

Charity registration number 1134522

**HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS
SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Linda Gibbs (Clerk to Trustees)
Alison Parker
Shanthini Cawson (Appointed 1 January 2021)
Eric Silk (Appointed 1 January 2021)
Jai Brierley (Appointed 1 January 2021)

Treasurer

Shanthini Cawson

Charity number

1134522

Principal address

Quaker Meeting House
22 School Lane
Liverpool
L1 3BT

Independent examiner

Anita C Mason BA(Hons) BFP FCA
BWM
Tempest
Suite 5.1
12 Tithebarn Street
Liverpool
L2 2DT

Bankers

HSBC
331 Lord Street
Southport
PR8 1NJ

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
ME19 4JQ

Royal Bank of Scotland
269 Lord Street
Southport
Merseyside
PR8 1PH

The Co-operative Bank
Delf House
Southway
Skelmersdale
WN8 6WT

TSB
Heathfield Branch
20 Smithdown Place
Wavertree
Liverpool
L15 9EW

The Co-operative Bank
1 Balloon Street
Manchester
M60 4EP

Investment advisors

Rathbones
Port of Liverpool Building
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Liverpool
L3 1BW

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent examiner's report	6
Statement of financial activities	7 - 8
Balance sheet	9
Notes to the financial statements	10 - 22

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

The object of the Hardshaw and Mann Area Meeting is the furtherance of the general religious and charitable purposes of the Religious Society of Friends (Quakers) in Britain in the area of Hardshaw and Mann Area Meeting and beyond.

Meeting for Worship and Quaker projects

Online Religious Meetings for Worship were held throughout the year with more regular in-person Meetings inside Meeting Houses or outdoors. Gradually restrictions were lifted during the year although we continue to follow cleaning and sanitizing guidelines within our buildings.

We continued to provide a service to asylum seekers coming to Liverpool to appeal at the Home Office in Liverpool under our national Sanctuary Everywhere project.

We also worked with other interested parties to create a Green Map of our area which, when released online, will provide a resource for people who are committed to ethical and green local shopping.

The trustees have considered the Charity Commission's guidance on public benefit under the Charities Act 2011 and consider that the requirements have been met.

Wigan Meeting House

Following the decision in 2020 in regard to the future of Wigan Meeting House the sale of Wigan Meeting House continued throughout 2021 with the approval of the Charity Commission. This was completed in May 2022.

Organisational Structure of the Area Meeting

Trustees continued working with the area meeting treasurer and other interested Friends to recommend restructuring the way financial matters are dealt with so that they better reflect good Quaker principles of management. The recommendations were put to Area Meeting and will be implemented from the start of 2022 with the recruiting of an Area Meeting Finance Officer and an Area Meeting General Manager who will be in post from January 2022. Underpinning this work is the aim to strengthen the role of our Area Meeting as the focus of decision making, building our community and extending the reach of our friendship for each other.

A Premises, Finance and General Purposes committee was formed in October and in future will consist of the area meeting general manager, the area meeting finance officer, the area meeting treasurer and representatives from each local Quaker Meeting to review and report common issues in relation to both the area as a whole and individual Meeting Houses.

Hardshaw West Monthly Meeting

This is a charity which has not been active for some time and has now been closed with agreement from the Charity Commission.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Hardshaw Estates Trust

Hardshaw Estates Trust trustees wish to divide their assets and responsibilities between Manchester and Warrington Area Meeting and Hardshaw and Mann area meeting prior to laying down their charity. This was broadly agreed at a joint meeting with representatives from all parties (15th June 2020) and HET are now consulting with solicitors to map out a proposed transfer plan. The transfer will bring responsibility for maintenance of St Helen's Meeting House and Bickerstaffe Burial ground (with substantial funds which will be ring fenced for this work) and management of funds designated for grant making to individuals for Education and Travelling in the Ministry into Hardshaw and Mann area meeting.

