

**Hampshire & Islands
Area Quaker Meeting**

**Annual Report and Financial Statements
for the year ended
31 December 2020**

Hampshire and Islands Area Quaker Meeting for the year ending 31st December 2020

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Hampshire and Islands Area Quaker Meeting for the year ending 31st December 2020
Reference and administration details

Registered Address

Hampshire and Islands Area Quaker Meeting
c/o Friends Meeting House, 1a Ordnance Road, Southampton SO15 2AZ

Constituent Meetings

The Area Meeting comprises eleven constituent meetings in:
Alderney, Alton, Andover, Basingstoke, Guernsey, Hythe, Jersey, Isle of Wight, Portsmouth, Southampton and Winchester. Hythe is included with Southampton for accounting purposes.

The following meetings also maintain meeting houses:
Alton, Basingstoke, Guernsey, Jersey, Portsmouth, Southampton and Winchester. Addresses are given in Note 10. There are also burial grounds in Alton and Southampton.

Officers of the Area Meeting

Clerk: David Lewis (Portsmouth)
Treasurer: Nicola Jane Bennett (Winchester)
Clerk to General Committee of Charity Trustees: Stuart Donnan (Southampton)

Members of the General Committee of Charity Trustees serving during 2020 and up to the date of this report

Nicola Jane Bennett (Winchester) ex-officio as Area Meeting Treasurer up to 31 December 2020, then in a personal capacity
Catherine Brown (Southampton) up to 31 December 2020
sara coote (Portsmouth)
Marilyn Cox (Hythe)
Bruce Deane (Jersey) up to 11 September 2021
Stuart Donnan (Southampton) Clerk
David Lewis (Portsmouth) ex officio as Area Meeting Clerk up to 30 April 2021
Patricia Roscoe (Southampton) ex officio as Area Meeting Safeguarding Officer
Diana Vennis (Southampton) up to 16 May 2020

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent ME9 4TA

Investment Advisers

Ethical Investors Group, Montpellier House, 47 Rodney Road, Cheltenham GL50 1HX

Holding Trustee

Friends Trusts Limited, Friends House, 173 Euston Road, London NW1 2BJ (Registered Charity 237698)

Examiner

Kennedy Legg, Stafford House, 10 Prince of Wales Rd, Dorchester DT1 1PW

Hampshire and Islands Area Quaker Meeting for the year ending 31st December 2020

Trustees' Report

Structure, governance and management

The affairs of the Area Meeting are governed by "Quaker Faith and Practice", the Book of Discipline of Britain Yearly Meeting (BYM). The Area Meeting was entered in the Register of Charities as a Charitable Incorporated Organisation - Association, registered number 1186058 on 30 October 2019. The Members of the Area Meeting are all those persons whose names are for the time being recorded in its official register.

The Area Meeting is a CIO which is governed by its constitution adopted on 14 September 2019.

The General Committee of charity trustees are appointed by the Area Meeting, normally for three years, after which they may be re-appointed for two further terms. New members of the General Committee are offered training at Woodbrooke, the Quaker Study Centre in Birmingham. Local Meetings conduct their own business meetings and manage their own affairs.

The Area Meeting also nominated one member and one alternate to serve on Meeting for Sufferings, the executive body of the national Yearly Meeting of the Religious Society of Friends.

Objectives and activities

The object of the 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 Hampshire and Islands Meeting and beyond. The principal activity is the holding of meetings for worship in the constituent local Meetings. The Area Meeting meets the public benefit test of the Charity Commission by providing facilities to support its activities, including the provision of places of worship that are open to the public. The General Committee of charity trustees confirm that they have complied with the requirements of Section 4 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission for England & Wales

The Area Meeting which meets regularly during the year is the primary meeting for church affairs in Hampshire and Islands. Its role is to develop and maintain a community of Friends, a family of local meetings in which Friends gather for worship and spiritual enrichment. It provides a balance between worship, mutual support, administration, learning, deliberation and social life and builds up the spiritual life of its members.

The Area Meeting acts as a facilitator and co-ordinator, ensuring that the constituent local meetings have access to opportunities for fellowship, spiritual development, and spiritual and pastoral care, including the care of children and young people. It also provides mutual support through the shared testing of concerns.

In order to provide the required support to local meetings, the Area Meeting arranges for:

- Regular Meetings for Elders, Overseers, Clerks and Treasurers
- A weekend residential gathering every 3 years
- Representatives to attend Yearly Meeting, Meeting for Sufferings, QPSW conference and the Quaker Life Representative Council of BYM
- Support for attendance at the General Meetings at two of the Quaker Schools in England
- Training courses and conferences for those undertaking responsibilities in their meetings
- Support for outreach activities
- Assistance with the maintenance of property owned by the Area Meeting
- The Area Meeting is also jointly responsible with Bournemouth Coastal Area Quaker Meeting for the Hampshire, South East Dorset and Islands Quaker Gathering which meets twice each year.

