

LONDON QUAKER SERVICE TRUST
Registered Charity number: 1042735

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

MYRUS SMITH
Chartered Accountants

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

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Trustees:

Sue Paskins, Clerk

Cherry Simpkin, Treasurer

Jonathan Lingham, Grants Trustee (from January 2020)

Eileen Kenning (until January 2020)

Sarah Totterdell

Robert Gilbert (until January 2020)

Fiona Day

Independent Examiner: Myrus Smith, Norman House, 8 Burnell Road, Sutton, Surrey SM148W

Solicitors: Bates, Wells and Braithwaite, 2-6 Cannon Street, London, EC4M 6YH

Nominee for land: Friends Trusts Limited, pursuant to a Charity Commission Order sealed 27 May 2005.

Address for Communication with the Trust: 78, Courtlands Avenue, London, SE12 8JA.

Trust income: totalled £32,639 in 2020

Trustee expenses: There were no trustees' expenses during the year (None in 2019).

Structure, Governance & Management

The governing document of the trust is a constitution agreed on 31st January 1994 and amended by resolution dated 13th January 2009. Each Area Meeting of the Religious Society of Friends (Quakers) in the London Area (seven in all) may appoint one trustee: those appointed may co-opt two more to make nine in total. Trustees serve for 3 years and may be reappointed.

Objectives of the Charity

Furthering the work of the Religious Society of Friends in the area covered by the Area Meetings in the London region, by the advancement of religion and the provision of facilities for educational, recreational and leisure time occupations for persons who, by reason of their social or economic circumstances, have need of such facilities, with the object of improving their conditions of life and developing their mental, physical and spiritual capacities.

Achievements and Activities

In 2020, the Trust continued to give financial support to a number of organisations, giving priority to those working with dis-advantaged people most at risk from reduced funding from other sources.

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Grants

The charity's main charitable activity has traditionally been making grants. Most grants are determined at the beginning of the financial year to be paid throughout the year. Those applying for grants are asked to set out the level of grant required and to show how they intend to use it. They are also asked to submit financial accounts. Regular grant recipients are asked to demonstrate the effectiveness of grants given when applying for further funding.

During the year, grants totally £54,500 were made to nine organisations whose work fell within the remit of the Trust as follows:

Quaker Social Action £25,000

Street Talk £5,000

Alternatives to Violence £3,000

LEAP Confronting Conflict - £5,000

Refugee Youth - £3,000

Theatretroupe - £1500

Happy Baby Community - £5,000

Friends Family Group - £2,000

Prisoners' Penfriends - £3,000

Amy Winehouse Foundation – £2,000

Hoxton Hall

The trust's property Hoxton Hall (a music hall theatre in Hoxton) is let out rent-free on a full repairing lease to Hoxton Hall Ltd, a registered charity (no: 1107196) providing arts facilities for drama, music, dance and the visual arts for local young people.

Public Benefit

When planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit and are satisfied that the Charity's activities met the principles laid out in that guidance.

The grants made go towards the work of other charities providing public benefit in the London Area. Quaker Social Action works to counteract poverty through practical projects in the East End; Street Talk works to change the lives of sex workers in the Kings Cross area; LEAP provides training and support to London based young people involved in conflict; Theatre Troupe helps improve the lives of young people in South London with emotional and

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mental health problems through the medium of drama and other art forms; the grant to Refugee Youth went towards helping projects supporting young refugees in Croydon; the grant to Alternatives to Violence went towards the costs of running workshops aimed at promoting non-violent conflict resolution for those in the London area; the Happy Baby Community supports women who have fled from war, violence or traffickers and are pregnant or with young children and who are seeking international protection in the UK. Friends Family Group runs a centre providing support for parents and their pre-school children, including the homeless and refugee families. Supervised play and wholesome snacks are provided for the young ones and the parents can relax, share concerns, advice and support, and learn simple crafts. Prisoners' Penfriends helps to rehabilitate prisoners in London prisons by connecting them to the non-criminal world, improving their writing and social skills and combatting loneliness and isolation. The grant to the Amy Winehouse Foundation went to support their work helping young people in the London area to overcome alcohol and drug problems.

The premises provided to Hoxton Hall enables artistic and creative opportunities for young people in a socially deprived area of London.

Financial Review

Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Overall results

During the year ended 31 December 2020 the Charity made a deficit of £(36,279) (£(16835) in 2019). The net movement in funds was a decrease of £(10,327) (2019: increase of £115,881) due to a rise in unrealised gains of £17,730 (2019: £147,889).

The trusts total funds at 31 December 2020 were valued at £1,372,312.

