounts for Quaker business.

#### **e) Compliance with legislation and regulation**

Trustees maintain policies covering all aspects of property, finance, employment as well as specific legislation for Covid-19 security, safeguarding children and vulnerable adults, GDPR, health and safety 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. The Link Trustee and Property Link Friend liaise with them regularly to ensure they understand their responsibility.

#### **f) Maintenance and safety of CEQ properties**

Property management is overseen by Property committee, with committee members assigned to individual Local Meetings as "Property Link Friends". In 2020 the detailed Quinquennial Survey of all properties was undertaken. During 2021 some of the recommended work on the property was carried out by the Local Meetings.

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.

#### **g) 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 Finance committee. All online 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. The charity provides Local Meetings with guidelines on handling cash collections, and local procedures are checked as part of the annual examination of accounts.

#### **h) Cyber Fraud**

Most Local Meetings and Branches, as well as the trustees, use internet banking, and there is always the risk of scams. To mitigate this risk there is regular training for treasurers which includes awareness raising. Dual authorisation for online payments is mandatory, and the person setting up the payment is required to send a copy of the invoice to the second authoriser, to verify that the payment is genuine.

## **E Future Plans**

- The Central Fund budget for 2022 anticipates a requirement to draw on reserves in 2022 (as was necessary in 2021), in the region of £60,000. There are sufficient free reserves to cover this requirement. It is hoped that Priory Rooms trading will have recovered sufficiently by 2023 to enable the company to provide a gift to the charity, which will help CEQ to achieve a "balanced budget" that year.
- Plans to convene a special area meeting to consider 'What does love require of us?' to look at the future of Central England Quakers is planned for May 2022. This will inform how the Area Meeting moves forward.
- The Meeting House Management Group will be reviewed as part of this move forward.
- Simplifying the structures locally and in Area Meeting will be part of this process.
- Undertaking a review of the charity's assets, especially property will be part of this process.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

- The Principal Officer will take up this post in June 2022, and the relationship with the trustees, committees and Area Meeting co clerks will be developed.
- The service agreement with Priory Rooms will continue during 2022 to develop the use of buildings not in the care of Local Meetings.
- The concern for Climate Justice will continue in Local Meetings, Branches and with Friends to raise awareness of the climate emergency in the UK as well as the rest of the world.
- Safeguarding children and vulnerable adults will remain a priority and training for the local safeguarding co-ordinators, pastoral carers, and children's committees' volunteers in Local Meeting will be arranged.
- The risk register will be updated.

### 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.
- 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.
- Support for ecobirmingham, an environmental charity which leases property in Northfield.
- Information on energy-saving and lifestyle improvements through CEQ Climate Emergency Action Group.
- Training in mediation skills in schools and anti-bullying strategies, provided online by the West Midlands Quaker Peace Education Project (Peacemakers).
- 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 out much of the work.
- "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.
- 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.



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### 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 trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report was approved on 13 September 2022 and signed on behalf of the trustees by;

Judith Jenner        )  
                                  ) trustees  
Robert Morris        )

The financial statements were submitted to the Charity Commission on 14 September 2022 and to the BYM Recording Clerk's Office on 14 September 2022.

## 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 2021 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 2021 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

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

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

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

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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

We have been appointed as auditor under Section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

We have reviewed financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations. We have audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. We have also made enquiries of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

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

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.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

#### Use of our report

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

Philippa Miller-Hawkes BA 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

13 September 2022

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2021

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
<b>Income</b>				
Donations and legacies	98,774	87,077	<b>185,851</b>	290,948
Charitable activities	192,444	30,283	<b>222,727</b>	79,951
Investment Income	264,134	10,377	<b>274,511</b>	272,490
Other Income	37,998	5,584	<b>43,582</b>	59,817
	_____	_____	_____	_____
<b>Total income</b>	<b>593,350</b>	<b>133,322</b>	<b>726,671</b>	<b>703,205</b>
	_____	_____	_____	_____
<b>Expenditure</b>				
Cost of raising funds	(8,246)	(3,125)	<b>(11,371)</b>	(9,283)
Charitable activities	(614,291)	(195,869)	<b>(810,160)</b>	(1,052,803)
	_____	_____	_____	_____
<b>Total expenditure</b>	<b>(622,537)</b>	<b>(198,994)</b>	<b>(821,531)</b>	<b>(1,062,086)</b>
	_____	_____	_____	_____
Net gains/(losses) on investments	358,370	94,159	<b>452,529</b>	89,278
	_____	_____	_____	_____
<b>Net income/(expenditure) before transfers</b>	<b>329,182</b>	<b>28,487</b>	<b>357,670</b>	<b>(269,603)</b>
	_____	_____	_____	_____
Transfers between funds	(40,532)	40,532	-	-
	_____	_____	_____	_____
<b>Net movement in funds</b>	<b>288,651</b>	<b>69,019</b>	<b>357,670</b>	<b>(269,603)</b>
	_____	_____	_____	_____
<b>Total funds brought forward</b>	<b>7,757,195</b>	<b>1,022,646</b>	<b>8,779,841</b>	<b>9,049,445</b>
	_____	_____	_____	_____
<b>Total funds carried forward</b>	<b>8,045,847</b>	<b>1,091,665</b>	<b>9,137,512</b>	<b>8,779,841</b>
	_____	_____	_____	_____