Merseyside Community Rehabilitation Trust

The Merseyside Community Rehabilitation Trust, a joint venture between Liverpool Quakers and Merseyside Probation Service, closed in 2020 due to administrative changes at the Probation Service. The purpose of the charity was to provide small grants to ex-offenders and their families across Merseyside to support their rehabilitation and assist in the relief of financial hardship. The residual funds of the charity £35,364 were transferred to Hardshaw and Mann Area Quaker Meeting. Following a period of discernment, Area Meeting agreed to donate the entirety of funds to PSS (a registered charity formerly known as Liverpool Personal Services Society) on the condition that the funds would be used only to support the original purposes of MCRT.

Sustainability

One of the four Quaker testimonies relates to Simplicity and Sustainability. Both Liverpool Meeting House and Southport Meeting House have Photovoltaic Cells fitted which help to reduce their reliance on other, less environmentally friendly sources of power.

Southport Meeting House has bee hives which helps with the pollination of plants and provides a small supply of honey.

Some Meeting Houses use Eco friendly cleaning products and are using low energy light bulbs when they need to be replaced. This practice will be recommended to other Meeting Houses in our area.

Financial review

As at 31 December 2021, the charity had reserves of £5,545,887 (2020: £5,520,255). Included within these reserves are £387,326 (2020: £375,831) of restricted funds (see note 21). Included within unrestricted funds are fixed assets totalling £4,882,066 (2020: £4,882,066). These funds can only be realised upon sale of these assets. Included within restricted funds are investments totalling £387,325 (2020: £340,466). These funds can only be realised upon sale of these assets. The charity had free reserves of £276,495 as at 31 December 2021 (2020: £262,358).

Priorities for the future

- 1 Finalise the restructuring of area meeting so that management of staff and local meeting finances can be centralised in accordance with general Quaker practice and the Simplifying Meetings project.
- 2 Complete the sale of Wigan Meeting House.
- 3 To find alternative premises for Wigan Friends to meet.
- 4 Continue to work with Hardshaw Estates trustees to achieve the transfer of funds and responsibilities to Hardshaw and Mann Area Meeting.
- 5 To support area meeting to continue our Quaker work in accordance with our beliefs and testimonies.

Reserves policy

Reserves are needed to cover the maintenance of the meeting houses and to cover fluctuations in letting and other income which is needed to cover salaries and related employment costs.

Some of the reserves are held in restricted funds. The largest of these is the Hallet and Young established by legacies and intended to be used for the purposes of the Liverpool Local Meeting.

Trustees believe that the unrestricted reserves are adequate and reasonable for the purposes set out.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Grant Making policies

Hardshaw and Mann Area Meeting makes donations to specific charities who are undertaking work in accordance with Quaker values and concerns. The names of such organisations are agreed by the Local or Area Meeting as appropriate

Investment powers and policy

At every level of our church government Friends must be seen to be above reproach in our corporate, as well as personal conduct in respect of finances and property. We hold these assets in trust and the way we use and develop them in an important part of our witness (Quaker faith & practice 14:18).

Financial advice was obtained from Rathbones Investment Management Ltd.

Ethical investment criteria and investment objectives have been agreed.

The principal aims of our investment policy are:

- 1) To meet ethical and socially responsible criteria
- 2) To provide maximum income while minimising the risk of real capital loss
- 3) To maintain diversity

Buildings are held on behalf of the area meeting by Friends Trusts Limited (company number: 188362, charity number: 237698) as custodian trustee in accordance with Chapter 14.45 of the Quaker faith & practice.

Risk management

We recognise the principal risks to our activities as:

Falling attendance: Attendance has remained relatively the same as last year and we meet both in person and online. We note that some of our Meetings are very small and this reduces the ability to take part in activities which might bring our Faith to greater attention in the areas we serve.

Difficulty in filling key roles: The Area Meeting and Local Meetings have worked to increase the number of people who may consider taking roles. For Trustees, this has included a deliberate policy of finding new trustees from all local meetings to ensure as wide an area of representation as possible.