No amount is included in the valuation of the fund for the charity's only tangible fixed asset, the property called Hoxton Hall. This property is currently rented on a 99-year lease to the Hoxton Hall charity. Having taken professional advice, the trustees believe its values to be minimal while the tenants remain in place.

All funds are unrestricted.

Reserves Policy

The trustees' policy is to set grants at such a level that they will be covered by expected annual income less anticipated administrative expenditure. In addition to money designated for grants that have been determined, reserves are maintained at £50 000 to meet any further grant requests arising during the year, to safeguard against fluctuations in investment

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income and to ensure adequate cash flow so that grant instalments and administrative expenses can be paid in due time, including any unexpected expenses which may arise in relation to the charity's assets.

The Trustees will review the reserves policy every three years or earlier if felt appropriate in the light of any change in the charity's circumstances. The Trustees have reviewed the reserves policy during the year and believe it remains appropriate.

Trustees continue to weigh the current needs of our beneficiaries against our responsibility to relate income to expenditure so as to ensure we retain enough resources to have the capacity to continue and expand our work in the future.

The charity has no long-term liabilities.

Investment Policy and Risk Management

The trusts main source of income is its returns on investments and interest on cash deposit. The trustees, therefore, believe that the main risk to its ability to carry out its charitable activities lies in the levels of stock market volatility and the economic uncertainty. To mitigate this risk, trustees continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains. Trustees are advised by charity's investment managers J.M Finn and Co on specific investments.

While mindful of their duty to maximise income and mitigate risk, the trustees seek to apply ethical criteria to investments e.g. by avoiding companies that manufacture armaments, alcohol or tobacco, promote gambling or have poor employment records and seeking out companies they believe make a positive social and/or environmental contribution. The trustees have also divested in fossil fuel investments.

Future plans

In 2021 trustees aim to:

- work closely with beneficiary organisations to ensure that our resources are used to best effect, particularly in the light of the COVID pandemic;
- considered the charity's future direction in relation to the Covid 19 crisis and how this impacts on future grants
- seek to increase the skills and number on the Trustee board by encourage Area Meetings to appoint suitable people to fill trustee vacancies

Statement of Trustees' Responsibilities

The 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).

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The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

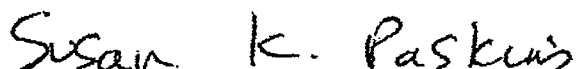
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees



Susan Paskins

Clerk

Date: 19 October 2021

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 10.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Kevin Fisher BA FCA CTA
C/o Myrus Smith
Chartered Accountants

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

21st October 2021

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | Unrestricted Fund | |
|---|-------|--------------------------|-------------------|
| | | 2020 | 2019 |
| | | £ | £ |
| Income and endowments | | | |
| Investment Income: | | | |
| Dividends - UK & Overseas Equities | | 30,739 | 39,550 |
| Interest – UK & Overseas Fixed Interest | | 1,504 | 4,616 |
| Interest on cash deposits | | 396 | 1,203 |
| Total income | | 32,639 | 45,369 |
| Expenditure | | | |
| Cost of raising funds: | | | |
| Investment management costs | | 13,211 | 12,561 |
| Expenditure on charitable activities: | | | |
| Grants to institutions | 3 | 54,500 | 48,400 |
| Support costs | 4 | 1,207 | 1,243 |
| Total expenditure | | 68,918 | 62,204 |
| Net income | | | |
| before investment (losses) / gains | | (36,279) | (16,835) |
| Net realised gain / (loss) on investments | | 8,222 | (15,173) |
| Net unrealised gain on investments | 6 | 17,730 | 147,889 |
| Net movement in funds | | (10,327) | 115,881 |
| Reconciliation of funds | | | |
| Total funds brought forward | | 1,382,639 | 1,266,758 |
| Total funds carried forward | | £1,372,312 | £1,382,639 |

All income and expenditure derive from continuing activities.

The notes on pages 9 to 11 form part of these Financial Statements

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BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 | 2019 |
|--|-------|-------------------|-------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 5 | - | - |
| Investments | 6 | 1,168,979 | 1,161,134 |
| CURRENT ASSETS | | | |
| Debtors | 7 | - | 106 |
| Cash on deposit at bank | | 204,473 | 222,539 |
| | | <u>204,473</u> | <u>222,645</u> |
| LIABILITIES | | | |
| Creditors: amounts falling due within one year | 8 | 1,140 | 1,140 |
| | | <u>1,140</u> | <u>1,140</u> |
| NET CURRENT ASSETS | | <u>203,333</u> | <u>221,505</u> |
| NET ASSETS | | <u>£1,372,312</u> | <u>£1,382,639</u> |
| The funds of the Charity | | | |
| Unrestricted funds | | <u>1,372,312</u> | <u>1,382,639</u> |
| TOTAL CHARITY FUNDS | | <u>£1,372,312</u> | <u>£1,382,639</u> |

These Financial Statements have been approved by the Trustees and signed on their behalf by:

Susan K. Paskins

Susan Paskins
Clerk

Date: 19 October 2021

The notes on pages 9 to 11 form part of these Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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

Income recognition

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

Investment income is earned through holdings of listed investments and includes dividends and interest. Income from listed investments is recognised as the charity's right to receive payment is established. Bank interest is recognised on a receivable basis.