The Report of the General Committee of charity trustees for 2020

These are the first accounts and annual report submitted to the Charity Commission for Hampshire and Islands Area Quaker Meeting, an associated Charitable Incorporated Organisation registered number 1186058 on 30 October 2019. All assets of the unincorporated charity 1134213 were vested in the CIO from 31 December 2019. The unincorporated charity 1134213 was dissolved by a resolution of Area Meeting in session on 8 May 2021 in accordance with its governing document, following submission of the 2019 accounts for unincorporated charity.

The CIO appointed a General Committee to act as charity trustees of Hampshire and Islands Area Quaker Meeting in accordance with its constitution which established the Area Meeting as a legal entity which role no longer falls on the charity trustees.

The role of the General Committee falls into two parts. First, as charity trustees the members of the General Committee act as representatives of the charity in all communications with the Charity Commission, and as an intermediary between the Area Meeting and the Charity Commission. Second, the General Committee is appointed by Area Meeting to act, as directed, on its behalf in matters relating to finance and to property, and to matters of human resources. Such activities play an important part in supporting and maintaining the spiritual and social activities of Area Meeting and its constituent local meetings.

The approach acknowledges how in practice most local meetings take day-to-day responsibility for their finances and premises, as well as the spiritual and social aspects of their meetings. Local meetings will be assisted in this by the guidance contained in *Quaker Faith & Practice*, Area Meeting policy documents, and Memorandum of Understanding documents, as well as advice from Britain Yearly Meeting and others. The different groups within Area Meeting General Committee will work with local meetings as requested, especially but not solely those with meeting houses. Local meetings will be encouraged to use paid assistance for administration and other more specialist matters if necessary. In order to maintain simpler structures, both local meetings and Area Meeting would be encouraged to use short-term working groups to address specific issues. For all these local and area responsibilities, Area Meeting would ensure that funds are available to support training which may be relevant to short-term working groups as much as more established committees.

The General Committee met eight times during 2020; all except the first meeting in January were held by videoconferencing because of the Covid-19 lockdown.

Notable matters considered included risk assessments related to the opening of meeting houses for meetings for worship and for hiring, as the Covid lockdown was introduced and then was eased for a time. Local meetings shared their experiences. Most meetings managed to maintain contact with members and attenders using videoconferencing, with some meetings managing to develop 'blended' videoconferencing with some participants at home and some in the meeting place.

Safeguarding was also considered at length, in relation to vulnerable adults as well as to children. Lengthy discussions were held concerning the relevance and importance of DBS checks. These and other relevant matters were brought to the full Area Meeting sessions for discussion and decision by members.

Area Meeting met in February 2020 face to face, and then five further times up to December 2020 by videoconferencing. Notable matters of discussion and decision included the following.

Should Area Meeting use court procedures to recover rent arrears? General Committee asked whether our historic reluctance to ‘contend at law’ should be extended to the use of courts to reclaim arrears of rent. It was agreed that our normal practice would be to maintain good relationships and communication between landlords and tenants to avoid serious disagreement. After discernment members came to understand that having the option of using the courts should be retained for use in exceptional circumstances.

Opening our Meeting Houses for Worship: Area Meeting and local meetings shared information and regular reviews of risk. All meetings were encouraged keep members and attenders fully informed about the current local situations, and to update their webpages with information about their intentions.

McBain fund – change to those eligible for support: With the agreement of the Charity Commission the purpose of the McBain legacy fund was broadened to relieve regular attenders as well as members of the Society of Friends who are in conditions of need, hardship or distress. Area Meeting agreed that for both members and regular attenders a covering letter will be requested from their local meeting to confirm their relationship with the meeting.

Sustainability in Area Meeting: The Quaker Stewardship Committee of Britain Yearly Meeting have asked each Area Meeting to include a section on Sustainability in the yearly report to the Charity Commission. We have been rather slow but at the November meeting a small group were set up who have produced a lengthy report in mid-2021. This and subsequent action will be reported on next year.