Covid 19 pandemic restrictions: During 2021 restrictions have eased but room bookings have only gradually begun to return to normal resulting in a detrimental effect on our lettings income.

Member's contributions: Members of the Religious Society of Friends (Quakers) are asked to contribute money on a regular basis towards Quaker work which can be used both locally and nationally. If membership continues to fall then the funds available will be reduced.

Trustees attend to other risks as follows:

- **Safeguarding:** A new Safeguarding Coordinator was appointed and policies are in place but are expected to be reviewed in 2022 with guidance and advice from Britain Yearly Meeting.
- **Fraud / financial mis-management:** Processes are in place and reviewed.
- **Damage to buildings / grounds:** Insurance is in place. Reserves are compliant with Charity Commission guidance
- **Health and safety of our employees and those who use our premises.** Most of the activities undertaken by our employees are considered low risk, and public liability insurance and employers compulsory liability insurance is provided at each meeting house. We have followed all Covid 19 restrictions and guidelines and produced risk assessments for all our local Meeting House before allowing them to reopen for worship or to the public.

The risks identified require consideration but do not present immediate threats to our Area Meeting. They are also reflected in other Area Meetings of the British Yearly Meeting and there is plenty of opportunity to learn from other Area Meetings experience and seek support and guidance.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The organisation was an excepted charity under the Charities Act 1993. A new constitution was adopted on 15th November 2009. The organisation became a registered charity on 25 February 2010 under the registered number 1134522.

Hardshaw and Mann Area Meeting is the name for the organisational unit of the Quaker Church that encompasses the local meetings in Liverpool, Southport, St Helens, Wigan and the Isle of Man. It forms part of the Britain Yearly Meeting (BYM). It should be noted that the Isle of Man Local Meeting falls outside the jurisdiction of the Charity Commission for England and Wales and its financial activities are subject only to Manx Law and hence no financial information concerning this meeting are included in these accounts.

The trustees who served during the year and up to the date of signature of the financial statements were:

Linda Gibbs (Clerk to Trustees)

Alison Parker

Shanthini Cawson

(Appointed 1 January 2021)

Eric Silk

(Appointed 1 January 2021)

Jai Brierley

(Appointed 1 January 2021)

Trustees are appointed for 3 year terms by the area meeting, at one of its regular meetings, after nominations are made by the nominations committee. Ideally, Trustees are drawn from the various local meetings which make up the charity.

The area appoints half of the trustees of the related registered charity Society of Friends Hardshaw Estates Charities (Charity number 223418), which provides income to the area meeting according to a separate set of regulations last amended in 1980.

Day to day operation of the Liverpool Friend's Meeting House is delegated by the Trustees to the Liverpool Finance Staffing and Personnel Committee.

Membership

The Religious Society of Friends classes those attending its meetings as either Members or Attenders. Members are those who have formally requested to be considered for membership, and have been accepted by the Area Meeting into membership. Attenders are those who have not taken this formal step, but nevertheless regularly attend meetings for worship.

The trustees' report was approved by the Board of Trustees.



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Linda Gibbs (Clerk to Trustees)

Trustee

Dated: 26/10/2022

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Trustees' 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 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 year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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; and
- 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 sufficient 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 Charity (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.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

I report to the trustees on my examination of the financial statements of Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Anita C Mason BA(Hons) BFP FCA
Independent Examiner

BWM
Tempest
Suite 5.1
12 Tithebarn Street
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Dated: 27 October 2022

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	9,567	-	9,567	7,983
Other trading activities	4	82,841	-	82,841	104,690
Investments	5	-	14,434	14,434	15,607
Other income	6	59,904	-	59,904	37,149
Total income		152,312	14,434	166,746	165,429
<u>Expenditure on:</u>					
Raising funds	7	117,452	6,326	123,778	139,346
Charitable activities	8	28,676	35,364	64,040	47,839
Total expenditure		146,128	41,690	187,818	187,185
Net gains/(losses) on investments	12	-	46,704	46,704	12,107
Net income/(expenditure) before transfers		6,184	19,448	25,632	(9,649)
Gross transfers between funds	13	7,953	(7,953)	-	-
Net movement in funds		14,137	11,495	25,632	(9,649)
Fund balances at 1 January 2021		5,144,424	375,831	5,520,255	5,529,904
Fund balances at 31 December 2021		5,158,561	387,326	5,545,887	5,520,255