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CONSOLIDATED (GROUP) STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2021

		Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies		98,774	87,077	<b>185,851</b>	290,948
Charitable activities		192,444	30,283	<b>222,727</b>	79,951
Other trading activities		110,094	-	<b>110,094</b>	188,942
Investment Income		264,389	10,377	<b>274,766</b>	274,465
Other Income		120,628	5,584	<b>126,212</b>	189,356
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	<b>4</b>	<b>786,329</b>	<b>133,322</b>	<b>919,650</b>	<b>1,023,661</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>					
Cost of raising funds	5	(350,068)	(3,125)	<b>(353,193)</b>	(412,405)
Charitable activities	6	(576,394)	(195,869)	<b>(772,263)</b>	(1,079,281)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>(926,462)</b>	<b>(198,994)</b>	<b>(1,125,456)</b>	<b>(1,491,686)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investments	9	359,150	94,159	<b>453,309</b>	90,796
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income/(expenditure) before transfers</b>		<b>219,016</b>	<b>28,487</b>	<b>247,504</b>	<b>(377,229)</b>
Transfers between funds	7	(40,532)	40,532	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		<b>178,485</b>	<b>69,020</b>	<b>247,504</b>	<b>(377,229)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds brought forward</b>		<b>7,993,782</b>	<b>1,022,646</b>	<b>9,016,428</b>	<b>9,393,658</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>8,172,268</b>	<b>1,091,666</b>	<b>9,263,934</b>	<b>9,016,428</b>
		<hr/>	<hr/>	<hr/>	<hr/>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

CHARITY AND CONSOLIDATED (GROUP) BALANCE SHEET AS AT 31 December 2021

	Note	Charity 2021	Charity 2020	Group 2021	Group 2020
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,500,591	1,579,967	1,522,062	1,622,576
Investments	12	6,825,885	6,385,509	6,825,885	6,462,988
<b>Total fixed assets</b>		<b>8,326,476</b>	<b>7,965,476</b>	<b>8,347,947</b>	<b>8,085,564</b>
<b>Current assets</b>					
Debtors	13	21,917	18,128	58,379	55,817
Cash at bank and in hand		820,437	825,979	915,227	962,838
<b>Total current assets</b>		<b>842,354</b>	<b>844,107</b>	<b>973,606</b>	<b>1,018,655</b>
<b>Liabilities</b>					
Creditors falling due within 1 year	14	(31,319)	(29,742)	(82,745)	(88,248)
<b>Net current assets</b>		<b>811,035</b>	<b>814,365</b>	<b>890,861</b>	<b>930,407</b>
<b>Total assets less current liabilities</b>		<b>9,137,512</b>	<b>8,779,841</b>	<b>9,238,808</b>	<b>9,015,974</b>
Creditors falling due after 1 year	14	-	-	-	-
Provisions	16	-	-	(25,125)	458
<b>Net assets</b>	19	<b>9,137,512</b>	<b>8,779,841</b>	<b>9,263,934</b>	<b>9,016,428</b>
Unrestricted		6,215,658	6,082,016	6,342,079	6,318,603
Restricted	17	1,091,666	1,022,646	1,091,666	1,022,646
Designated	18	1,830,189	1,675,180	1,830,189	1,675,180
<b>Total funds</b>		<b>9,137,512</b>	<b>8,779,841</b>	<b>9,263,934</b>	<b>9,016,428</b>

The financial statements were approved by the Trustees on 13 September 2022 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 2021

