

CHARITY REGISTRATION NUMBER: 1134522

**Hardshaw and Mann Area Quaker Meeting of the Religious
Society of Friends (Quakers) in Britain**

Annual Report and Financial Statements

For the year ended

31 December 2023

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Annual Report and Financial Statements

Year ended 31 December 2023

	Page
Trustees' annual report	1
Independent auditor's report	7
Statement of financial activities	11
Statement of financial position	12
Notes to the annual report and financial statements	13
The following pages do not form part of the annual report and financial statements	
Detailed statement of financial activities	26

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the Annual Report and financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Charity registration number 1134522

Principal office Quakers Meeting House
22 School Lane
Liverpool
L1 3BT

The trustees

Linda Gibbs (Clerk to Trustees)
Shanthini Cawson (Treasurer)
Eric Silk
Jai Brierley
Lieselottie Van Alwon (Appointed 21 January 2024)

Auditor Xaviers Accountants Limited
Chartered Certified Accountants & statutory auditor
Suite 3J
Recycling Lives Centre
1A Essex Street
Preston
PR1 1QE

Investment advisors Rathbones
Port of Liverpool Building
Pier Head
Liverpool
L3 1BW

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 PR8 1PH
The Co-operative Bank, Delf House, Skelmersdale, WN8 6WT
TSB, Heathfield Branch, 20 Smithdown Place, Liverpool, L15 9EW
The Co-operative Bank, 1 Balloon Street, Manchester M60 4EP

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

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 accounts 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.

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)
- Lieselottie Van Alwon (Appointed January 2024)
- Shanthini Cawson
- Eric Silk
- Jai Brierley

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.

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.

Grant Making policies

Hardshaw and Mann Area Meeting make 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 governance 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

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

way we use and develop them in an important part of our witness (Quaker faith & practice 14:18). Financial advice was obtained from Rathbones Greenbank 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:** Although attendance has improved this year with the ending of COVID restrictions and we have welcomed three new members to our Area Meeting, we are still a relatively small Area Meeting and this reduces our 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 but are still struggling to find suitable volunteers. Global Crises: We are aware that continued instability in the global situation, with an increase in armed conflict, may affect our investment 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 Deputy Safeguarding Coordinator took up their role this year.
- **Fraud / financial mis-management:** Processes are in place and have been reviewed and strengthened where necessary.
- **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.

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.

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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Achievements and performance

Meeting for Worship and Quaker projects

This has been a year of consolidation with both an increase in worship attendance in person and the return of hirers to our various Meeting Houses.

Liverpool Quaker Meeting hosted two wedding ceremonies which were held in accordance with Quaker practice. There were two Friends who were accepted into Quaker membership and one who transferred their membership to our area meeting.

We also 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.

In accordance with our Quaker principal of simplicity and sustainability we also continued to work with our areas Transition Towns group and partly funded their annual Green Map gathering.

There was an Area Meeting gathering in Glenthorne residential centre in February when many Friends enjoyed a programme of fun and learning. Bursaries were available from our funds for those who needed it to be able to attend.

Two trustees attended the national Quaker Life Conference in September.

We approved a donation of £10,000 to Britain Yearly Quaker Meeting to help fund Quaker work both nationally and internationally, based on the January - December 2023 finance results.

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.

Organisational Structure of the Area Meeting

Staffing roles will continue to be reviewed as time goes on to ensure that we have an effective structure to meet our future needs. The Audit Committee was also formed in 2023 to manage the accounts audit process in accordance with audit governance regulations of appointing auditors, reviewing and approving audited accounts and recommending the approval of the audited accounts to the Trustees.

Hardshaw Estates Trust

Hardshaw Estates Trust trustees continued to work on the proposed transfer of St Helens assets to Hardshaw & Mann Area Meeting which is proving to be a protracted and complicated process due to the complex historic property issues dating back to the 17th century.

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 had bee hives for some years but this is likely to end in 2024 when the apiarist retires. Every Meeting House has been asked to use Bio friendly cleaning products as far as possible.

We are also involved with the Transition Towns movement whose aims are to help society move away from the consumption of fossil fuels and to raise awareness of the positive impacts of a low carbon lifestyle, advocating for social and economic justice.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Financial review

The total incoming resources of the charity for the year to 31 December 2023 were £357,145 (2022 - £278,198). The regular income of the charity comes largely from the letting of premises to outside groups on weekdays and Saturdays, and the donations of members and attenders. In the year to 31 December 2023 £333,159 (2022 - £254,398) was derived from lettings and other trading activities, £12,818 (2022 - £6,815) was derived from local Quakers' regular giving and collections.