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>				
Donations and legacies	3	7,983	-	7,983
Other trading activities	4	104,690	-	104,690
Investments	5	1,956	13,651	15,607
Other income	6	37,149	-	37,149
Total income		151,778	13,651	165,429
<u>Expenditure on:</u>				
Raising funds	7	135,079	4,267	139,346
Charitable activities	8	47,839	-	47,839
Total expenditure		182,918	4,267	187,185
Net gains/(losses) on investments	12	-	12,107	12,107
Net income/(expenditure) before transfers		(31,140)	21,491	(9,649)
Gross transfers between funds	13	8,844	(8,844)	-
Net movement in funds		(22,296)	12,647	(9,649)
Fund balances at 1 January 2020		5,166,720	363,184	5,529,904
Fund balances at 31 December 2020		5,144,424	375,831	5,520,255

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14	4,882,066		4,882,066	
Investment properties	15	225,000		200,000	
Investments	16	162,325		140,466	
		5,269,391		5,222,532	
Current assets					
Debtors	18	21,844		14,195	
Cash at bank and in hand		292,607		316,323	
		314,451		330,518	
Creditors: amounts falling due within one year	19	(37,955)		(32,795)	
Net current assets			276,496		297,723
Total assets less current liabilities			5,545,887		5,520,255
Income funds					
Restricted funds	21	387,326		375,831	
Unrestricted funds		5,158,561		5,144,424	
		5,545,887		5,520,255	

The financial statements were approved by the Trustees on 26/10/22

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 Linda Gibbs (Clerk to Trustees)
 Trustee

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain is a registered charity in England and Wales. The principal address is Quaker Meeting House, 22 School Lane, Liverpool, L1 3BT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the impact of the Covid pandemic has not been fully realised on the charity's activities as a worshipping community and on their financial well-being. The trustees anticipate that the charity will experience further operating losses in 2022 but have confidence in their resilience as both a community and an organisation to weather this difficult period and to continue to contribute to the lives of our communities. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(continued)

Grants, where entitlement is not conditional on the delivery of a specific performance of the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

The charity received substantial amounts of voluntary help from its supporters, but no attempt is made to place a financial value on these services and they have not been included

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

1.5 Expenditure

Grants and donations are accounted for when paid over, or when awarded, if that award places a binding obligation on the charity.

All expenses relating to fundraising, publicity, public relations and investment management charges are treated as raising funds.

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

Support costs include staffing and premises costs and are allocated between Quaker activities and generating funds by estimating the percentage of time the meeting houses are used for Quaker activities and hirings.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All equipment, fixtures and fittings with an original cost of less than £10,000 are written off in the year in which the expenditure was incurred on the basis that due to the nature of the charity's activities, there is no expectation that the costs of the assets will be recovered in the way of future revenues.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Fixtures and fittings	20% on cost

The value of buildings are shown at estimated values and are not depreciated as the trustees are of the opinion that these values are maintained by day to day maintenance costs incurred.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the SOFA.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	9,567	7,983

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Meeting house hirings and car park rentals	75,238	88,077
Trading activity income: other	7,603	16,613
	<u>82,841</u>	<u>104,690</u>

5 Investments

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Rental income from investment property	13,214	-	12,251	12,251
Income from listed investments	1,220	1,956	1,400	3,356
	<u>14,434</u>	<u>1,956</u>	<u>13,651</u>	<u>15,607</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	2,756	3,932
Coronavirus Job Retention Scheme Grant	57,148	33,217
	<u>59,904</u>	<u>37,149</u>