	2021	2020
	Total Funds £	Total Funds £
Net movement in funds	247,504	(377,230)
Depreciation Charge	101,079	105,854
Dividends and interest	(274,766)	(274,465)
Losses/(gains) on investments	(437,882)	(56,945)
(Increase)/decrease in debtors	(2,562)	83,843
Increase/(decrease) in creditors and provisions	(30,170)	(74,934)
<b>Net cash used in operating activities</b>	<b>(396,797)</b>	<b>(593,878)</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest received	274,766	274,465
Purchase of fixed assets	(565)	(116,088)
Net sale/(purchase) of investments	74,985	250,868
<b>Net cash provided by investing activities</b>	<b>349,186</b>	<b>409,245</b>
<b>Cash flows from financing activities:</b>		
Repayment of borrowing	-	-
<b>Management of liquid resources</b>		
Movement in short term deposits	20,905	50,321
<b>Increase/(decrease) in cash in the year</b>	<b>(26,705)</b>	<b>(134,311)</b>
<b>Increase/(decrease) in short term deposits</b>	<b>(20,905)</b>	<b>(50,321)</b>
Cash at bank and in hand	829,424	963,735
Short term deposits	133,413	183,734
<b>Net funds brought forward</b>	<b>962,837</b>	<b>1,147,469</b>
Cash at bank and in hand	802,719	829,424
Short term deposits	112,508	133,413
<b>Net funds carried forward</b>	<b>915,227</b>	<b>962,838</b>



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

#### 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 Charity.
- 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 probably 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 using 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. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**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 no cost or 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 16 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. A replacement heating system for 40 Bull Street was installed during 2020 and is being depreciated at 10% per annum on cost from 1 November 2020. This has been included within the Refurbishment of Meeting House asset category in note 11.

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 2021

#### 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
Heating and hot water system	-	10 years
Refurbishment of Meeting house	-	20 years
Conference Centre etc.	-	50 years

#### 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 2020 between consolidated funds are:

	Unrestricted Funds	Restricted Funds	Total 2020
	_____	_____	_____
Donations and legacies	155,823	135,125	290,948
Charitable activities	59,869	20,082	79,951
Other trading activities	188,942	-	188,942
Investment Income	263,179	11,286	274,465
Other Income	187,029	2,327	189,356
	_____	_____	_____
<b>Total income</b>	<b>854,841</b>	<b>168,820</b>	<b>1,023,661</b>
	_____	_____	_____

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

5. Costs of raising funds (Group)

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
<b>Priory Rooms (Bull St) Limited:</b>				
Meeting & conference facilities	366,490	-	<b>366,490</b>	416,410
Corporation Tax	(24,668)	-	<b>(24,668)</b>	(13,288)
<b>Commercial lettings:</b>				
Letting fees	4,964	-	<b>4,964</b>	4,758
Other	3,282	3,125	<b>6,407</b>	4,525
	<b>350,068</b>	<b>3,125</b>	<b>353,193</b>	<b>412,405</b>
<b>2020</b>	<b>408,977</b>	<b>3,428</b>	<b>412,405</b>	

6. Expenditure on charitable activities (Group)

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	2021 Total	2020 Total
	£	£	£	
Payroll costs	85,122	105,547	<b>190,669</b>	223,652
Repairs and maintenance	120,812	19,436	<b>140,248</b>	196,592
Costs of Quaker activities	142,715	38,507	<b>181,223</b>	383,546
Depreciation	101,079	-	<b>101,079</b>	105,854
Other employee costs	54,466	18,392	<b>72,857</b>	68,667
Utilities	24,842	4,587	<b>29,429</b>	37,377
Insurance	26,010	2,479	<b>28,489</b>	22,328
Costs of governance	18,260	-	<b>18,260</b>	32,899
Other costs	3,088	6,922	<b>10,010</b>	8,367
	<b>576,394</b>	<b>195,869</b>	<b>772,263</b>	<b>1,079,281</b>
<b>2020</b>	<b>829,165</b>	<b>250,116</b>	<b>1,079,281</b>	

Included within the expenditure on activities are amounts paid to defined contribution pension plans for employees of £9,643 (2020: £11,513).

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

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

Costs of governance includes the auditors' remuneration of £10,362 (2020: £9,420) 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. Restricted Transfers

The transfers into the restricted fund were grants from the Trustees General fund into the Peacemakers for £40,000 and the Peace Hub for £5,000 as well as donations raised from local meetings to support the ongoing work of these branches.

#### 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 (2020: £Nil). No Trustees received reimbursement of travelling expenses in 2021 (2020: £Nil). No trustee received payment for professional or other services supplied to the charity (2020: £Nil).