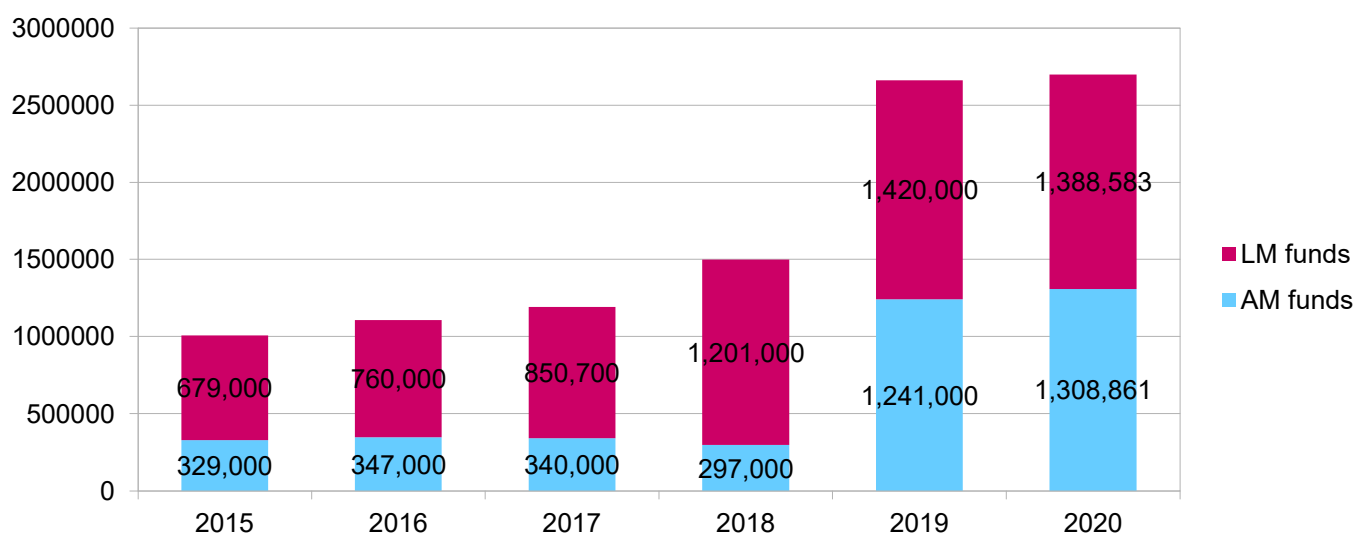
Financial review

The Statement of Financial Activities of the Area Meeting includes the funds of our eleven Local Meetings, the McBain Trust and the Hewland Fund.

The funds held by the Area Meeting at 31 December 2020 amounted to £2,697,444. The increase is mostly due to a gain in value for our investments. For 2020 the expenditure was down on the previous year, which was influenced by the COVID-19 restrictions on meeting and travel. The total income was also less than the previous year for the same reason, which limited our hiring income. The total value of investments has gone up. Further details are shown within the accounts and the notes attached to the accounts.

Local meeting (LM) restricted funds (legacies and trusts) are shown separately to Area Meeting (AM) restricted funds, but the funds investments may be managed by AM. There are various LM legacies and funds which are designated for the use of the Local Meeting. Local Meeting general funds are shown as unrestricted, but are designated funds of the Area Meeting. More information about local funds can be obtained from the Treasurers of local meetings.

The amount of local funds and the funds administered by the Area Meeting as at 31 December in recent years are indicated in the chart below.



The split between funds at 31 December 2020 is shown in the table below.

Type of fund	Amount £000
Restricted, AM	200
Restricted, LM	28
Unrestricted, AM	1081
Designated LM	873
Unrestricted LM	515
TOTAL	2697

Most of the income required by the Area Meeting for general purposes is contributed by local meetings. This is based on the number of members in each Meeting. At 31 December 2019 the membership of the Area Meeting comprised 278 (295 in 2019) members, 179 (189) attenders and 34 (39) children associated with meetings.

As our membership ages and declines we will receive less income from local meetings, but when the pandemic passes we should continue to receive good income from room hirings and properties let to tenants. The financial position at year end is satisfactory and the charity is a going concern. However the Trustees should continue to monitor income and expenditure, and report to Area Meeting if changes need to be considered in the management of our finances.

Risk and reserves

The Finance Committee has continued to monitor the risks and reserves. The main risk to the Area Meeting is that the membership declines to an extent that the members are unable to make a substantial contribution to the costs, especially the costs of maintaining property. While the aim is that opportunities for lettings are fully exploited there remains the possibility that property could be sold within the restrictions set out in the Charity Commission Scheme of 4 April 2018. In addition to the reserves held within the Area Meeting (and its constituent Local Quaker Meetings) there are substantial amounts invested or deposited from legacies left to the Area Meeting over many years. Area Meeting and its constituent meetings are continuing to consider and plan how these funds in excess of formal reserves can be used in an appropriate manner according to the criteria of the charity.

