

Yearly Meeting of the Religious Society  
of Friends (Quakers) in Britain

# Annual report, including financial statements

for the year ended December 2019



Britain Yearly Meeting of the Religious Society of Friends (Quakers)

Registered charity number 1127633

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For a copy of *Our faith, our work*, which contains information about the work of Quakers in Britain in 2019, visit [www.quaker.org.uk/annualreview](http://www.quaker.org.uk/annualreview) to download a PDF or contact the Quaker Centre at [Quakercentre@quaker.org.uk](mailto:Quakercentre@quaker.org.uk).



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# From the Clerk of Trustees and the Recording Clerk

The work described in this report shows how Britain Yearly Meeting (BYM), the national charity supporting Quakers in Britain, is working for and on behalf of Quaker meetings.

The figures in this report represent far more than our bank balance and assets; they paint a picture of the many and varied ways in which Quakers come together nationally through our processes of discernment, our service, our financial support and our worship – to enable change to happen, both in our meetings and in the world.

For a long time, Trustees – like many Friends - have been worried by the reduction in membership revealed in the Tabular Statement. And this has led us to see that a key priority for the charity is to support and equip our Quaker communities to reinvigorate Quakerism. For the last three years, we have been experimenting through the Vibrancy Programme to see if providing some of this support within regions and devolved nations rather than just from Friends House would be effective. During 2019, we heard from Friends – through an external evaluation and, powerfully, in worship at Meeting for Sufferings – that

the pilot project has helped local meetings to solve many problems on their own and to understand how to access further help where it is needed. So we are now investing in providing support nearer local meetings with a commitment to have a local development worker within reach of every meeting with the next five years.

The Sanctuary Everywhere programme has enabled us to support nearly a hundred Quaker meetings to work on refugee and asylum issues, challenging the 'hostile environment' and providing welcome, support and resources in their area. We supported hundreds of Quakers to raise their concerns about the climate crisis in a mass lobby of Parliament.

Work has started on revising our book of discipline for the current generation and the committee appointed to lead this work will engage with Friends across the Yearly Meeting over the next few years as it evolves.

We are grateful to all those who make this work possible – our staff, the Friends who serve on committees to guide what we do, and the organisations and individuals who provide the funding.



Caroline Nursey



Paul Parker

## Post-balance sheet event: coronavirus pandemic

The COVID-19 outbreak began in China in late December 2019 and spread rapidly around the world. The World Health Organisation declared a public health emergency on 30 January 2020 and the outbreak was declared a pandemic on 11 March. Public health restrictions imposed by the UK Government required the closure of BYM's premises and significant reductions in BYM's ability to carry out work in the normal way, with consequent losses in income from trading. Falls in the stock market had a significant impact on the value of BYM's investment portfolio.

All the work on the accounts had been done prior to the escalation of the current situation, but BYM Trustees have reflected on our ability to keep the organisation going and, along with senior staff, are keeping the situation under close review. Trustees took immediate steps to review cashflow and income forecasts, and assured themselves that the charity remains a going concern for 2020 and that no material adjustments need to be made to last year's accounts. Yearly Meeting Gathering, planned for August 2020, has been postponed until August 2021. As the situation was still developing at the date these accounts were approved, future plans are likely to continue to change.

## Britain Yearly Meeting explained

Quakers in Britain – also known as the Religious Society of Friends – are a faith community with worship at its heart. Founded in 1652, a period of religious turmoil, the Society welcomes people of all faith backgrounds who want to deepen their experience of God and find a way of living harmoniously in today's troubled world.

Quakers worship in local meetings (469), grouped together into area meetings (70), the level at which individual membership (c.12,500, plus a further 8,250 attenders) is held. Local and area Quaker meetings manage their own affairs and own their own property; each area meeting is a separate charitable entity with its own trustees.

Members of these area meetings make up the membership of the Yearly Meeting of the Religious

Society of Friends (Quakers) in Britain (Britain Yearly Meeting), a body that meets annually and that has ultimate authority for church affairs. In the intervals between Yearly Meetings, Meeting for Sufferings – the standing representative body of Quakers in Britain – is entrusted with discernment and general care of matters affecting the Society.

Britain Yearly Meeting (BYM) is also the name of the national charity that implements the Society's central policy, owns its property, employs its staff and directs its work. BYM works centrally to run the affairs of the Society as a whole and to support local meetings. We also work to raise awareness of the basic tenets of Quaker faith and to put Quaker thinking into practice for a just and peaceful world.

## Public benefit statement

BYM is an umbrella organisation, guiding, supporting and sustaining the 70 area and 475 local Quaker meetings throughout England, Wales and Scotland.

The charity's resources come from members' contributions, legacies, inherited funds, grants, the gift-aided surplus of our hospitality company, rents from properties, interest and dividends. These are described in these financial statements. We spend these resources on deepening and sharing Quaker spiritual experience and on acts of witness that arise from our faith. For Quakers, belief and witness are indivisible. We work for peace and justice, environmental sustainability, the alleviation of suffering, and the upholding of victims of oppression.

Local meetings for worship are open to all: Quakers have no tests of belief; membership of the Society is open to anyone who is sincerely seeking truth. Our governance is spread widely within our membership. Our constitutional book of Christian discipline, *Quaker faith & practice*, guides our work and witness.

For over 360 years Quaker faith has led us to testify to equality, simplicity, peace and truth. Quaker social witness encompasses work for peace in Israel–Palestine and in Africa. It strives for environmental sustainability, a compassionate criminal justice system and for equality in Britain. It supports poorer people in society through bursaries, relief payments and grants.