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
<u>Trading costs</u>						
Other trading activities	-	-	-	(2,239)	-	(2,239)
Support costs	117,452	-	117,452	137,318	-	137,318
	<u>117,452</u>	<u>-</u>	<u>117,452</u>	<u>135,079</u>	<u>-</u>	<u>135,079</u>
Trading costs	117,452	-	117,452	135,079	-	135,079
<u>Investment management</u>	-	6,326	6,326	-	4,267	4,267
	<u>117,452</u>	<u>6,326</u>	<u>123,778</u>	<u>135,079</u>	<u>4,267</u>	<u>139,346</u>

8 Charitable activities

	2021	2020
	£	£
Children & Young People	272	163
Courses & Conferences	1,927	5,499
Elders & Overseers	-	200
Library	338	406
Outreach, publicity, newsletter	327	1,316
Travel	-	73
Donations to Britain Yearly Meeting (BYM)	-	12,000
Donations to other Quaker bodies	152	400
Donations to non Quaker bodies	35,387	852
Sundries	1,703	2,900
	<u>40,106</u>	<u>23,809</u>
Share of support costs (see note 9)	21,154	21,335
Share of governance costs (see note 9)	2,780	2,695
	<u>64,040</u>	<u>47,839</u>
Analysis by fund		
Unrestricted funds	28,676	47,839
Restricted funds	35,364	-
	<u>64,040</u>	<u>47,839</u>

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Staff costs	107,619	-	107,619	126,282	126,282
Staff training	245	-	245	254	254
Professional/payroll fees	1,464	-	1,464	2,530	2,530
Equipment and furniture	2,407	-	2,407	932	932
Insurance	6,555	-	6,555	6,352	6,352
Cleaning materials & contractors	1,418	-	1,418	1,988	1,988
Repairs and maintenance	6,793	-	6,793	8,263	8,263
Telephone	2,899	-	2,899	2,548	2,548
Utilities	8,477	-	8,477	9,417	9,417
Sundry costs/admin expenses	729	-	729	87	87
Accountancy	-	2,780	2,780	-	2,695
	<u>138,606</u>	<u>2,780</u>	<u>141,386</u>	<u>158,653</u>	<u>161,348</u>
Analysed between					
Trading	117,452	-	117,452	137,318	137,318
Charitable activities	21,154	2,780	23,934	21,335	24,030
	<u>138,606</u>	<u>2,780</u>	<u>141,386</u>	<u>158,653</u>	<u>161,348</u>

Support costs are split between trading and charitable activities based on the level of hirings at each meeting house.

Governance costs includes payments to the independent examiners of £2,780 (2020 - £2,695) for independent examination fees and are allocated to charitable activities.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2020: £nil).

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Manager	1	1
Meeting House Co-ordinator	2	1
Meeting House Assistants	4	5
Catering Assistant	-	1
Cleaner	2	2
Cleaner/Lettings	-	1
Total	9	11

Employment costs

	2021 £	2020 £
Wages and salaries	103,657	117,119
Social security costs	743	5,247
Other pension costs	3,219	3,916
	107,619	126,282

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on investments

	Restricted funds 2021 £	Restricted funds 2020 £
Revaluation of investments	20,342	12,107
Gain/(loss) on sale of investments	1,362	-
Revaluation of investment properties	25,000	-
	46,704	12,107

13 Transfers

Transfers relate to the net rental income received from the Wigan Meeting House to offset the Liverpool Local Meeting House costs in accordance with the donor's wishes.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2021	4,882,066	146,864	5,028,930
At 31 December 2021	4,882,066	146,864	5,028,930
Depreciation and impairment			
At 1 January 2021	-	146,864	146,864
At 31 December 2021	-	146,864	146,864
Carrying amount			
At 31 December 2021	4,882,066	-	4,882,066
At 31 December 2020	4,882,066	-	4,882,066

Freehold land and buildings were revalued in 2011 by the trustees based on an informal estimate received at that time.

The freehold land and buildings are held by a custodian trustee, Friends Trusts Limited (company number: 188362, charity number: 237698) in accordance with Chapter 14.45 of the Quaker faith & practice.