Investments

The policy on investments continues under review. The aim is to make funds available when required by considering the income and expenditure of the Area Meeting. Some funds are consequently invested with a view to capital growth and income generation with a minimum of risk. Our investments are reviewed periodically with the assistance of our Investment Advisers and allowing for ethical considerations.

Note concerning the implications for subsequent years of the changes in activity caused by Covid-19 during 2020

There is a risk of losing the £20,000 deposit lodged with the Quay Arts Centre in the Isle of Wight if that organisation closes permanently due to the pandemic, although it has been able to reopen in 2021. Our own hirings have been able to restart in a limited system, and we have been able to find tenants for most of our properties. Our substantial reserves and other investments, enable trustees to be confident that the financial position of Area Meeting will not be threatened in the near future. However, trustees will keep the issue under regular review.

DECLARATION

Responsibility Statement of the General Committee of charity trustees

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the 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.

Signed on behalf of the charity's trustees

Nicola Jane Bennett, Treasurer

Stuart Donnan, Clerk of the General Committee of charity trustees

Independent Examiners Report to the Trustees of Hampshire & Islands Area Quaker Meeting

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2020, which are set out on pages 10 - 21.

Respective Responsibilities of Trustees and Examiner

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

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

Independent Examiner's Statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

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

Mr P S Wellspring FCCA

Kennedy Legg
Stafford House,
10 Prince of Wales Road
Dorchester
DT1 1PW

Date: 05 November 2021

Hampshire & Islands Area Quaker Meeting

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the year ended 31st December 2020

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:					
Donations and legacies	3	128,753	5,000	133,753	380,701
Income from rents at Winchester Meeting, which is run as a housing project		35,086	-	35,086	30,883
Other trading activities	4	27,323	-	27,323	53,375
Income from Investments	5	45,948	1,613	47,561	49,184
Total income and endowments		<u>237,110</u>	<u>6,613</u>	<u>243,723</u>	<u>514,143</u>
Expenditure on:					
Raising funds	6	65,053	4,024	69,077	90,528
Charitable activities	7	201,465	11,081	212,546	232,773
Other expenditure	8	-	-	-	308
Total expenditure		<u>266,518</u>	<u>15,105</u>	<u>281,623</u>	<u>323,609</u>
Net income before investment movements		(29,408)	(8,492)	(37,900)	190,534
Gains/(losses) on investments in the year	11	66,835	7,092	73,927	972,741
Net income/(expenditure) before transfers		<u>37,427</u>	<u>(1,400)</u>	<u>36,027</u>	<u>1,163,275</u>
Transfer between funds	18	-	-	-	-
Net movement in funds		<u>37,427</u>	<u>(1,400)</u>	<u>36,027</u>	<u>1,163,275</u>
Reconciliation of funds:					
Total funds brought forward		2,431,595	229,822	2,661,417	1,498,142
Total funds carried forward	18	<u>2,469,022</u>	<u>228,422</u>	<u>2,697,444</u>	<u>2,661,417</u>

All of the Charity's activities derive from continuing operations during the above period.

**Hampshire & Islands
Area Quaker Meeting
(Registration number: 1186058)
Balance Sheet
As at 31 December 2020**

		<u>2020</u>	<u>2019</u>
	Note	£	£
Fixed Assets			
Heritage assets	10	-	-
Investments	11	1,710,388	1,685,057
		<u>1,710,388</u>	<u>1,685,057</u>
Current Assets			
Debtors	12	27,441	32,269
Cash at bank and in hand		963,531	947,868
		<u>990,972</u>	<u>980,137</u>
Current liabilities			
Amounts falling due within one year	13	<u>(3,916)</u>	<u>(3,776)</u>
Net current assets		987,056	976,361
Total assets less current liabilities		<u><u>2,697,444</u></u>	<u><u>2,661,418</u></u>
Represented by:			
Funds:			
Restricted funds	18	228,422	229,822
Unrestricted funds, including Designated funds	18	2,469,022	2,431,596
Total funds		<u><u>2,697,444</u></u>	<u><u>2,661,418</u></u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 14 to 21 form part of these accounts

The accounts were approved by the board of trustees on Signed on their behalf by:

