

SOCIETY OF FRIENDS - CHARNEY MANOR

(Registered Charity Number 237267)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

History

Charney Manor was placed at the disposal of Friends Trusts Limited for use by the Religious Society of Friends by Henry & Lucy Gillett in a declaration of Trust dated 21 January 1949.

Subsequently a scheme for Charney Manor, including the appointment of trustees, was sealed by the Charity Commissioners on 12 July 1985 under charity reference 237267. Ownership was transferred to London Yearly Meeting, the governing body of the Religious Society of Friends.

On 4 May 1999 the Charity Commissioners amended the governing document for Charney Manor which involved the appointment of new trustees. Ownership has been transferred from Britain Yearly Meeting, successors to London Yearly Meeting, to the new trustees as the governing body for Charney Manor. Charney Manor has accordingly now been included as an asset on the balance sheet.

Trustees

Trustees are appointed by Trustees on the recommendation of its nominations sub-committee. The Nominations Sub-Committee ensures that prospective trustees are conversant with the responsibilities involved. From December 2012, with the agreement of Quaker Life Central Committee and the Charity Commissioners, the responsibility for finding and appointing Trustees has reverted to the Trustees of Charney Manor.

The following served as trustees during 2020:-

Deborah Arrowsmith (from 18 June 2020)
Ron Barden - Treasurer (to 8 September 2020)
Nigel Braithwaite
Philip Brown (to 18 June 2020)
Tessa Brown (to 30 December 2020)
Jill Green
Catherine Hilliard
Stewart Jeffrey - Clerk
Brian Morphy - Treasurer (from 24 March 2020)
Barney Rosedale (to 18 June 2020)
Ruth Whitehouse (to 18 June 2020)
Peter Wilkinson (from 18 June 2020)

Custodian Trustee:

Friends Trusts Limited
173-177 Euston Road
London NW1 2BJ

Insurance:

Ansvar Insurance
31 St Leonards Road
Eastbourne
BN21 3UR

Solicitors:

Manches and Co
3 Worcester Street
Oxford

Bankers:

Barclays Plc
17 Market Place
Wantage
Oxon

Independent Examiner

David Stephens BA FCCA
Chartered Certified Accountant
13 Newlands Road
Tunbridge Wells. Kent TN4 9AS

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Objects

The land and buildings are to be used for such religious and other charitable purposes of the Religious Society of Friends as the Managing Trustees think fit and in particular as a venue for conferences, lectures and other educational purposes.

Activities

The primary activity of Charney Manor is as a residential Conference and Retreat Centre. Programmes are organised to explore these and other relevant areas:

- ☐ Approaches to prayer and the Bible
- ☐ Personal relationships as a path to spiritual growth
- ☐ Interfaith dialogue
- ☐ Concern for the world
- ☐ Aspects of the arts

During 2020 other church and faith groups used the Manor on a number of occasions and there were also bookings for arts and spiritual development events. Other bookings were related to education and training and other charities chose the Manor for management and staff training. However, due to the Covid 19 pandemic Charney had to close from 23rd March to early September and again from November to early December.

Except for "The Wonder of Trees" from 13th. to 15th. March all Quaker courses had to be cancelled. Pandemic processes and guidelines were set in place prior to reopening in September. An additional marquee was purchased to enable social distancing for conference guests in addition to a marquee set up for catering.

The curtailment of activities is reflected in the reduction of income from £453,671 in 2019 to £291,200 in 2020.

On 24th March the Trustees decided an amendment to the constitution so that two thirds of the Trustees at any one time must be Members of the Society of Friends or Attenders in good standing. During the year three Trustees were appointed after an induction that included attending a Trustees' Meeting: Brian Morphy, Deborah Arrowsmith and Peter Wilkinson. During the year four Trustees completed valued service: Ron Barden, Tessa Brown, Ruth Whitehouse and Barney Rosedale.

Public Benefit

The Trustees are mindful of their duty to ensure that the charity's activities exist for the public benefit. They have considered Charity Commission guidance, and are satisfied that the performance and achievements of the charity during the year, as outlined below, are consistent with this duty. The series of Quaker Guided Retreats arranged by the Trustees and most of the retreats and conferences organised by other groups (apart from those restricted to particular congregations) are open to all and are advertised as such. Charney Manor hosts weekend gatherings organised by Quaker Quest for people who have made enquiries about Quakerism or are considering applying for membership of the Society of Friends. We are especially pleased to have had our facilities used by groups who promote peace and conflict resolution in both national and international contexts.