We provide central support to the witness of local meetings, for example through servicing networks of prison chaplains.

Friends House, our central London base opposite Euston station, is a much-valued public building, made available for a wide variety of uses including worship by other faiths, education purposes and for open meetings organised by many third-sector organisations. Since 2009 Friends House has had a welcoming Quaker Centre, featuring a bookshop, café and worship space, open to all.

We are transparent in what we do: we make minutes of BYM Trustees available and our website ([www.quaker.org.uk](http://www.quaker.org.uk)) carries minutes of Meeting for Sufferings (the standing representative council of Quakers in Britain) and Yearly Meeting itself. Our website also gives details of our work, and provides resources for local meetings and those wanting to learn more about Quakers.

This report shows how our resources have been applied and how the public benefits from our work.

The charity's trustees have complied with their duty under the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. All trustees give their time voluntarily and do not receive any personal financial benefit from the charity.

## Governance and decision-making

“In our worship at Yearly Meeting, it is laid upon us with special weight to listen. It is not our ministry that is required in worship, nor our inspiration in deliberations, but we seek to hear the true word of God speaking through our frail humanity.”

Right Holding of Yearly Meeting Committee, 1960  
(*Quaker faith & practice* 6.09)

The trustees of BYM are responsible for ensuring that the governance of matters relating to the church and to the charity is carried out with integrity. Trustees are accountable to Quakers in Britain for the central work carried out in their name, and for ensuring that BYM complies with the law.

The Recording Clerk and Management Meeting (senior staff) advise, and are accountable to, trustees for the work that is undertaken. This work is contained within the operational plan and budget prepared annually for trustees by Management Meeting.

Our governance relies upon wide participation of members, and we depend on Friends to discover and exercise their gifts and to offer them in service to God and our community.

### Governing document

The governing document of BYM was reviewed by Yearly Meeting in 2016. It is drawn largely from passages in *Quaker faith & practice*. In addition to governance, *Quaker faith & practice* contains advice and counsel, and encourages self-questioning and hearing each other in humility and love.

The book of discipline was first compiled in manuscript form in 1738 and is revised at intervals. The last complete revision was approved by the Society in 1994 and it has been amended regularly since then. A fifth edition was published in 2013. Yearly Meeting 2018 decided to begin a new complete revision of the book of discipline.

The terms of reference of BYM Trustees are reviewed every three years. The current terms of reference were accepted by Yearly Meeting in 2016. Yearly Meeting 2018 commissioned Quaker Stewardship Committee to carry out a review and to bring its recommendations to Yearly Meeting.

### The duty of trustees

It is the duty of BYM trustees to:

- ensure that the priorities for the work set out by Yearly Meeting and Meeting for Sufferings are taken forward with the right use of our resources
- ensure that the governance and management of the work carried out are in accordance with the objectives set out in the governing document and compliant with the law.

In addition, the board of directors of Friends House (London) Hospitality Limited is appointed by, and reports annually to, BYM trustees. Trustees have three subcommittees: Audit Committee, Employment Committee, and Finance & Property Committee.

Trustees are further supported by standing committees, whose work is included in this report. The trustees, together with the standing committees listed below, define policies and decide the work to be done.

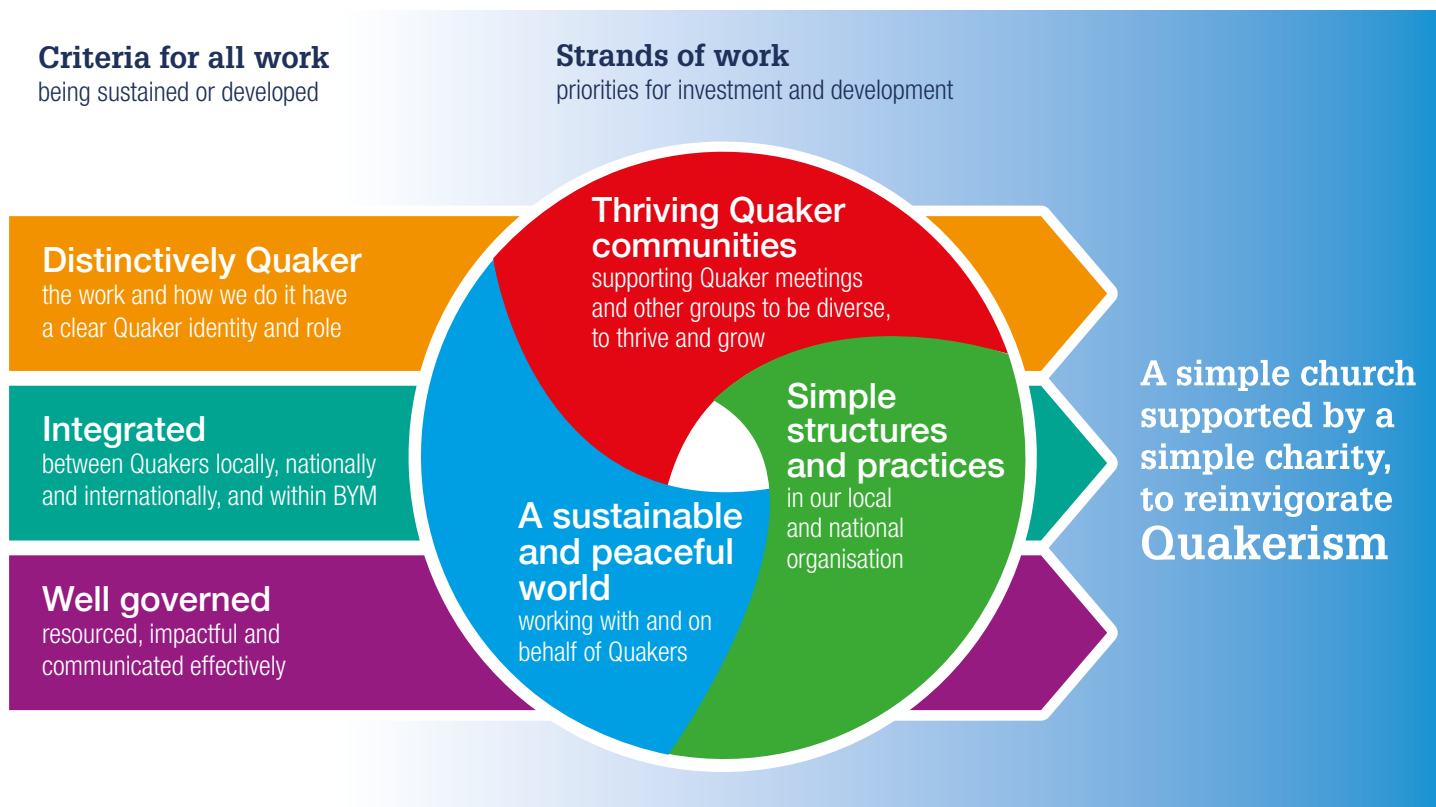
- Quaker Committee for Christian & Interfaith Relations
- Quaker Life Central Committee
- Quaker Peace & Social Witness Central Committee
- Quaker World Relations Committee.