.....
Stuart Donnan
Trustee

Hampshire & Islands Area Quaker Meeting

Cash Flow Statement for the year ended 31st December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash generated from operations	1	<u>(80,492)</u>	<u>505,545</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		47,561	49,184
Proceeds from the sale of investments		1,100	6,098
Purchase of investments			(125,000)
Transfer from investments to bank		<u>47,495</u>	
Net cash provided by (used in) investing activities		<u>96,156</u>	<u>(69,718)</u>
Change in cash and cash equivalents in the reporting period		15,664	435,827
Cash and cash equivalents at the beginning of the reporting period		947,867	512,040
Cash and cash equivalents at the end of the reporting period		<u>963,531</u>	<u>947,867</u>

Hampshire & Islands Area Quaker Meeting

Notes to the Cash Flow Statements For the year ended 31st December 2020

	2020 £	2019 £
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities).	36,028	1,163,275
Adjustments for :		
(Gains)/losses on investments	(73,927)	(972,741)
Dividends, interest and rents from investments	(47,561)	(49,184)
(Increase)/decrease in debtors	4,828	366,525
Increase/(decrease) in creditors	140	(2,330)
Net cash provided by (used in) operating activities	<u><u>(80,492)</u></u>	<u><u>505,545</u></u>

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

1 Accounting policies

General information and basis of accounting

- In the event of the winding up of the CIO, the members will not have any liability to contribute to its assets and nor any personal responsibility for settling its debts and liabilities
- The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.
- The financial statements incorporate the affairs of Hampshire & Islands Area Quaker Meeting and the 11 Local Meetings, being:
 - Alderney
 - Alton
 - Andover
 - Basingstoke
 - Guernsey
 - Hythe
 - Isle of Wight
 - Jersey
 - Portsmouth
 - Southampton
 - Winchester

Transfers between the Local Meetings and the Area Meeting are however eliminated from income and expenditure. The financial statements also exclude those donations received by the Area Meeting and Local Meetings, which are paid over to various charities at the donors request - see note 14.

- The financial statements have been prepared under the historic cost convention, as modified by the revaluation of certain fixed assets. They have been prepared in accordance with 'Accounting and Reporting by Charities (SORP)' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective from 1 January 2015 - Charities SORP (FRS 102) (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.
- The charity constitutes a public benefit entity as defined by FRS102.
- Since the balance sheet date, the world has been struck by the COVID-19 pandemic. The UK government instigated lockdown procedures which has resulted in many of the members self isolating. However, the Trustees consider there are sufficient reserves for the Meeting to continue and consider there are no material uncertainties about the Charity's ability to continue as a going concern.

Income recognition

- All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.
- Donations and gifts are included in full in the Statement of Financial Activities when receivable.
- Legacy gifts are recognised on a case by case basis following grant of probate and when the Charity has been notified of the amount and settlement date.
- Investment income is recognised on a receivable basis and is shown gross of income tax recovered and recoverable. Other income is accounted for on the basis of amounts receivable for the year.
- In accordance with the Charities SORP (FRS 102), unpaid general volunteer time is not recognised in the financial statements.

Expenditure

- All expenditure is recognised as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that
- Expenditure is accounted for on the accruals basis, inclusive of irrecoverable VAT.

Raising funds - These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

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

Tangible fixed assets

The charity owns a number of functional properties comprising Meeting Houses, wardens' accommodation and their contents, and other buildings used by the charity including burial grounds. These properties are held in perpetuity for Meetings for Worship or other charitable activities, and contribute to the furtherance of Hampshire and Islands Area Quaker Meeting's charitable objectives and are considered to be heritage assets under FRS 102.

Meeting Houses and other buildings

There is £nil cost and £nil accumulated depreciation recognised for these heritage assets, as allowable under Section 18 of FRS 102. Whilst it is believed that the market value, both at the time of acquisition and at the balance sheet date, was significantly in excess of £nil deemed cost and net book value, it is not possible to obtain a reliable estimate of the market value at either date. Conventional valuation techniques are not appropriate for the unique and historical nature of the assets.

Contents of Meeting Houses

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

Burial Grounds

In view of the costs and difficulties in the disinterment and removal of human remains, the market value of such sites is minimal. For valuation purposes they are therefore assessed at £nil value.

Investments

- Fixed asset investments are included at market value at the balance sheet date.
- In accordance with standard valuation practice, investment properties have been valued on the basis of a capitalised rental stream applying a 5% yield. Since most of these properties are tenanted, they could not be sold with vacant possession and so an investment approach is considered more appropriate.
- Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the period of disposal.
- Unrealised gains and losses represent the movement in market value during the year and are credited or charged to the statement of financial activities based on the market value at the end of the year.

Debtors

Debtors are recognised at the settlement amount after any trade discounts offered and any appropriate allowance for irrecoverable amounts. Prepayments are valued at the amount paid in advance for goods and services provided to the charity.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Creditors are stated at the original invoiced amounts.