As at 31 December 2023, the charity had reserves of £5,647,320 (2022: £5,565,663). Included within these reserves are £371,479 (2022: £363,251) of restricted funds (see note 22). Included within unrestricted funds are fixed assets totalling £4,882,066 (2022: £4,882,066). These funds can only be realised upon sale of these assets. Included within restricted funds are investments totalling £147,356 (2022: £139,128). These funds can only be realised upon sale of these assets. The charity had free reserves of £393,775 as at 31 December 2023 (2022: £320,001).

Reserves policy

Together with Rathbone Greenbank Investments we reviewed our investment policy to strengthen the returns after a poor period due to the fluctuation in the Global market due to the effect of the pandemic. We are satisfied that we have sufficient reserves to cover the maintenance of our meeting houses and to cover fluctuations in letting and other income which is needed to cover salaries and related employment costs for up to 12 months running 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. Other money are due to be received and designated for the use of Wigan Friends to purchase a new meeting house and Isle of Man Friends for their disposal. Trustees believe that the unrestricted free reserves of £393,775 are adequate and reasonable for the purposes set out below (Priorities).

Plans for future periods

Priorities for the future

1. Continue to review the restructuring of area meeting staff to ensure our objectives are met and ensuring it is fit for the future.
2. Continue to work with Hardshaw Estates trustees to achieve the transfer of funds and responsibilities to Hardshaw and Mann Area Meeting.
3. Transfer funds from the sale of our Wigan Meeting House into our investment account.
4. Transfer funds from our Isle of Man local meeting into our investment account.
5. To support area meeting to continue our Quaker work in accordance with our beliefs and testimonies.

Trustees' responsibilities statement

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

The law applicable to charities in England and Wales requires the charity trustees to prepare Annual Report and 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, of the charity for that period.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

In preparing these Annual Report and 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Annual Report and financial statements;
- prepare the Annual Report and financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Annual Report and financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved and signed on behalf of the board of trustees by:

Linda Gibbs (Clerk to Trustees)
Trustee

Date: 24 October 2024

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Independent Auditor's Report to the Trustees of Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Year ended 31 December 2023

Opinion

We have audited the Annual Report and 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 2023 which comprise the statement of financial activities, statement of financial position 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).

In our opinion the Annual Report and financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 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 annual report and 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 Annual Report and 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 Annual Report and financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the Annual Report and 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 ability to continue as a going concern for a period of at least twelve months from when the Annual Report and 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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Independent Auditor's Report to the Trustees of Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain *(continued)*

Year ended 31 December 2023

Other information

The other information comprises the information included in the annual report, other than the Annual Report and financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the Annual Report and 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 Annual Report and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Annual Report and 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 Annual Report and 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.

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 Annual Report and financial statements; or
- adequate accounting records have not been kept; or
- the Annual Report and 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 Annual Report and 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 Annual Report and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Report and 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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Independent Auditor's Report to the Trustees of Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain *(continued)*

Year ended 31 December 2023

Auditor's responsibilities for the audit of the annual report and financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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:

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Independent Auditor's Report to the Trustees of Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain *(continued)*

Year ended 31 December 2023

appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or noncompliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Xaviers Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, 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 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.

Xaviers Accountants Limited
Chartered Certified Accountants & statutory auditor

Suite 3J
Recycling Lives Centre
1A Essex Street
Preston
PR1 1QE

Date: 25 October 2024

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Statement of Financial Activities