Restrictions to the building

As a Grade 1 listed building there are strict regulations which do not allow alterations to the fabric of the Manor building. We are not, for example, permitted to install a lift to facilitate access by disabled persons to meetings in the 13th century Solar on the 1st floor in the Manor.

Maintenance of the property

Regular work to maintain the fabric of the Manor and associated buildings was carried out. The grounds, gardens and lawns are in good order and much appreciated by the folk attending the conferences and retreats.

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Assets

The buildings are: The Manor House, including the Solar and Undercroft dating from the 13th century, the Manor Barn converted into a main conference facility, the Vokins building which contains residential accommodation and the Gilletts Cottage for family and self-catering groups. On 2 May 2000 the buildings were professionally valued, on an existing use basis. The balance sheet records the value of building developments and accumulated depreciation.

In 1987 the Society received a bequest from the estate of Winifred Potter for the charitable purposes of Charney Manor. The capital is held as a designated fund with the income applied as revenue for general purposes.

Insurance values, on a replacement basis, with the Congregational and General Insurance plc are:-

Buildings	£7,291,840	Contents	£414,952
-----------	------------	----------	----------

Management

Charney Manor Trustees met on eight occasions during the year to receive reports from the Manager, the Treasurer, and from its Property Sub-committee on the progress of the maintenance work.

Policy decisions were taken by the Trustees according to Quaker practice by minutes drawn up and agreed by those present during their meetings. Implementation of the policies was delegated to the Manager and her team supported by sub-committees of the trustee body, presently the Property Sub-committee and a Staffing Sub-committee.

The property of Charney Manor and its investments are held by in Friends Trusts Limited as the Custodian Trustee.

Staff

Gill Peaston is the non-resident manager in charge of the operation of Charney Manor and reports directly to the Trustee body. She is assisted by a staff of 15 people including an Assistant Manager, an Office Assistant; and a Resident Warden is also available to help with general duties.

Outlook and subsequent events

While we had budgeted for 2021 to have similar income and expenditure as in 2019 the return to lockdown in early January and later extension to May 21st will reduce activities very considerably. However, groups planning to come to Charney have postponed, rather than cancelled, their visits and interest remains positive. The Government furlough scheme, whereby 80% of salaries of retained staff are paid, and grants from our local authority have sustained our Conference Centre. Timely grants from Oxford and Swindon Area Meeting, £10,000, and Burford Local Meeting, £2000, made in response to the exceptional costs of Covid 19 together with borrowing from Barclays Bank under the BounceBack loan scheme, £50,000, and selling two fixed term investments, about £25000, have underpinned Charney's cashflow.

We continue to maintain the Manor and the grounds to ensure that a good standard is kept throughout.

Investment policy

As Quaker Trustees we follow a similar moderate-risk ethical strategy investment policy to that of British Yearly Meeting Trustees and Friends Trusts Limited, the central finance bodies of Britain Yearly Meeting.

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The results for the year show net outgoing resources of £64,042 (2019: £45,574) before investment gains and losses and exceptional item. Incoming resources of £291,200 (2019: £453,671) show a decrease on last year, due to greatly reduced activity because of the coronavirus pandemic. Expenditure has decreased this year, due to greatly reduced activity, and a decrease in repair costs. Staff salaries have been maintained with the support of furlough payments.

The Trustees consider that the reserves remain adequate to Charney Manor's needs and in view of our anticipated activities the Accounts are prepared on a going concern basis.

Reserves Policy

It is the policy of the Trustees to maintain a balance on unrestricted funds equivalent to three to six months unrestricted expenditure. This has helped us to remain solvent since having to close down Charney Manor in compliance with the Government's policy in combating the coronavirus pandemic.

Support from Charitable Trusts

Charney Manor continues to receive donations in support of its work from other parts of the Religious Society of Friends in Britain. This is of great benefit although this is not considered material within the context of these accounts.

The Jeneper Gillett Trust continues to support the Bursary Fund and the cost of promoting our Quaker Guided Retreats.