Income from financial instruments

- Interest is accrued and credited to the profit and loss account in the period to which it relates.
- Dividend income from investments is recognised when the shareholders right to receive income payment has been established.

Fund accounting policy

- Unrestricted income funds are general funds that are available for use at the Trustee's discretion in the furtherance of the objectives of the charity.

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

- Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.
- Restricted funds are those donated for the use in a particular area or for specific purposes, the use of which is restricted to the that area or purpose.
- Endowment funds are funds set aside for specific purposes for which the capital can not be expended. The income from such funds is allocated to particular funds.
- Further details of each fund are disclosed in note 19

2 Taxation

- The charity is exempt from taxation on its income where that is applied for charitable purposes.
- The charity is not registered for VAT and is therefore unable to recover VAT on any expenditure it incurs.

3 Donations and legacies

	Unrestricted funds	Restricted funds	2020 £	2019 £
Donations (Inc. gift aid)	92,287	-	92,287	124,152
Legacies & gifts	36,466	5,000	41,466	256,549
	<u>128,753</u>	<u>5,000</u>	<u>133,753</u>	<u>380,701</u>

4 Other trading activities

Meeting house hiring's	19,286	-	19,286	48,698
Other income (Inc. Residential Weekends)	8,037	-	8,037	4,677
	<u>27,323</u>	<u>-</u>	<u>27,323</u>	<u>53,375</u>

5 Income from Investments

Interest and dividends received	5,503	1,613	7,116	13,254
Rents from Investment Properties	40,445	-	40,445	35,930
	<u>45,948</u>	<u>1,613</u>	<u>47,561</u>	<u>49,184</u>

6 Raising funds

Maintenance to investment properties	4,088	-	4,088	8,329
Support costs (see 7a)	57,057	4,024	61,081	61,555
Letting agents fees	1,337	-	1,337	14,225
Investment management costs	2,571	-	2,571	6,419
	<u>65,053</u>	<u>4,024</u>	<u>69,077</u>	<u>90,528</u>

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

7 Charitable activities Quaker Activities	Unrestricted funds	Restricted funds	2020 £	2019 £
BYM Contribution	52,806	-	52,806	59,607
Other Donations - Quaker charities	19,488	-	19,488	17,976
Grants to individuals	162	5,045	5,207	4,017
Other Donations - non-Quaker charities	35,307	-	35,307	33,135
Training and conferences	1,699	-	1,699	7,241
Meeting attendances	736	-	736	5,810
Printing, Postage & Stationery	1,312	-	1,312	239
Outreach	2,991	-	2,991	3,848
Administration	-	-	-	1,273
Meeting support costs (Inc. Residential Weekend)	1,379	-	1,379	7,294
Meeting support costs (see 7a)	85,585	6,036	91,621	92,333
	<u>201,465</u>	<u>11,081</u>	<u>212,546</u>	<u>232,773</u>

7 (a) Support costs

The following support costs and Governance costs are allocated between Raising funds (40%) and Quaker activities (60%) basis.

Meeting house and governance costs	Unrestricted funds	Restricted funds	2020 £	2019 £
Insurance	7,883		7,883	7,427
Repairs & Maintenance costs	78,748	10,000	88,748	76,978
Utilities	20,818		20,818	23,288
Wages (Including pension contributions)	24,314		24,314	30,074
Other support costs			-	4,007
Governance costs				
Independent examiners costs	2,490		2,490	7,644
Bookkeeping fees	6,506		6,506	3,925
Administration costs	1,883	60	1,943	375
Trustees expenses			-	171
	<u>142,642</u>	<u>10,060</u>	<u>152,702</u>	<u>153,889</u>
Raising funds - 40% (note 6)	57,057	4,024	<u>£61,081</u>	<u>£61,555</u>
Quaker activity - 60% (note 7)	85,585	6,036	<u>£91,621</u>	<u>£92,333</u>

8 Other expenditure

Bank charges	-	-	-	308
	<u>-</u>	<u>-</u>	<u>-</u>	<u>308</u>

9 Staff costs

No employee received emoluments at a rate in excess of £60,000 during the year (2019 - Nil).

The average number of employees for the year was 4 (2019 - 4) being part time staff.