No employee earned £60,000 per annum or more (2020: £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 (2020: 8) who receive no remuneration or benefits.

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

	2021	2020
Conference facilities	13	13
Other Branches and projects	5	7
Wardens, caretakers and gardeners	5	8
Administration	1	1
	<u>24</u>	<u>29</u>

The total staff costs for the year were:

	2021	2020
	£	£
Wages and salaries – conference facilities	238,629	258,423
Wages and salaries – other	170,686	198,679
National insurance	29,570	30,043
Pension costs	21,037	23,270
	<u>459,922</u>	<u>510,415</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

	2021	2020
	£	£
Unrestricted	224,457	(19,729)
Designated	134,693	56,096
Restricted	94,159	54,429
<b>Total net gains</b>	<u>453,309</u>	<u>90,796</u>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

10. Related party transactions

Included within donations to the charity is an aggregate amount of £8,584 (2020: £10,513) 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 2021	854,667	2,015,647	248,496	35,118	3,153,928
Additions	-	-	-	565	565
<b>At 31 December 2021</b>	<b>854,667</b>	<b>2,015,647</b>	<b>248,496</b>	<b>35,683</b>	<b>3,154,493</b>
<b>Depreciation</b>					
At 1 January 2021	611,192	679,155	208,026	32,979	1,531,352
Charge for year	39,063	40,313	20,781	922	101,079
<b>At 31 December 2021</b>	<b>650,255</b>	<b>719,468</b>	<b>228,807</b>	<b>33,901</b>	<b>1,632,431</b>
<b>Net book amounts</b>					
<b>At 31 December 2021</b>	<b>204,412</b>	<b>1,296,179</b>	<b>19,689</b>	<b>1,782</b>	<b>1,522,062</b>
At 31 December 2020	243,475	1,336,492	40,470	2,139	1,622,576
<b>Charity</b>					
	Refurbishment of Meeting House £	Conference centre etc. £	Furniture & fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2021	854,667	2,015,647	10,262	-	2,880,576
Additions	-	-	-	-	-
<b>At 31 December 2021</b>	<b>854,667</b>	<b>2,015,647</b>	<b>10,262</b>	<b>-</b>	<b>2,880,576</b>
<b>Depreciation</b>					
At 1 January 2021	611,192	679,155	10,262	-	1,300,609
Charge for year	39,063	40,313	-	-	79,376
<b>At 31 December 2021</b>	<b>650,255</b>	<b>719,468</b>	<b>10,262</b>	<b>-</b>	<b>1,379,985</b>
<b>Net book amounts</b>					
<b>At 31 December 2021</b>	<b>204,412</b>	<b>1,296,179</b>	<b>-</b>	<b>-</b>	<b>1,500,591</b>
At 31 December 2020	243,475	1,336,492	-	-	1,579,967

## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

#### 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.

During 2020 a new boiler and heating system was installed at 40 Bull Street at a cost of £110,104, which has been capitalised and is being depreciated at 10% per annum from 1 November 2020.

##### 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	1969	6 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' flat	1972	112 Castle Road, Hartshill, CV10 0SG
Meeting House *	1983	17 Colmore Row, Kings Heath, Birmingham, B14 7PE
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, was previously owned by a separate charity, South Birmingham Friends Institute, but was transferred to CEQ in October 2020.

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 2021

12. Fixed asset investments

Group investments:

	2021		2020	
	Freehold properties £	Listed securities £	Freehold properties £	Listed securities £
Market value brought forward	4,270,650	2,192,338	4,304,500	2,352,410
Net additions/(sales)	195,000	(269,985)	-	(250,868)
Revaluation	-	437,882	(33,850)	90,796
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Group investments</b>	<b>4,465,650</b>	<b>2,360,235</b>	4,270,650	2,192,338
	<hr/>	<hr/>	<hr/>	<hr/>

Group fixed asset investments are held between funds as follows:

	2021	2020
	£	£
Unrestricted	4,712,702	4,566,505
Restricted	869,979	793,032
Designated	1,243,204	1,103,451
	<hr/>	<hr/>
<b>Total Group investments</b>	<b>6,825,885</b>	6,462,988
	<hr/>	<hr/>

Charity investments:

	2021	2020
	£	£
<b>Market value</b>		
Freehold properties	4,465,650	4,270,650
Listed securities	2,360,235	2,114,859
	<hr/>	<hr/>
<b>Total Charity investments</b>	<b>6,825,885</b>	6,385,509
	<hr/>	<hr/>

Freehold Properties

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

Two bungalows adjacent to Barnt Green Meeting House at 6a Sandhills Road, Barnt Green. The 6a property was valued on an open market basis at £180,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2020. The 6b property, formerly a warden's bungalow, was converted to private rented accommodation and reclassified as an investment property in May 2021, and both properties are subject to shorthold tenancies. The 6b property was valued on an open market basis at £195,000 by Lawrence and Wightman, Chartered Surveyors on 30 March 2022.