Donations are recognised when the charity has been notified of the amounts and the settlement date in writing and it is probable that the donor will fulfil their stated obligations. If these conditions are not met the donation is recognised when received.

Expenditure recognition

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds which comprise investment management fees relating to the charity's portfolio of listed investments
- Expenditure on charitable activities which primarily comprise of grants to third parties in furtherance of the charity's objects.

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1. ACCOUNTING POLICIES cont

Grants are recognised as an expense when the trustees have agreed to award the payment without condition and the recipient has a reasonable expectation of receipt. Grants are paid out of the charity's unrestricted funds.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value (quoted market value on a recognised stock exchange) with changes recognised in the Statement of Financial Activities if the investments are publicly traded or their fair value can otherwise be measured reliably.

Fund accounting

All of the charity's funds are unrestricted. Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

Trustees received no emoluments. Travel expenses totalling £Nil (2019: £Nil) were reimbursed to Nil (2019: Nil) Trustees.

3. GRANTS

During the year, direct charitable grants were given to:

| | 2020 £ | 2019 £ |
|--------------------------|----------------|----------------|
| Quaker Social Action | 25,000 | 25,000 |
| Street Talk | 5,000 | 3,000 |
| Leap | 5,000 | 5,000 |
| Alternatives to Violence | 3,000 | 3,000 |
| Croydon Refugees | 3,000 | 2,500 |
| Theatre Troupe | 1,500 | 1,500 |
| Amy Winehouse Foundation | 2,000 | - |
| Prisoners' Penfriends | 3,000 | 3,400 |
| Happy Baby Community | 5,000 | 3,000 |
| Friends Family Group | 2,000 | 2,000 |
| Total | £54,500 | £48,400 |

4. SUPPORT COSTS

| | 2020 £ | 2019 £ |
|--|---------------|---------------|
| Trustees' expenses | - | - |
| Room hire and sundry | 67 | 103 |
| Governance - Independent Examiners Fee | 1,140 | 1,140 |
| | £1,207 | £1,243 |

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5. TANGIBLE FIXED ASSETS

Properties

No amount has been included in the balance sheet for the historic freehold property known as Hoxton Hall at 130 Hoxton Street and 1 Wilke's Place, London N1. The Trustees believe that the current sale value with tenants in place is minimal. The Hoxton Hall charity occupies the building at 130 / 130A Hoxton Street without charge and are entitled to keep the rent from the flat at 130A. Under the lease, they are responsible for the maintenance of the building.

6. FIXED ASSET INVESTMENTS

| | 2020 £ | 2019 £ |
|----------------------------------|--------------------------|--------------------------|
| Market value at 1 January 2020 | 1,161,134 | 1,024,276 |
| Additions at cost | 122,171 | 260,798 |
| Disposals at carrying value | (132,056) | (271,829) |
| Net (loss) / gain on revaluation | 17,730 | 147,889 |
| Total | <u><u>£1,168,979</u></u> | <u><u>£1,161,134</u></u> |

The types of investments held at 31 December 2020 and 31 December 2019 and their cost and market value were:

| | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|----------------|------------------------|--------------------------|------------------------|--------------------------|
| | At Cost | At Market Value | At Cost | At Market Value |
| Fixed interest | 147,677 | 157,031 | 205,704 | 216,583 |
| Equities | 601,421 | 887,948 | 569,334 | 817,777 |
| Other funds | 114,994 | 124,000 | 98,940 | 126,774 |
| Total | <u><u>£864,092</u></u> | <u><u>£1,168,979</u></u> | <u><u>£873,978</u></u> | <u><u>£1,161,134</u></u> |

7. DEBTORS

| | 2020 | 2019 |
|-----------------------|-------------|-------------|
| Outstanding dividends | <u>£Nil</u> | <u>£106</u> |

8. CREDITORS

| | 2020 | 2019 |
|----------------------------|----------------------|----------------------|
| Investment management fees | - | - |
| Independent Examiner fees | 1,140 | 1,140 |
| | <u><u>£1,140</u></u> | <u><u>£1,140</u></u> |