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

10 Heritage assets

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

The charity is the beneficial owner of the following heritage asset properties:	Build Year	Insurance valuations Buildings	Contents
Meeting House and Burial Ground, 39 Church Street, Alton, Hants GU34 2DA.	1672	1,082,276	51,459
Meeting House, 14 Fairfield's Road, Basingstoke, Hants RG21 3DR	c1900	419,221	20,572
Meeting House, Clifton, St. Peter Port, Guernsey GY1 2PH	1811	523,949	12,743
Meeting House, 71 Colomberie, St. Helier, Jersey JE2 4QA	1872	774,015	23,815
Meeting House, 25 Northwood Road, Portsmouth PO2 9QT	1931	640,531	38,392
Meeting House, 1a Ordnance Road, Southampton SO15 2AZ	1884	768,571	41,265
Burial Ground, Brighton Road, The Avenue, Southampton SO15 2JL	1662	55,898	1,478
Meeting House, 16 Colebrook Street, Winchester, Hants SO23 9LH	1773	1,576,978	76,801
Total insured Value (excluding investment properties)		<u>5,841,439</u>	<u>266,525</u>

There is also a contents value of £13,716 for the furniture and equipment held by the Isle of Wight Local Meeting at The Rope Store, Quay Arts Centre, Sea Street, Newport, Isle of Wight PO30 5BD.

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

11 Investments	Other	Investment property	Unlisted Investment	Listed Investments	2020 £	2019 £
Balance brought forward	10,000	985,400	48,595	641,062	1,685,057	593,414
Recognised in the year	-	-	-	-	-	985,400
Transfer between asset classes	(10,000)		10,000		-	-
Net income reinvested	-	-	-	-	-	-
Transferred to current assets	-	-	(47,495)	-	(47,495)	(6,098)
Disposal of investment			(1,100)		(1,100)	
Unrealised gains/(losses) at the year end.	-	-		73,926	73,926	112,341
Balance carried forward	<u>-</u>	<u>985,400</u>	<u>10,000</u>	<u>714,988</u>	<u>1,710,388</u>	<u>1,685,057</u>

The listed investments are held in a diversified portfolio of unit trusts, as agreed with our advisors, Ethical Investors Group.

The unlisted investments are managed by Local Meeting Treasurers

All investments are held within the UK

The Trustees have reviewed their property portfolio. It was decided that the rents of the six income producing properties held by the Area Meeting would not increase in 2020. The properties are: Flat and Studio Flat, Alton MH; Flat, Basingstoke MH; Flat and Cottage, Portsmouth MH; and Cottage, Southampton MH. The investment value of these properties remains the same as in 2019 - £860,400. A one seventh share in a property (La Chasse), which cannot be realized at present, bequeathed to Jersey LM, has a current estimated value of £125,000 and this amount has been added to the value of Investment property.

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

12 Debtors - due within one year	Unrestricted	Restricted	2020 £	2019 £
Debtors	7,441	-	7,441	12,269
Other debtors - deposit on hall	-	20,000	20,000	20,000
	<u>7,441</u>	<u>20,000</u>	<u>27,441</u>	<u>32,269</u>

13 Creditors	2020 £	2019 £
Creditors	2,425	539
PAYE	-	-
Accruals	-	-
Acting as Agents - See note 14	1,491	3,237
	<u>3,916</u>	<u>3,776</u>

14 Acting as Agents	2020 £	2019 £
Creditor b/f	3,237	2,813
Received during the year	3,209	5,223
Expended during the year	(4,955)	(4,799)
Creditor c/f - see note 13	<u>1,491</u>	<u>3,237</u>

15 Related parties

Controlling entity

No Trustee, or any persons connected with them, have received any remuneration from the charity during the year. (2019 Nil).

Expenses were paid to one trustee during the year amounted to £0 (2019 - £178) in respect of travelling costs etc.

16 Reconciliation of movement in funds	Unrestricted funds £	Restricted funds £	Total Funds £
Opening funds at 1 January 2020	2,431,596	229,822	2,661,418
Operating surplus/(deficit)	37,426	(1,400)	36,026
Transfers in year	-	-	-
Closing funds at 31 December 2020	<u>2,469,022</u>	<u>228,422</u>	<u>2,697,444</u>

17 Analysis of net assets between funds	Unrestricted funds £	Restricted funds £	Total Funds £
Fixed Assets	1,607,397	151,283	1,758,680
Current assets	920,620	21,046	941,666
Current liabilities	(2,902)	-	(2,902)
	<u>2,525,115</u>	<u>172,329</u>	<u>2,697,444</u>