Year ended 31 December 2023

			2023		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	12,818	–	12,818	6,815
Other trading activities	5	333,159	–	333,159	254,398
Investment income	6	3,561	1,382	4,943	7,024
Other income	7	6,225	–	6,225	9,961
Total income		<u>355,763</u>	<u>1,382</u>	<u>357,145</u>	<u>278,198</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	(219,053)	–	(219,053)	(162,467)
Investment management costs	9	–	(2,085)	(2,085)	(2,455)
Expenditure on charitable activities	10,11	(63,281)	–	(63,281)	(69,462)
Total expenditure		<u>(282,334)</u>	<u>(2,085)</u>	<u>(284,419)</u>	<u>(234,384)</u>
Net gains/(losses) on investments	13	–	8,931	8,931	(24,038)
Net income and net movement in funds		<u>73,429</u>	<u>8,228</u>	<u>81,657</u>	<u>19,776</u>
Reconciliation of funds					
Total funds brought forward		5,202,412	363,251	5,565,663	5,545,887
Total funds carried forward		<u>5,275,841</u>	<u>371,479</u>	<u>5,647,320</u>	<u>5,565,663</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 24 form part of these Annual Report and financial statements.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	17	4,882,066	4,882,066
Investments	18	147,356	139,128
		<u>5,029,422</u>	<u>5,021,194</u>
Current assets			
Debtors	19	64,221	48,632
Cash at bank and in hand		598,291	536,470
		<u>662,512</u>	<u>585,102</u>
Creditors: amounts falling due within one year	20	(44,614)	(40,633)
Net current assets		<u>617,898</u>	<u>544,469</u>
Total assets less current liabilities		<u>5,647,320</u>	<u>5,565,663</u>
Net assets		<u>5,647,320</u>	<u>5,565,663</u>
Funds of the charity			
Restricted funds		371,479	363,251
Unrestricted funds		5,275,841	5,202,412
Total charity funds	22	<u>5,647,320</u>	<u>5,565,663</u>

These Annual Report and financial statements were approved by the board of trustees and authorised for issue and are signed on behalf of the board by:

Linda Gibbs (Clerk to Trustees)
Trustee

Date: 24 October 2024

The notes on pages 13 to 24 form part of these Annual Report and financial statements.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Quaker Meeting House, 22 School Lane, Liverpool, L1 3BT.

2. Statement of compliance

These Annual Report and 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 charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

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

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Judgements and key sources of estimation uncertainty

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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

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.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. 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.

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.

Incoming resources

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.

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 where 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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Resources expended

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 comprise 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 meeting houses are used for Quaker activities and hirings.

Tangible 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 and any depreciation in relation to the meeting houses is considered immaterial.

The gain or loss arising on 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.

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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Investment property

Investment property, which are 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.

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 assets is estimated in order to determine the extent of the impairment loss (if any).

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 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, which include debtors and cash and bank balance, 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, including creditors and 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.

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

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Defined contribution plans

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

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.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations and gifts	12,818	12,818	6,815	6,815

5. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Meeting house hirings and car park rentals	255,567	255,567	203,952	203,952
Trading activity income: other	77,592	77,592	50,446	50,446
	<u>333,159</u>	<u>333,159</u>	<u>254,398</u>	<u>254,398</u>

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Income from investment properties	–	–	–
Income from listed investments	–	1,382	1,382
Interest receivable	3,561	–	3,561
	<u>3,561</u>	<u>1,382</u>	<u>4,943</u>

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

6. Investment income *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Income from investment properties	–	5,930	5,930
Income from listed investments	–	1,006	1,006
Interest receivable	88	–	88
	<u>88</u>	<u>6,936</u>	<u>7,024</u>

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	6,225	6,225	9,653	9,653
Coronavirus JRS grant	–	–	308	308
	<u>6,225</u>	<u>6,225</u>	<u>9,961</u>	<u>9,961</u>

8. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of other trading activities	<u>219,053</u>	<u>219,053</u>	<u>162,467</u>	<u>162,467</u>

Support costs are split between costs of trading activities £219,053 (2022: £162,467) and cost of charitable activities - support costs (Note 12) - £56,900 (2022: £41,192) based on the level of hirings at each meeting house.

9. Investment management costs

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
Portfolio management	<u>2,085</u>	<u>2,085</u>	<u>2,455</u>	<u>2,455</u>

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Children & young people	–	–	122	122
Courses and Conferences	–	–	9,001	9,001
Library	–	–	142	142
Outreach, publicity, newsletter	1,292	1,292	1,441	1,441
Travel	195	195	409	409
Donations to Britain Yearly Meeting (BYM)	2,165	2,165	13,500	13,500
Donations to non Quaker bodies	196	196	600	600
Sundries	2,533	2,533	3,055	3,055
Support costs	56,900	56,900	41,192	41,192
	<u>63,281</u>	<u>63,281</u>	<u>69,462</u>	<u>69,462</u>