Trustees have established a pattern of annual reporting by standing committees designed to ensure they remain well-informed and the work of standing committees is well-scrutinised. Regular meetings of trustees and committee clerks are also held.

### Developments in governance

In reflecting on the trustees' work in 2019, four areas of governance are noteworthy:

- We adopted strategic priorities for centrally managed work for the next 5–10 years.
- We agreed (in partnership with Woodbrooke Quaker Study Centre) to develop a Quaker communities-centred approach to support and services.
- We continued our review of governance of safeguarding and appointed a lead trustee.



- We reviewed visions and possibilities for developing our largest properties, including minimising carbon impact and maximising environment benefits.

## The conduct of business

All trustees' meetings and those of committees and subcommittees are held as meetings for worship for business in accordance with Quaker faith & practice. Trustees appoint two elders each year to sustain and support the right holding of the meeting.

Trustees receive copies of the full minutes of Management Meeting, thus ensuring that those matters which are under consideration by our officers are known, whilst also ensuring that the boundaries between operational and strategic direction are preserved. The Recording Clerk and members of Management Meeting attend all meetings of trustees and reports to them on each occasion. Trustees also spend time without staff at each of their meetings.

Trustees have a good relationship with Meeting for Sufferings, the standing representative council of Quakers in Britain. All trustees are members of Meeting for Sufferings and attend its meetings regularly to participate in the discernment. There are regular opportunities for members of Meeting for Sufferings to engage with trustees to ask questions and seek

explanation and clarification of aspects of trustees' business. Trust is central to all our relationships, and its preservation is a matter of vigilance and sensitivity.

## Values and Ways of Working

Quaker values are equally important in setting future targets and reviewing our progress. Decision-making is rooted in prayer and thought.

In developing strategic direction for Quakers' centrally managed work, trustees consider Yearly Meeting minutes; BYM's charitable objectives; Our Faith In the Future; the strategic plans of Quaker Life Central Committee and Quaker Peace and Social Witness Central Committee; feedback from meetings' roleholders and BYM staff; and the history and traditions of Quakers in Britain. Trustees are supported in their discernment by Meeting for Sufferings, and work closely and collaboratively with staff and committees.

We employ staff with the necessary knowledge, experience and skills to be able to work for the benefit of all who have a call upon our services and to support the achievement of the goals of BYM. The workplace culture is underpinned by the following values:

- **community** – openness, mutual understanding, courtesy, respect, trust, affirmation and accountability – to one another and to Friends for the whole of the Yearly Meeting's work

## Structure, governance and management

- **professional excellence** – supported by high standards, development and growth for the staff group collectively and individually
- **equality** – just and fair treatment and equal opportunities for each and every member of staff.

Quaker values inform the way staff work together, in partnership with other organisations, and with suppliers.

## Transparency of Lobbying, Non-party Campaigning & Trade Union Administration Act 2014

This legislation, which requires any charity campaigning in ways that might be deemed to influence the outcome of an election to register with the Electoral Commission if its election-related campaigning expenditure exceeds certain limits, came into effect in the autumn of 2016. Following careful consideration, and consultation with Meeting for Sufferings, trustees decided to register when required as a non-party campaigner, but reaffirmed that, above all, our responsibility is to act and speak as we are guided by faith. There was no regulated activity in 2019 as BYM's activity did not cross the threshold for registration. Trustees continue to be concerned about the implications of this Act. We have raised these concerns with government through the Office for Civil Society, and by engaging with the regulator, the Electoral Commission, over the implementation of the act. BYM continues to campaign for improvements to this area of regulation and convenes a group of civil society organisations which work together to defend the space for civil society to engage with the democratic process.