On behalf of the Trustees

S Jeffrey

Stewart Jeffrey (Clerk)

27th. May 2021

**INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED FINANCIAL STATEMENTS
TO THE TRUSTEES OF THE SOCIETY OF FRIENDS - CHARNEY MANOR**

I report on the financial statements of the Society of Friends - Charney Manor for the year ended 31 December 2020, in respect of an examination carried out under section 145 of the Charities Act 2011.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 145 of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- - examine the accounts under section 145 of the Act;
- - follow the procedures laid down in the General Directions given by the Charity Commission under section 145 of the Act; and
- - state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes considering any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the Act; and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

D Stephens
.....
David Stephens BA FCCA
Chartered Certified Accountant
13 Newlands Road
Tunbridge Wells
Kent TN4 9AS.

31 May 2021
.....
Dated

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

		Desig- nated <u>Funds</u>	Unres- tricted Funds	<u>Total</u>	Desig- nated <u>Funds</u>	Unres- tricted <u>Funds</u>	<u>2019</u>
	<u>Notes</u>	£	£	£	£	£	£
INCOMING RESOURCES							
Income & endowments from:							
Donations & legacies	4	-	52,100	52,100	-	15,130	15,130
Investments		-	826	826	-	961	961
Charitable activities	3	-	152,429	152,429	-	434,990	434,990
HMRC Furlough (2020)		-	85,845	85,845	-	2,590	2,590
Total Incoming Resources		<u>-</u>	<u>291,200</u>	<u>291,200</u>	<u>-</u>	<u>453,671</u>	<u>453,671</u>
RESOURCES EXPENDED							
Charitable activities							
Conference expenses	5	-	337,211	337,211	-	479,267	479,267
Quaker course costs	7	-	9,868	9,868	-	10,838	10,838
Governance	8	<u>-</u>	<u>8,163</u>	<u>8,163</u>	<u>-</u>	<u>9,140</u>	<u>9,140</u>
Total Resources Expended		<u>-</u>	<u>355,242</u>	<u>355,242</u>	<u>-</u>	<u>499,245</u>	<u>499,245</u>
Net (Outgoing) Resources		-	(64,042)	(64,042)	-	(45,574)	(45,574)
Investment gains/(losses)	10	(13,273)	-	(13,273)	52,058	-	52,058
Net Movement in Funds		<u>(13,273)</u>	<u>(64,042)</u>	<u>(77,315)</u>	<u>52,058</u>	<u>(45,574)</u>	<u>6,484</u>
Exceptional Item	18	-	5,000	5,000	-	(11,858)	(11,858)
FUND BALANCES B/FORWARD		373,834	1,343,479	1,717,313	321,776	1,400,911	1,722,687
FUND BALANCES C/FORWARD		<u>360,561</u>	<u>1,284,437</u>	<u>1,644,998</u>	<u>373,834</u>	<u>1,343,479</u>	<u>1,717,313</u>

BALANCE SHEET

AT 31 DECEMBER 2020

	<u>Notes</u>		<u>2019</u>
		£	£
FIXED ASSETS			
Tangible Assets	9	1,385,981	1,420,955
Investments	10	285,865	299,138
		<u>1,671,846</u>	<u>1,720,093</u>
CURRENT ASSETS			
Stock		2,800	3,150
Debtors	11	4,171	17,199
Cash at bank & in hand		96,001	111,567
		<u>102,972</u>	<u>131,916</u>
CREDITORS: Amounts Falling Due Within One Year	12	(66,566)	(75,806)
NET CURRENT ASSETS		<u>36,406</u>	<u>56,110</u>
CREDITOR: Amounts Falling Due More than One Year	17	(63,254)	(58,890)
TOTAL ASSETS		<u>£ 1,644,998</u>	<u>£ 1,717,313</u>
Unrestricted funds	13	<u>1,644,998</u>	<u>1,717,313</u>
Total funds		<u>£ 1,644,998</u>	<u>£ 1,717,313</u>

In preparing these financial statements as trustees we hereby confirm:

(a) that for the year in question the trust was entitled to the exemption conferred by section 145 of the Charities Act 2011 and

(b) we acknowledge our responsibilities for:

maintaining proper accounting records and for preparing accounts which have been prepared in accordance with the Charities Act 2011.