11. Expenditure on charitable activities by activity type

	Religious activities	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Children & young people	–	–	–	122
Courses and Conferences	–	–	–	9,001
Library	–	–	–	142
Outreach, publicity, newsletter	1,292	–	1,292	1,441
Travel	195	–	195	409
Donations to Britain Yearly Meeting (BYM)	2,165	–	2,165	13,500
Donations to non Quaker bodies	196	–	196	600
Sundries	2,533	–	2,533	3,055
Support Costs	–	42,922	42,922	28,139
Governance costs	–	13,978	13,978	13,053
	<u>6,381</u>	<u>56,900</u>	<u>63,281</u>	<u>69,462</u>

12. Analysis of support costs

	Analysis of support costs	Total 2023	Total 2022
	£	£	£
Staff costs	19,008	19,008	17,171
Premises	15,085	15,085	9,043
Communications and IT	276	276	238
General office	8,555	8,555	1,687
Governance costs	13,976	13,976	13,053
	<u>56,900</u>	<u>56,900</u>	<u>41,192</u>

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

13. Net gains/(losses) on investments

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
Gains/(losses) on investment property	–	–	(422)	(422)
Gains/(losses) on listed investments	8,931	8,931	(23,616)	(23,616)
	<u>8,931</u>	<u>8,931</u>	<u>(24,038)</u>	<u>(24,038)</u>

14. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the annual report and financial statements	<u>3,500</u>	<u>3,500</u>
Fees payable to the charity's auditor for other services: Other non-audit services	<u>2,000</u>	<u>4,373</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	146,797	125,159
Social security costs	5,329	3,019
Employer contributions to pension plans	3,087	2,139
Other employee benefits	500	–
	<u>155,713</u>	<u>130,317</u>

The average head count of employees during the year was 11 (2022: 9).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

16. Trustee remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022: £nil).

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

17. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023 and 31 December 2023	<u>4,882,066</u>	<u>146,864</u>	<u>5,028,930</u>
Depreciation			
At 1 January 2023 and 31 December 2023	<u>–</u>	<u>146,864</u>	<u>146,864</u>
Carrying amount			
At 31 December 2023	<u>4,882,066</u>	<u>–</u>	<u>4,882,066</u>
At 31 December 2022	<u>4,882,066</u>	<u>–</u>	<u>4,882,066</u>

The freehold properties carried in the accounts consist of Meeting Houses and Burial Grounds and the title deeds are held in the name of Friends Trusts Limited. Historical costs were not known, and the cost values were based on reinstatement values for insurance purposes, which were considered to represent deemed cost on transition to FRS102 at 1 January 2014.

The value of these buildings are not depreciated as the trustees are of the opinion that these values are maintained by day-to-day maintenance costs incurred and any depreciation is immaterial.

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.

18. Investments

	Cash or cash equivalents £	Listed investments £	Total £
Cost or valuation			
At 1 January 2023	14,188	124,940	139,128
Additions	–	2,182	2,182
Fair value movements	(2,884)	8,930	6,046
At 31 December 2023	<u>11,304</u>	<u>136,052</u>	<u>147,356</u>
Impairment			
At 1 January 2023 and 31 December 2023			<u>–</u>
Carrying amount			
At 31 December 2023	<u>11,304</u>	<u>136,052</u>	<u>147,356</u>
At 31 December 2022	<u>14,188</u>	<u>124,940</u>	<u>139,128</u>

All investments shown above are held at valuation.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

18. Investments *(continued)*

Financial assets held at fair value

Historical cost of the Listed investments included above was £83,383 (2022: £81,201).

19. Debtors

	2023	2022
	£	£
Trade debtors	54,765	42,330
Prepayments and accrued income	5,221	4,391
Other debtors	4,235	1,911
	<u>64,221</u>	<u>48,632</u>

20. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	18,745	20,549
Accruals and deferred income	23,596	13,439
Social security and other taxes	—	4,465
Other creditors	2,273	2,180
	<u>44,614</u>	<u>40,633</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,087 (2022: £2,138).