## Safeguarding procedures

BYM works to ensure all of our events and services are safe for everyone, and that everyone can worship safely within Quaker communities, including children, young people and vulnerable adults. We work to comply with legal and regulatory safeguarding requirements laid upon us as a charity. We have policies and procedures to ensure that only appropriate staff and volunteers work with children and young people and that criminal records checks are undertaken as required. Our safeguarding procedures and policies are kept under review. This year we began to implement the recommendations from the external review commissioned in 2018, work which will carry on into 2020.

## Volunteer involvement

BYM has a policy for volunteers who work alongside paid staff, based on four principles:

- The role of volunteers and the staff with whom they work must be clear.
- The work of volunteers should be seen as complementary to the work of staff, and volunteers should be supported in their work.
- Volunteers will not be used to replace staff posts.
- Staff and volunteers will work closely together.

## Equal opportunities

In 2009 BYM adopted an equal opportunities policy:

“Britain Yearly Meeting is firmly committed to the principle of equality and to creating a working and service environment in which all employees, committee members, volunteers, Friends and other users of our buildings and services are treated with dignity and are free from unfair discrimination, victimisation or harassment on the grounds of gender, marital status, race, ethnic origin, nationality, national origin, class, language, disability, sexual orientation, religion, appearance or age.

“We oppose all forms of discrimination and prejudice that disrespect the individual.”

Staff, committees and our trading company have developed procedures, appropriate to their areas, for implementing the policy.

BYM has an aspirational culture and its staff share a strong unity of purpose. BYM staff are loyal, committed, and proud of their workplace and its values.

In 2019 we implemented compulsory inclusive workplace training for all managers and staff. We continue to work to remove barriers to inclusion that may exist in recruitment, training and development, and our ways of working. This includes acting on feedback collected and recommendations made by our inclusive workplace training provider. The staff-led BAME (Black, Asian and Minority Ethnic) network remains active; its activities in 2019 included organising a series of activities as part of Black History Month.



## Diversity and inclusion

In 2018 Quakers reflected on diversity during the course of Yearly Meeting.

“We are challenged to ask ourselves uncomfortable questions, both as individuals and as meeting communities, and to ask what love requires of us to be a fully inclusive worshipping community. Can we expand our experience of “Who is like me?”

“Our house cannot be fully in order until we change some of the fundamentals of the world in which we operate.”

Yearly Meeting 2018, Minute 36

BYM as a charity is firmly committed to the diversity of our staff, volunteers and stakeholders, and believes that we have an obligation to model the sort of changes we expect of others. We continue on a journey of development. In 2018 the Recording Clerk signed up to Association of Chief Executives of Voluntary Organisations (ACEVO) and Institute of Fundraising (IoF)’s eight leadership principles to improve diversity and inclusion in the charity sector. In order to set meaningful targets for diversity that reflect the participants, donors, beneficiaries and the population of the areas that BYM operates in, we are working to understand how our stakeholder groups are constituted. We are working towards setting clear targets and goals for increasing diversity over the next five years.

In line with best practice, we annually review our diversity statistics, reporting these to Management Meeting and the Trustees’ Employment Committee. At December 2019:

- 61% of staff were female (2018, 60%)
- 22% of staff were from black and minority ethnic communities (2018, 16%)
- 12% of staff considered themselves to be disabled (2018, 9.6%)
- 11% of staff identified themselves as Lesbian, Gay, Bi-sexual, Transgender, Queer/Questioning (LGBTQ) (2018, 9%)
- 21% of staff identified themselves as Quaker (2018, 21%).

BYM is dependent on service from Friends to carry out functions within the Society. Volunteers also assist in our offices, in the Quaker Centre, at Swarthmoor

Hall and with our charitable activities. We survey Friends serving on committees or groups that oversee central work every two years. Of those responding in 2018:

- 59% were female
- 4% were from black and minority ethnic communities
- 8% identified themselves as Lesbian, Gay, Bi-sexual, Transgender, Queer/Questioning (LGBTQ).

The nominating committees of BYM are working on improving their diversity, with a particular focus on age at present.

BYM’s Diversity and Inclusion Project conducted a survey between November 2018 and March 2019 as a means of gathering information on how diverse Quakers are at this point in time. The survey focussed on ethnicity, nationality, age, sexual orientation, gender, disability and class. Of those responding:

- 4% identified as mixed race, 1% as black British and 2.5% as European nationals
- Over 15% identified as gay, lesbian, bi-sexual, pansexual, asexual, queer and fluid
- 35% acknowledge physical, sensory, learning and mental health issues

Full results of the survey will be shared in a series of podcasts from our website ([www.quaker.org](http://www.quaker.org)). This will inform BYM’s work with Quakers in Britain towards further development in terms of structures and membership.

## Gender pay gap

Since April 2018, employers with more than 250 staff are required under legislation to publish information about the differences in pay between men and women in their organisations on an annual basis.

Although BYM employs under 250 staff, we analyse and voluntarily publish details of our gender pay gap in line with our commitment to equality, fairness and transparency. We engage an independent consultancy to analyse our pay data.

The analysis reveals that despite a small gender pay gap in favour of men, BYM does not have an equal pay issue. The gaps identified are due to the amount of time (continuous service) spent within roles per pay grade. These gaps will change as staff retire, leave or join the organisation.