Approved by the Trustees and signed on their behalf by:

B Morphy
.....
Brian Morphy (Treasurer)

27 May 2021
.....
Dated

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

These accounts have been prepared in accordance with:

the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

2. Accounting policies

a) Incoming resources are generally recognised on a receivable basis and are reported gross of related expenditure, where the amounts are reasonably certain and when there is adequate certainty of receipt.

The following policies are applied to particular categories of income:

- ☐ Dividends and interest are accounted for when received and are included in the accounts inclusive of recoverable tax.
- ☐ All grants and voluntary income are accounted for gross when receivable, as long as they are capable of financial measurement.
- ☐ Legacies and donations are accounted for when receipt is probable.

b) Resources expended are accounted for gross, and when incurred they are classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources:

- ☐ Charitable expenditure comprises direct expenditure
- ☐ Governance costs include those costs, such as independent examiner's fees, associated with constitutional and statutory requirements.

c) Fixed assets are included at cost. Small items are written off in year of purchase.

d) Depreciation is provided to write off the cost of all fixed assets over their anticipated useful lives. It is calculated at the following rates:

Equipment	33.3% straight line
Motor Vehicle	25% straight line
Buildings	1% straight line /5% straight line
Land	Nil

Charney Manor is a Grade 1 listed building and the trustees are committed to ensuring that it is maintained in good order for the future.

e) Investments are included in the accounts at market value at the balance sheet date. Gains or losses arising on revaluation in market value are charged or credited in the Statement of Financial Activities as they arise.

f) Stock is valued at the lower of cost or net realisable value.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

g) Designated funds are amounts that have been set aside at the discretion of the trustees for a specific, but not legally binding, purpose.

h) Money purchase pension scheme contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. Contributions, including additional contributions, totalling £13,179 were made during the year (2019: £14,401).

i) Creditors are measured at settlement amounts less any trade discounts.

j) Debtors are measured at settlement amount after any trade discounts.

	2020	2019
	£	£
3 Charitable Activities		
Accommodation	132,586	369,140
Gilletts Barn	17,982	29,485
Quaker courses	883	16,317
Quaker meetings and other income	978	20,048
	<u>£ 152,429</u>	<u>£ 434,990</u>
4 Donations and Legacies		
Donations & gifts	27,100	15,130
Legacies	-	-
Grants	<u>25,000</u>	<u>-</u>
	<u>£ 52,100</u>	<u>£ 15,130</u>
5 Attributable conference expenses		
Salaries and wages	192,479	220,263
Food	14,780	44,643
Housekeeping and laundry	7,388	15,409
Rates	2,179	7,098
Insurance	11,014	10,886
Light and heat	25,623	30,748
Repairs and replacements (see note 6)	24,512	64,019
Garden upkeep	2,793	3,266
Printing, postage, stationery, telephone & computer	9,421	12,766
Travel and transport	549	1,781
Miscellaneous	5,103	3,156
Bursaries	44	841
Depreciation	34,974	34,974
Items for resale	144	1,407
Staff training	1,145	1,619
Advertising	5,031	8,568
Bookings & conference expenses	32	17,823
	<u>£ 337,211</u>	<u>£ 479,267</u>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019		
6 Repairs and replacements	£	£		
Electrical	2,362	2,842		
Plumbing	222	18,553		
Other services and maintenance	2,680	7,687		
Decorating, building and walls	601	5,687		
Fire and safety precautions	3,511	3,525		
Quinquennial	13,862	21,251		
Plant & Equipment - Kitchen	1,274	4,474		
	£ <u>24,512</u>	£ <u>64,019</u>		
7 Quaker course organisation costs				
Course administration costs (salaries)	8,624	8,624		
Course organiser, bursary help and travel	<u>1,244</u>	<u>2,214</u>		
	£ <u>9,868</u>	£ <u>10,838</u>		
8 Governance costs				
Salaries	5,900	6,692		
Bank charges	1,080	565		
Independent examination	920	905		
Committee travel	263	978		
	£ <u>8,163</u>	£ <u>9,140</u>		
9 Tangible fixed assets				
	Land & Buildings	Motor Vehicle	Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2020	1,926,414	2,100	55,793	1,984,307
Additions	-	-	-	-
At 31 December 2020	<u>1,926,414</u>	<u>2,100</u>	<u>55,793</u>	<u>1,984,307</u>
Depreciation				
At 1 January 2020	508,258	2,100	52,994	563,352
Charge for the year	33,574	-	1,400	34,974
At 31 December 2020	<u>541,832</u>	<u>2,100</u>	<u>54,394</u>	<u>598,326</u>
Net book value				
At 31 December 2020	£ <u>1,384,582</u>	-	1,399	<u>1,385,981</u>
Net book value				
At 31 December 2019	£ <u>1,418,156</u>	-	2,799	<u>1,420,955</u>