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.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

22. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2023 £
General funds	<u>5,202,412</u>	<u>355,763</u>	<u>(282,334)</u>	<u>—</u>	<u>—</u>	<u>5,275,841</u>

	At 1 Jan 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2022 £
General funds	<u>5,158,561</u>	<u>271,262</u>	<u>(231,929)</u>	<u>4,518</u>	<u>—</u>	<u>5,202,412</u>

Restricted funds

	At 1 Jan 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2023 £
Restricted Fund 1 Hallet & Young Fund	<u>363,251</u>	<u>1,382</u>	<u>(2,085)</u>	<u>—</u>	<u>8,931</u>	<u>371,479</u>

	At 1 Jan 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2022 £
Restricted Fund 1 Hallet & Young Fund	<u>387,326</u>	<u>6,936</u>	<u>(2,455)</u>	<u>(4,518)</u>	<u>(24,038)</u>	<u>363,251</u>

Hallet & Young Fund

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

Transfers from Restricted funds to Unrestricted funds £Nil (2022: £4,518) 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 Annual Report and Financial Statements *(continued)*

Year ended 31 December 2023

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	4,882,066	–	4,882,066
Investments	–	147,356	147,356
Current assets	438,389	224,123	662,512
Creditors less than 1 year	(44,614)	–	(44,614)
Net assets	5,275,841	371,479	5,647,320

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	4,882,066	–	4,882,066
Investments	345	138,783	139,128
Current assets	360,634	224,468	585,102
Creditors less than 1 year	(40,633)	–	(40,633)
Net assets	5,202,412	363,251	5,565,663

24. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023 £	2022 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	657,291	580,711
Financial assets that are equity instruments measured at cost less impairment		
Financial assets that are equity instruments measured at cost less impairment	147,536	139,128
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	44,614	36,168

25. Related parties

During the year the charity donated £2,165 (2022:£13,500) 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 2023 and 2022 the charity occupied, on a rent free basis, Quaker meeting houses in Southport and St Helens. The Southport building and the Liverpool building are owned by Friends Trusts Limited, charity number 237698 and the St Helens building is owned by Society of Friends - Hardshaw Estates Charities, charity number 223418.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Management Information

Year ended 31 December 2023

The following pages do not form part of the annual report and financial statements.

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Detailed Statement of Financial Activities

Year ended 31 December 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations and gifts	12,818	6,815
Other trading activities		
Meeting house hirings and car park rentals	255,567	203,952
Trading activity income: other	77,592	50,446
	333,159	254,398
Investment income		
Income from investment properties	–	5,930
Income from listed investments	1,382	1,006
Interest receivable	3,561	88
	4,943	7,024
Other income		
Other income	6,225	9,653
Coronavirus JRS grant	–	308
	6,225	9,961
Total income	357,145	278,198

Hardshaw and Mann Area Quaker Meeting of the Religious Society of Friends (Quakers) in Britain

Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2023

	2023 £	2022 £
Expenditure		
Costs of other trading activities		
Wages and salaries	(129,131)	(108,668)
Employer's NIC	(4,796)	(2,621)
Pension costs	(2,778)	(1,857)
Light and heat	(23,046)	(20,074)
Repairs and maintenance	(14,977)	(14,808)
Insurance	(6,080)	(5,661)
Other establishment	–	(2,561)
Legal and professional fees	(545)	(1,392)
Telephone	(2,481)	(2,138)
Other office costs	(35,219)	(2,687)
	<u>(219,053)</u>	<u>(162,467)</u>
Investment management costs		
Portfolio management	<u>(2,085)</u>	<u>(2,455)</u>
Expenditure on charitable activities		
Wages and salaries	(17,666)	(16,491)
Employer's NIC	(533)	(398)
Pension costs	(309)	(282)
Other post-retirement benefits	(500)	–
Rent	(711)	–
Light and heat	(8,858)	(4,759)
Repairs and maintenance	(4,343)	(2,358)
Insurance	(1,171)	(1,309)
Other establishment	–	(617)
Legal and professional fees	(14,039)	(13,208)
Telephone	(276)	(238)
Direct charitable expenses and other office costs	<u>(14,875)</u>	<u>(29,802)</u>
	<u>(63,281)</u>	<u>(69,462)</u>
Total expenditure	<u><u>(284,419)</u></u>	<u><u>(234,384)</u></u>
Net gains/(losses) on investments		
Gains/(losses) on investment property	–	(422)
Gains/(losses) on listed investments	<u>8,931</u>	<u>(23,616)</u>
	<u>8,931</u>	<u>(24,038)</u>
Net income	<u><u>81,657</u></u>	<u><u>19,776</u></u>