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 £67,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2020.



## THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

#### 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 2020. 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 £116,000 by Lawrence & Wightman, Chartered Surveyors on 31 December 2020. 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 £80,500 by Lawrence & Wightman, Chartered Surveyors on 31 December 2020. 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 £27,150 by Lawrence & Wightman, Chartered Surveyors on 31 December 2020.

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 2020.

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 2020.

The types of investment held at 31 December 2021 and their market values were:

	2021 £	2020 £
Listed investments (incl. loan stocks)	241,644	278,995
Investment properties	4,465,650	4,270,650
Social investments	5,409	7,694
Other investments (Unit Trusts, Branch & Trustee Reserves)	2,113,182	1,905,649
<b>Total Group investments</b>	<b>6,825,885</b>	<b>6,462,991</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.

	2021 £	2020 £
Aggregate capital and reserves	126,422	236,589
Profit for the year after taxation	(110,166)	(107,626)

There has been no donations made by Priory Rooms (Bull Street) Limited to the parent charity in 2021 or in 2020 due to the performance of the trading subsidiary following various closures in the COVID-19 pandemic.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

12. Fixed asset investments (continued)

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

	2021	2020
	£	£
Sales of conference facilities	169,694	188,942
Cost of sales	(15,499)	(20,974)
Distribution costs	(284)	(2,805)
Administrative expenses	(372,410)	(419,109)
Other operating income	82,630	129,539
Management charge to parent charity	-	-
	<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>(135,869)</b>	<b>(124,407)</b>
Income and realised gains from investments	255	1,975
Gain on financial assets at fair value	780	1,518
	<hr/>	<hr/>
<b>Profit before taxation</b>	<b>(134,834)</b>	<b>(120,914)</b>
Provision for deferred taxation (note 17)	24,668	13,288
	<hr/>	<hr/>
<b>Profit after taxation</b>	<b>(110,166)</b>	<b>(107,626)</b>

The company paid a dividend of £Nil to the parent charity during the year (2020: £nil).

13. Debtors

	2021	2020
	£	£
<b>Group</b>		
Trade debtors	19,321	2,568
Other debtors	39,058	53,249
	<hr/>	<hr/>
	<b>58,379</b>	<b>55,817</b>
	<hr/>	<hr/>
	2021	2020
	£	£
<b>Charity</b>		
Trade Debtors	-	-
Other debtors	21,917	18,128
	<hr/>	<hr/>
	<b>21,917</b>	<b>18,128</b>
	<hr/>	<hr/>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
<b>Group</b>		
Trade creditors	3,993	10,750
Social security and other taxes	37,923	26,245
Accruals	40,829	51,253
	<hr/>	<hr/>
	<b>82,745</b>	88,248
	<hr/>	<hr/>
	<b>2021</b>	2020
	£	£
<b>Charity</b>		
Social security and other taxes	10,677	5,497
Accruals	20,640	24,246
	<hr/>	<hr/>
	<b>31,318</b>	<b>29,743</b>
	<hr/>	<hr/>

Creditors: Amounts falling due after one year

	2021	2020
	£	£
<b>Group</b>		
Corporation Tax (in Subsidiary)	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

15. Secured assets

Freehold land and buildings at Penn Road, Wolverhampton, West Midlands, WV4 4DH, have been given as security for loan finance obtained in the Charity's name 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 2021 was £63,832 (2020: £67,013). 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.

Friends Trusts Ltd, as nominee for land, is a party to the leases (excluding tenancy agreements) pertaining to CEQ investment properties, which are 1 Colmore Square, Redditch Meeting House, 51 Church Road, 53 Church Road and the Woodlands.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

16. Provision for liabilities

	2021 £	2020 £
<b>Deferred tax</b>		
Accelerated capital allowances	(25,127)	(459)
	_____	_____
		<b>Deferred tax £</b>
Balance at 1 January 2021		(459)
Provided during year		_____
<b>At 31 December 2021</b>		<b>(459)</b>
		_____

The provision for deferred taxation arises in the charity's subsidiary company. The provision relates to unrestricted funds in 2021 and 2020.