The closing net book value represents fixed assets used for direct charitable purposes. The land and buildings of Charney Manor were capitalised at open market value as at May 2000. Subsequent additions have been included at cost. Land to the value of £300,000 is included and not depreciated.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Investments	2020	2019
Analysis of investments at 31 December 2020 by category of holding:		
Government securities	-	-
Unit trusts and fixed interest investments	285,865	299,138
	£ <u>285,865</u>	£ <u>299,138</u>

Analysis of movements in investments:

Market value at 1 January 2020	299,138	247,080
Gains/(losses)	(13,273)	52,058

Market value of investments at 31 December 2020	£ <u>285,865</u>	£ <u>299,138</u>
---	------------------	------------------

Included in the investments portfolio at 31 December is the following significant holding:
BMO Responsible UK Equity 2 Acc. - market value at 31 December 2020 £260,026.

11 Debtors

Trade debtors	-	8,499
Prepayments	2,884	8,700
Other debtors	1,287	-
	£ <u>4,171</u>	£ <u>17,199</u>

12 Creditors: amounts falling due within one year

Trade creditors	4,501	8,585
Other taxes and social security costs	15,813	18,390
Other creditors	1,887	349
Deposits in advance	44,365	48,482
	£ <u>66,566</u>	£ <u>75,806</u>

13 Unrestricted funds

	Designated Funds		Unrestricted and general funds				
	Capital Account	Building Repair Fund	Freehold Property Fund	Income and Expenditure Account	2020	2019	
At 1 January 2020	353,834	20,000	1,418,156	(74,677)	1,717,313	1,722,687	
Incoming resources	-	-	-	291,200	291,200	453,671	
Resources expended	-	-	(33,574)	(321,668)	(355,242)	(499,245)	
Extraordinary item	-	-	-	5,000	5,000	(11,858)	
Gains on investment	(<u>13,273</u>)	<u>-</u>	<u>-</u>	<u>-</u>	(<u>13,273</u>)	<u>52,058</u>	
At 31 December 2020	£ <u>340,561</u>	£ <u>20,000</u>	£ <u>1,384,582</u>	£ (100,145)	£ <u>1,644,998</u>	£ <u>1,717,313</u>	
Represented by:							
Investments	285,865	-	-	-	285,865	299,138	
Tangible fixed assets	-	-	1,384,582	1,399	1,385,981	1,420,955	
Net current assets	54,696	20,000	-	(38,290)	36,406	56,110	
Long term liability	<u>-</u>	<u>-</u>	<u>-</u>	(63,254)	(<u>63,254</u>)	<u>(58,890)</u>	
At 31 December 2020	£ <u>340,561</u>	£ <u>20,000</u>	£ <u>1,384,582</u>	£ (100,145)	£ <u>1,644,998</u>	£ <u>1,717,313</u>	

Capital account:

Represents the Winifred Potter bequest, the income from which is used for the charitable purposes of Charney Manor.

Building repair fund: To meet the future cost of repair work.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Trustee expenses

During the year trustees and committee members received £263 (2019: £978) for travelling costs.

15 Staff costs

	2020	2019
Wages and salaries	180,090	210,365
National insurance contributions	9,370	10,813
Pension contributions	13,179	14,401
Pension liability	4,364	-
	<u>£ 207,003</u>	<u>£ 235,579</u>

No employee received £60,000 p.a. or more. All staff are employed by the charity.

Trustees received no remuneration in the year (2019: nil).

Average number of full and part time employees	<u>15</u>	<u>18</u>
--	-----------	-----------

16 Controlling party

The charity remains under the control of the Trustees.

17 Pension scheme

The charity pays into a defined contribution pension scheme.

	2020	2019
The contributions made in the year are as follows:	£ 13,179	£ 14,401

The charity's liability to the Pensions Trust at September 2020 was £ 63,254.
Provision is included in these accounts.

18 Exceptional Item

Planning and architectural refund of costs of £5,000 for the proposed Dining Hall Project previously written off.