15 Investment property

	2021 £
Fair value	
At 1 January 2021	200,000
Net gains or losses through fair value adjustments	25,000
At 31 December 2021	225,000

Investment property comprises the Wigan Friends Meeting House and the 3 flats above it. The fair value of the investment property is based on the sale price achieved after the year end.

The investment properties are held by a custodian trustee, Friends Trusts Limited (company number: 188362, charity number: 237698) in accordance with Chapter 14.45 of the Quaker faith & practice.

	2021 £	2020 £
Freehold	-	-
Long leasehold	225,000	200,000
Short leasehold	-	-

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 January 2021	138,026	2,440	140,466
Valuation changes	21,704	-	21,704
Net movement in cash	-	10,596	10,596
Disposals	(10,441)	-	(10,441)
At 31 December 2021	149,289	13,036	162,325
Carrying amount			
At 31 December 2021	149,289	13,036	162,325
At 31 December 2020	138,026	2,440	140,466

17 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	301,446	322,274
Equity instruments measured at cost less impairment	162,325	140,466
Carrying amount of financial liabilities		
Measured at amortised cost	30,726	32,795

18 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	6,928	4,475
Other debtors	1,911	3,014
Prepayments and accrued income	13,005	6,706
	21,844	14,195

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	7,229	-
Trade creditors	17,888	19,207
Other creditors	951	1,714
Accruals and deferred income	11,887	11,874
	<u>37,955</u>	<u>32,795</u>

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,219 (2020 - £3,916).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

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

	Balance at 1 January 2020	Movement in funds				Movement in funds				Balance at 31 December 2021
		Income	Expenditure	Transfers	Revaluations, gains and losses	Income	Expenditure	Transfers	Revaluations, gains and losses	
	£	£	£	£	£	£	£	£	£	
Hallet & Young Fund	327,820	13,651	(4,267)	(8,844)	12,107	340,467	(6,326)	(7,953)	46,704	387,326
Merseyside Community Rehabilitation Trust	35,364	-	-	-	-	35,364	(35,364)	-	-	-
	363,184	13,651	(4,267)	(8,844)	12,107	375,831	(41,690)	(7,953)	46,704	387,326

This fund is for charitable purposes in respect of specific costs incurred by the Liverpool Local Meeting decided upon by that meeting.

Merseyside Community Rehabilitation Trust:

The Merseyside Community Rehabilitation Trust have transferred their funds to the charity in accordance with the the governing documents as they are no longer able to administer the Trust without support from a partner organisation. A working group is currently agreeing the criteria for the disposal of the funds.

HARDSHAW AND MANN AREA QUAKER MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (QUAKERS) IN BRITAIN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	4,882,066	-	4,882,066	4,882,066	-	4,882,066
Investment properties	-	225,000	225,000	-	200,000	200,000
Investments	-	162,325	162,325	-	140,466	140,466
Current assets/(liabilities)	276,495	1	276,496	262,358	35,365	297,723
	<u>5,158,561</u>	<u>387,326</u>	<u>5,545,887</u>	<u>5,144,424</u>	<u>375,831</u>	<u>5,520,255</u>

23 Related party transactions

During the year the charity donated £nil (2020: £12,000) to the Britain Yearly Meeting of the Religious Society of Friends (Quakers), charity number: 1127633. This charity acts as an umbrella organisation for all Area Meetings.

During the year the charity received £nil (2020: £1,500) from the Isle of Man local meeting.

During 2021 and 2020 the charity occupied, on a rent free basis, Quaker meeting houses in Southport and St Helens. The Southport building, the Liverpool building and the Wigan building are owned by Friends Trust Ltd, charity number 237698 and the St Helens building is owned by Society of Friends - Hardshaw Estates Charities, charity number 223418.

In 2021 £nil (2020: £2,000) was received from Society of Friends - Hardshaw Estates Charities, charity number 223418 towards the maintenance of the St Helens property.