## Structure, governance and management

The key findings are as follows:

- Mean Hourly Gap – 3.2% in favour of men (2018, 4.6%)
- Median Hourly Gap – 3.4% in favour of men (2018, 6.2%)

Although BYM's gender pay gap is lower than many organisations in the charity sector and in the UK, we are not complacent. Going forward, BYM remains committed to:

- conducting a Gender Pay Gap analysis and reporting on an annual basis, in order to plot our trends over the next 3–5 years, and to take action where necessary
- reviewing our recruitment practices to ensure that they are as transparent and open as possible.
- providing training to managers to increase unconscious bias awareness in recruitment

## Risk management

Quakers have historically been prepared to take risks if felt called to do so after careful discernment. Risks can be taken and managed because of the checks and balances of our robust decision-making processes. These also ensure that responsibility for actions and procedures are widely spread. The overall aim is to ensure that staff, committee members and trustees can manage the potential impact of risk.

### Main risks

The most significant risks identified in 2019 and their management are:

Risk	Mitigation and management
Reduction in membership leads to a decline in witness with a resulting impact on centrally managed work and a loss of support to BYM from Quaker communities	<p>In 2019, trustees made a commitment with Woodbrooke Quaker Study Centre ('Woodbrooke') trustees to change radically the ways our organisations support Friends to build thriving Quaker meetings. This commitment includes a plan for a local development worker to be in reach of every meeting in Britain within five years.</p> <p>The Engaging Young Adult Quakers project aims to build engagement of young adults with Quakers and to nurture and empower young adult Quakers. Two Youth Development Workers started to increase engagement of young Quakers in two pilot areas.</p> <p>Other work is being reshaped to be more responsive to local Quaker communities' requirements, driven by an integrated strategy for meeting-centred support.</p> <p>A new outreach strategy is being developed. Following a Yearly Meeting commitment, we are increasing our understanding of diversity and inclusion.</p> <p>Recruitment of a new fundraising team to encourage further giving from Quakers and grant makers.</p>

## Risk management policies and procedures

Trustees have paid increased attention to risk, both in their meetings and working with senior staff. The Deputy Recording Clerk, who holds strategic responsibility for risk management, has helped us develop our approach to risk assessment and management.

Risks are linked to the Operational Plan, which is a detailed outline of work programmes. Having identified relevant risks, operational managers analyse levels of risk, confirm mitigation, and, where appropriate, allocate resources. The Risk Register is reviewed and updated frequently during the year by operational managers, Management Meeting and trustees. Six risks have been identified as high/major risks and are managed at strategic level; Management Meeting manages these risks while trustees maintain oversight.

The Audit Committee, constituted of one trustee and three external members, provides Trustees with independent assurance that risk is being adequately managed. It also oversees a programme of other audit work. The Employment Committee and Finance & Property Committee oversee policies and procedures to ensure that they are up to date, and to embed Quaker values in the workplace.

<p>Brexit risks: loss of income alongside rising costs, loss of existing staff and inability to recruit, emerging challenges make existing work less relevant, continuing uncertainty makes it difficult to plan and engage with partners</p>	<p>During 2019, managers considered Brexit risks on particularly vulnerable areas of our work exploring contingency plans where possible. Support for staff who are non-UK EU nationals has been provided. Our income and fundraising strategies aim to mitigate some of the possible impacts on financial support of our work and on volatility of currency exchanges in relation to overseas payments. Work with committees to review programmes.</p>
<p>IT infrastructure not fit for purpose, accessible, portable, agile, robust or secure</p>	<p>We have an IT strategy and during 2019 we became confident our IT infrastructure systems are now resilient and fit for purpose. We invested in resources to deliver IT needs. Longer-term planning was put in place to ensure 5–10 year replacement cycles. Where system risks are known, these are monitored and managed through plans for replacement. Main areas of risk relate to cyber and security risks and data management.</p>
<p>BYM fails to use appropriate communication tools to help Quakers be widely known and understood; contributing to the declining impact of work and engagement of Friends</p>	<p>An integrated communications team was formed in 2019 by merging two teams (internal – to Quakers – and external). A new Head of Communications and Fundraising was appointed. Changes in practice in 2019 include more robust advance planning for communications and plans for greater inter-team collaboration, clearer sign-off processes, streamlining of channels and strengthening digital capacity.</p>
<p>Failure of governance control, unsustainable governance structures, reputational risk of meeting governance failure</p>	<p>A review of governance resourcing began in 2019. Plans are being brought together to effectively service the governance of the charity. Risk management strategy implemented involving trustees, management meeting, operational managers and audit committee. A range of work to support central committees and encourage offers of service.</p>
<p>Failure of safeguarding governance or management leads to increased risk of abuse to children, young people or adults at risk of abuse and reputational damage</p>	<p>In 2019, an improvement plan was developed to improve practice at BYM and to provide better resources and support to meetings. Trustees agreed to provide additional resources to deliver this plan. Our staff team has been strengthened with the appointment of a dedicated Safeguarding Officer. We also conducted an external review of historical case files.</p>

## Sustainability

Quakers made a commitment in 2011 to become a sustainable, low-carbon community so as to reduce the risks associated with climate change and an unsustainable consumer-led lifestyle. Good progress has been made both in providing guidance to Quakers throughout Britain and reducing the environmental impact of the centrally managed work.

BYM recognises that there is a climate emergency and that we still have more to do to reduce our impact upon the world. Since 2009 we have reduced our carbon foot print by 30% and have set targets to

reduce this by a further 4% year on year until 2021. Last year BYM signed up to become a CreatureKind institution with a commitment for our restaurant at Friends House to become wholly vegetarian and reduce the amount of animal products we serve in our catering facilities by 20% in two years. This year we reopened our restaurant at Friends House as the Seed Kitchen, serving purely vegetarian and vegan meals; we also offer a wide range of meat-free options to conference customers and guests at Swarthmoor Hall. All the food we serve comes from locally sustainable sources. Both Friends House and Swarthmoor Hall buildings were awarded Green Tourism awards.