17. Restricted funds (Charity and Group)

	Opening Balance £	Income £	Expenditure £	Investment gains/(losses) £	Transfers £	Closing Balance £
Local Meetings	147,356	32,359	(41,678)	10,947	(5,079)	143,905
Other Branches	178,819	93,798	(152,911)	3,472	52,904	176,082
Building Fund	478,186	7,165	(4,405)	50,347	(7,292)	524,001
Trustees Reserves	218,286	-	-	29,393	-	247,678
<b>Restricted funds</b>	<b>1,022,646</b>	<b>133,322</b>	<b>(198,994)</b>	<b>94,159</b>	<b>40,533</b>	<b>1,091,666</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 2021

18. Designated funds (Charity and Group)

	Opening Balance	Income	Expenditure	Investment gains/(losses)	Transfers	Closing Balance
	£	£	£	£	£	£
Local Meetings	950,872	340,660	(263,160)	69,041	(7,079)	1,090,334
JYF Branch	1,608	-	(528)	-	(1,080)	-
Redditch	15,483	2	(14)	-	-	15,471
Bull Street	127,958	-	(10,293)	-	-	117,665
Building Fund	94,012	-	(110)	-	4,792	98,694
Black Country	13,955	8,148	(1,062)	-	39	21,080
Trustees Reserves	471,293	-	-	65,652	(50,000)	486,945
<b>Designated funds</b>	<b>1,675,180</b>	<b>348,810</b>	<b>(275,166)</b>	<b>134,693</b>	<b>(53,328)</b>	<b>1,830,189</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).

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. A fifth Reserve Fund, Trustee General Reserve, was formerly known as Sellywood House Fund but was re-designated in 2021. In June 2021 £50,000 of the Fund was sold to provide a (budgeted) transfer from reserves.

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

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>	1,415,628	4,712,702	188,624	(25,125)	6,342,079
<b>Restricted funds</b>					
Local Meetings	-	28,614	49,737	-	78,351
Other Branches	-	90,542	151,095	-	241,637
Building Fund	-	503,144	20,855	-	523,999
Trustees Reserves	-	247,679	-	-	247,679
<b>Designated funds</b>					
Local Meetings (incl.JYF)	-	756,259	343,073	-	1,099,333
Redditch	-	-	15,471	-	15,471
Bull Street	106,434	-	11,232	-	117,666
Building Fund	-	-	89,693	-	89,693
Black Country	-	-	21,081	-	21,081
Trustee Reserves	-	486,945	-	-	486,945
	<b>1,522,062</b>	<b>6,825,885</b>	<b>890,861</b>	<b>(25,125)</b>	<b>9,263,934</b>

THE CENTRAL ENGLAND AREA QUAKER MEETING CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

20. Consolidated (Group) Statement of Financial Activities for the year ended 31 December 2020

		Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	Note	£	£	£	£
<b>Income</b>					
Donations and legacies		155,823	135,125	290,948	283,478
Charitable activities		59,869	20,082	79,951	238,384
Other trading activities		188,942	-	188,942	715,657
Investment Income		263,179	11,286	274,465	310,816
Other Income		187,029	2,327	189,356	15,583
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	<b>4</b>	<b>854,841</b>	<b>168,820</b>	<b>1,023,661</b>	<b>1,563,918</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>					
Cost of raising funds	5	(408,977)	(3,428)	(412,405)	(587,646)
Charitable activities	6	(829,165)	(250,116)	(1,079,281)	(983,814)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>(1,238,142)</b>	<b>(253,544)</b>	<b>(1,491,686)</b>	<b>(1,571,460)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains/(losses) on investments	9	36,367	54,429	90,796	409,284
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income/(expenditure) before transfers</b>		<b>(346,934)</b>	<b>(30,295)</b>	<b>(377,229)</b>	<b>401,742</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Transfers between funds	7	19,546	(19,546)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		<b>(327,388)</b>	<b>(49,842)</b>	<b>(377,230)</b>	<b>401,742</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds brought 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/>
<b>Total funds carried forward</b>		<b>7,993,782</b>	<b>1,022,646</b>	<b>9,016,428</b>	<b>9,393,658</b>
		<hr/>	<hr/>	<hr/>	<hr/>

21. Capital commitments

There was no future capital expenditure contracted for but not provided in the financial statements at 31 December 2021 and 31 December 2020.