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

18 Summary of funds	Opening funds	Incoming resources	Resources expended	Transfers, Gains&losses	Closing funds
Restricted funds					
AM Building Fund	54,498	209	-	544	55,251
AM Loan Fund (Dorothy Searle Legacy)	25,414	209	-	544	26,167
McBain Trust	96,127	651	(3,635)	3,645	96,788
IOW Hewland Fund	22,453	63	(1,470)	1,123	22,169
IOW Building Fund	13,870	272	-	692	14,834
IOW Legacy Fund	11,414	209	-	544	12,167
Alderney Trust	1,046	-	-	-	1,046
Alton Building Fund	5,000	5,000	(10,000)	-	-
	<u>229,822</u>	<u>6,613</u>	<u>(15,105)</u>	<u>7,092</u>	<u>228,422</u>
Designated funds					
Alice Southwell Legacy (Basingstoke)	5,396	4	-	(4)	5,396
Claire Smith Legacy (Basingstoke)	4,351	3	(192)	-	4,162
Guernsey Legacy Fund	5,887	-	-	-	5,887
Joyce Warwick Fund (Portsmouth)	5,904	-	(221)	-	5,683
Anne Parmeter Legacy (Jersey)	62,455	-	-	-	62,455
La Chasse (Jersey)	125,000	-	-	-	125,000
Administered by Area on behalf of LM's:					
Peggy Jackson Legacy (Southampton)	273,773	-	-	48,282	322,055
Patrick Nott Legacy (IOW)	373,052	1,893	(32,765)	-	342,180
Unrestricted funds					
AM General Fund	974,437	2,664	(14,735)	35,533	997,899
AM Property Fund	68,211	1,022	(6,630)	20,983	83,586
AM Prison Ministry Fund	(42)	-	-	42	-
Local Meetings					
Alderney	614	2,321	(1,677)	-	1,258
Alton	33,568	23,310	(19,710)	-	37,168
Andover	2,408	2,204	(2,178)	(1,000)	1,434
Basingstoke	22,589	10,726	(6,738)	(7,286)	19,291
Guernsey	11,438	7,584	(8,210)	(1,260)	9,552
Isle of Wight	73,351	10,401	(13,134)	(6,690)	63,928
Jersey	35,592	5,976	(7,664)	(2,800)	31,104
Portsmouth	28,403	21,137	(15,342)	(4,720)	29,478
Southampton	184,433	67,360	(43,121)	(7,441)	201,231
Winchester	140,776	80,505	(94,202)	(6,804)	120,275
	<u>2,431,596</u>	<u>237,110</u>	<u>(266,519)</u>	<u>66,835</u>	<u>2,469,022</u>
Total funds	<u>2,661,418</u>	<u>243,723</u>	<u>(281,624)</u>	<u>73,927</u>	<u>2,697,444</u>

19 Restricted Funds

These funds are administered by the AM Treasurer and team but may be managed by committee or trusts.

- **AM Building Fund** was opened in 2009 with the transfer of the balance of the Petersfield Legacies.
- **AM Loan Fund (Dorothy Searle Legacy)** is for loans to meetings improving or adding to premises.
- **Marjorie Frances McBain Trust** is for members who are in need, hardship or distress.
- **Elise Hewland Fund** is for elderly and recuperating residents on the Isle of Wight. The fund is administered by the McBain Trust.
- **IOW Building Fund** is for loans to meetings improving or adding to premises
- **IOW Legacy Fund** is for the development of the meeting, particularly in reach and outreach, on the Isle of Wight.

Hampshire & Islands Area Quaker Meeting

Notes to the financial statements For the year ended 31st December 2020

LM Restricted funds

The funds are managed by constituent local Meetings under the terms of the legacy or trust

- **Alderney Trust** is for those in need or for other charitable purposes, particularly on the Island of Alderney.
- **Alton Building Fund** - donation in respect of Alton buildings from the George Cadbury Fund.

AM Designated funds

- **AM Property Maintenance Fund** has been set aside in order to make provision for future expenditure on the maintenance and insurance of Meeting Houses.
- **AM Prison Ministry Fund** is for the support of prison ministry within the Area Meeting.

LM Designated funds

- **Alice Southwell Legacy** is for the general charitable purposes of the Meeting in Basingstoke.
- **Claire Smith Legacy** is for the general charitable purposes of the Meeting in Basingstoke.
- **Guernsey Legacy Fund (Barbara Wright and Pat Hancock)** is for the general charitable purposes of the Meeting in Guernsey.
- **Joyce Warwick Fund** is for the general charitable purposes of the Meeting in Portsmouth
- **Peggy Jackson Legacy** is for the general charitable purposes of the Meeting in Southampton.
- **Patrick Nott Legacy** is for the use of promoting Quaker Christian Witness on the Isle of Wight.
- **Anne Parmeter Legacy** is for the general charitable purposes of the meeting in Jersey.