## Structure, governance and management

BYM's environmental strategy is linked to UN sustainable development goals. In 2020 we are looking at ways to incorporate the UN sustainable development goals into the trading company's business plan from 2021.

BYM supported staff in participating in the Global Climate Strike in September 2019, as part of an estimated 7 million people involved worldwide. BYM's economics & sustainability team works to influence policy and support Quakers in their sustainability witness. From the beginning of 2018 for three years BYM is funding the Human Impacts of Climate Change programme at the Quaker United Nations Office in Geneva (QUNO). BYM also funds Friends World Committee for Consultation – World Office (FWCC) and Woodbrooke to take forward work on sustainability, including on the spiritual basis of sustainability and greening our lives and meetings. We are preparing for the COP26 UN Climate Summit in Glasgow in 2020, including liaising with Friends in Scotland and other non-Quaker groups.

### Health and safety

BYM trustees are responsible for the health and safety of BYM staff and for ensuring that the premises are safe places of work. Trustees received the annual health and safety report outlining the work carried out during the year at Friends House and Swarthmoor Hall.

### Data Protection

BYM trustees are responsible for data protection and for legal compliance matters. The Recording Clerk is responsible for checking annually that BYM complies with the relevant data protection regulations. The BYM Data Protection lead ensures that staff, committees and other constituent parts of BYM receive regular updates on their responsibilities under Data Protection legislation. Trustees receive the annual report from the staff Data Protection Group. The group works to terms of reference agreed by Management Meeting and Trustees.

We continue to develop our data protection practice as part of a journey to building privacy by design and better management of personal data into everything we do. In 2019 we underwent a data protection audit and completed a full data mapping and data privacy impact assessment exercise for BYM's dataflows. We are currently awaiting the final report from

external auditors. We are working on risks and recommendations identified in the interim report and on updating the Data Protection risk register accordingly. Noting the interconnections between data protection, information management and cybersecurity, BYM plans to replace the staff Data Protection Group with a new Information Governance group formed of Operational Managers.

### Grant-making

Grants from restricted funds are made according to the criteria laid down by the donor.

Grants from unrestricted funds are allocated by reference to criteria specified in 2010.

We continue to develop standardisation and consistency in our grant making across BYM. A full list of grants given is available on our website ([www.quaker.org](http://www.quaker.org)).

### Recruitment of trustees, induction and training

Trustees are normally appointed for a term of three years, with a possible reappointment for a second term.

Trustees are appointed by Yearly Meeting on the nomination of the Central Nominations Committee. Meeting for Sufferings is empowered to make interim appointments between Yearly Meetings. The Clerks of Trustees and the Yearly Meeting Treasurer are appointed annually by Yearly Meeting on the nomination of the Yearly Meeting Committee on Clerks. These nominating committees draw on a database of offers of service from Friends in membership of the Society. In making nominations for service as trustees, the Central Nominations Committee ensures that the Friends approached are aware of the legal responsibilities of trustees and of the legal position on eligibility.

Trustees keep their collective strengths and weaknesses under constant review. Trustees use regular training to reinforce those strengths and to address any weaknesses. All trustees are offered training in a range of areas related to their responsibilities. New trustees receive induction and briefing materials. They take part in a reflective review at the end of their first year of service, and again when they complete their term. The findings of these reviews are reported back to the Trustee body.

## Trustees serving during 2019 and up to the date of this report

Georgina Bailey	London West Area Meeting
Linda Batten, Treasurer	Sheffield & Balby Area Meeting
Alison Breadon	Wirral & Chester Area Meeting
Jenny Brierley (from 1 January 2020)	York Area Meeting
Sam Challis (from 1 January – 24 March 2020)	London West Area Meeting
Sarah Donaldson	Manchester & Warrington Area Meeting
Nick Eyre	Lincolnshire Area Meeting
Kate Gulliver (from 1 January 2020)	West Scotland Area Meeting
Eleanor Harding	Central England Area Meeting
Carolyn Hayman	North West London Area Meeting
Caroline Nursey, Clerk	London West Area Meeting
David Olver, Assistant Clerk (until 31 December 2019)	Craven & Keighley Area Meeting
Alastair Reid (until 31 December 2019)	West Scotland Area Meeting
Hazel Shellens (until 31 December 2019)	Cambridgeshire Area Meeting
Graham Torr, Assistant Clerk (from 1 January 2020)	York Area Meeting
Frances Voelcker	North Wales Area Meeting
Danielle Walker Palmour (from 27 May 2019)	York Area Meeting
Christine Willmore	Bristol Area Meeting

BYM trustees are working on improving their diversity. At December 2019 of the serving and incoming trustees:

- 67% were female; 11% preferred not to say
- 6% were from black and minority ethnic communities
- 33% considered themselves to be disabled
- 6% identified themselves as Lesbian, Gay, Bi-sexual, Transgender, Queer/Questioning (LGBTQ); 6% preferred not to say
- 56% were under the age of 65.

### BYM staff

BYM employed 197 staff (157.8 full time equivalent) across its departments in 2019, including 72 (56.36 full time equivalent) to undertake the work of Friends House (London) Hospitality Ltd.

### Management Meeting

Trustees delegate the responsibility for implementing decisions and managing work to senior staff (Management Meeting).

In 2019, Management Meeting comprised:

- Helen Drewery, Head of Witness and Worship (until April 2019)
- Paul Grey, Head of Operations
- Lisa Kiew, Head of Finance and Resources
- Paul Parker, Recording Clerk
- Juliet Prager, Deputy Recording Clerk
- Oliver Robertson, Head of Witness and Worship (from March 2019)

## Structure, governance and management

### Staff remuneration and support

The salaries for all staff, including the Recording Clerk and members of Management Meeting, are agreed on behalf of BYM Trustees by their Employment Committee, which negotiates these where required with the workplace union representatives. For several years a formula has been in place to propose a cost-of-living increase which is agreed by trustees subject to certain affordability criteria.

It is a longstanding policy of BYM that no member of staff, either on our London or regional pay scale should receive a full-time salary more than four times that of any other. That policy, which results in a 1:4.7 ratio across the two pay scales, is one of the ways that Quakers are trying to put our faith into practice in the workplace. All staff are paid above the recommended Living Wage.

BYM is firmly committed to the personal and professional development of our staff, allocating £500 per employee per annum towards training and development. In 2019, 11 internal face-to-face courses were run over 62 sessions, in addition to the provision of online training on various health and safety topics and data protection, and role-specific training for individuals. Direct expenditure on training was 1.6% of total staff costs.

Staff are supported in other ways to maintain well-being with an employee assistance scheme, trusted listeners to support staff, mental health first aiders, and awareness days focussing on physical and mental health, as well as health and safety.

### Communicating with staff

Our methods of communicating with staff continue to evolve. The intranet enables staff to access news and information across the organisation, and highlights are shared on posters in staff areas. Discussion and information sharing also takes place in departmental meetings, as well as all-staff meetings, which are recorded and available to listen to on the intranet.

BYM is committed to open and accountable management of our staff, where development and recognition are acknowledged. Staff can raise concerns through their line manager or Management Meeting, including the Recording Clerk, or anonymously through the whistleblowing policy and suggestion box.

Staff are regularly informed of and consulted about changes and developments within the organisation.

In addition to our usual communication channels and meetings, we run drop-in sessions for staff to focus on specific developments.

We hold an all-staff conference in alternate years and carry out surveys of all staff, the findings of which inform how we work together.

Over 150 staff from across England, Wales and Scotland came together at our all-staff conference in December to celebrate achievements, revisit the strategic priorities that underpin our work, reflect on progress on diversity and inclusion, and hear the results of the staff survey.

The survey identified a number of strengths and areas for development:

- 94% of staff are proud to tell people they work for BYM
- 93% would like to be working for BYM in twelve months' time
- People feel valued with 90% agreeing that pay and benefits are fair and 89% stating BYM cares about health, safety and well-being.

We plan to invest further in staff engagement and leadership, and focus on our culture, commitments and behaviours, because those behaviours either reinforce or undermine our values.

Our representative staff-led Quaker Workplace Group develops staff ideas that contribute to a purposeful and loving working environment underpinned by Quaker values.

Staff are encouraged to join the employer recognised union, Unite. A member of Management Meeting meets with the union regularly. The union supports staff during key consultations and with employee relations.

### Relationships between BYM and related parties

The charity works in close partnership with a number of other organisations.

Friends Trusts Ltd acts as custodian trustee or holding trustee, where the terms of trust permit, of property and investments held in trust for the benefit of or in connection with the Religious Society of Friends in Great Britain. Its directors are appointed by Meeting for Sufferings, and BYM provides secretarial support for its work.

Quaker Housing Trust is the national housing charity of Religious Society of Friends in Great Britain, with trustees appointed by Meeting for Sufferings. BYM provides secretarial support for its work.

Woodbrooke Quaker Study Centre is an independent learning organisation which supports and informs Quakers, as individuals and as a community, to enable our work in the world and in local communities from a place of understanding and spiritual renewal. Woodbrooke is a key partner in the development and delivery of a number of BYM's programmes of work. BYM and Woodbrooke have an agreed memorandum of understanding to provide a framework for our working relationship.

The Quaker United Nations Office (QUNO) in Geneva works on behalf of Quakers worldwide on issues of sustainability, peace and human rights. It was formerly a part of BYM's work. It is now an independent charity registered in Switzerland. BYM makes a substantial grant towards the annual running costs of QUNO.

BYM works with and through a wide range of other like-minded organisations, including a number of other Quaker organisations, to deliver programmes of work rooted in Quaker concerns.

### Fundraising practices

BYM raises funds within the Quaker community primarily via the contributions given by area and local meetings annually. We also make applications to trusts and foundations for grant funding. We would like to thank all the local and area meetings, charitable trusts, foundations and individuals who support our work. Britain Yearly Meeting receives no government funding.

We adhere to data protection law and the fundraising preference service. We take protecting people's data very seriously and our policies comply with relevant legislation. Our privacy policy is accessible on our website. We do not swap or sell individuals' data and supporters can change their communication preferences at any time. No professional third party fundraiser or commercial participator carries out any fundraising activity on behalf of BYM.

We are registered with the Fundraising Regulator and abide by the Code of Fundraising Practice and as such commit to their Fundraising Promise and aim to exceed these standards. In all our fundraising work we commit to:

- be transparent about our work
- be respectful
- listen and respond
- commit to high standards
- be fair and responsible.

We have received no complaints regarding our fundraising practices in 2019.

Our Trustees agree and regularly review our fundraising strategy. In 2019, BYM started to build its fundraising engagement capacity. For every £1 spent on raising voluntary income for BYM centrally £43 was received in donations and legacies in 2019.

### Reference and administrative details

#### Name and registered office

Britain Yearly Meeting of the Religious Society of Friends (Quakers)  
Friends House, 173 Euston Road, London, NW1 2BJ  
Registered charity number 1127633

#### Professional advisers

##### Auditor

Sayer Vincent LLP  
Invicta House  
108-114 Golden Lane  
London EC1Y 0YL

##### Legal advisers

Bates Wells  
10 Queen Street Place  
London EX4R 1BE

##### Investment managers

Rathbone Greenbank Investments  
10 Queen Square  
Bristol BS1 4NT

##### Main banker

The Co-operative Bank  
3rd Floor  
10 Warwick Lane  
London EC2 7BP

### Objectives and achievements

The charitable object of BYM is “the furtherance of the general religious and charitable purposes of the Religious Society of Friends in Britain and beyond”. This purpose is further defined in Quaker faith & practice under four headings, which underpin the organisation of our work and the allocation of funds.

#### Sustaining our church and faith

Yearly Meeting 2019 was held at Friends House in May 2019. This annual event is open to all members of the society, and functions as the ultimate decision-making body for Quakers in Britain. It influences the Quaker church in Britain and the work of Britain Yearly Meeting as a charitable organisation. Over 1,200 Friends participated in the event, including 121 Friends aged under 18. The main theme of the event asked Friends to ‘look through the lens of privilege at climate justice and inclusion’. It opened discussions of issues that will be further explored at Yearly Meeting Gathering in 2020. A key decision from the meeting was to agree a review of the purpose and function of Yearly Meeting and Gatherings. Meeting for Sufferings will initiate the review in liaison with the Book of Discipline Revision Committee.

The Book of Discipline Revision Committee, announced in 2018, was formally appointed in February with 24 members being selected from over 300 applications. A fully-subscribed conference held at Woodbrooke gave Friends an additional way to engage with the whole revision process.

We have continued to respond to Yearly Meeting’s call to examine diversity. We held a national gathering on Diversity and Inclusion, and conducted a national survey – receiving over 2,000 responses. We visited meetings and committees to identify and discuss the specific challenges they have faced, and we have explored how individual Quakers can hold each other accountable in meetings, committees and the larger structures of BYM. The project is beginning to have a positive impact as a process is developing and meetings are being empowered to start having difficult conversations.

Every three years we hold a national outreach conference. In 2019, for the first time, it was opened up to be an all-age event. Adults and children were both part of a single programme of worship and workshops for the whole weekend. Friends from around the country explored allyship, inclusion, connecting with our communities, outreach to children

and families and building a presence on social media. A follow-up event, called Being a Quaker parent, was held in partnership with Woodbrooke in the summer.

It was our turn to nominate one of the six Presidents for Churches Together in England (‘CTE’). Our nominee was rejected by some Member Churches of CTE because she was in a same-sex marriage, which they do not accept – unlike the Religious Society of Friends. The impasse led to the presidential position being represented by an ‘empty chair’. The Quaker Committee for Christian & Interfaith Relations (QCCIR) are considering how best to use this as an opportunity for discussion and learning. However, the rejection did garner strong reactions and considerable media attention (including coverage with the BBC, Premier Radio and the Church Times). Our statement on the issue received 52,000 impressions on Twitter and reached 73,000 people on Facebook, sparking 985 comments.

In 2019 we spent £1.0 million on sustaining our church and our faith.

#### Supporting meetings

We provide meetings with resources, training, support and events to support them to work with children and young people so that they can engage with Quakerism, explore their spirituality and be a valued part of Quaker communities.

The Vibrancy in Meetings project reached its final year in 2019, and a final report of its findings is currently being prepared for publication in early 2020. The pilot project has been transitioned into a new, meeting-centred approach to take support closer to Quaker communities. There has been a positive response to local development workers (LDW), who have assisted local and area meetings on a range of issues, including property dilemmas and mental health support. A permanent Local Development team has been established and expressions of interest are being gathered to identify where an initial local hub will be based.

The Sanctuary Network continues to grow. Thanks to Friends’ significant response to an appeal, the programme was able to continue beyond 2019, with the broader aim of making the network more self-sustaining. There are now 99 Sanctuary Meetings active in Britain, working in their communities to counter the government’s ‘hostile environment’ and support people seeking the right to remain in the UK.



The Simpler Meetings project is into its second year and has already gathered a wealth of possibilities for change. Topics range from making life simpler for role-holders to simpler property management and alternatives to having a meeting house. Suggestions have been posted online as videos and documents, and meetings are already putting ideas into practice. Our processes around nominations for committee service have also been simplified.

We conducted a review of safeguarding procedures across the charity and church to ensure our policies and practices are fitting and robust. This included a review of archived safeguarding records to ensure they had been fully and appropriately resolved. The project will continue into 2020. As part of a wider look at how well religious organisations manage child safeguarding, Quakers in Britain was invited to submit evidence to the Independent Inquiry into Child Sexual Abuse (IICSA). We provided multiple witness statements to the Inquiry.

The Local Youth Worker pilot project continued into its second year, and is already showing results. Based in Bristol and Sheffield, two youth workers are engaging with young Quakers and on initiatives to develop all-age communities. The link between national and local work is key to getting young people involved. Numerous examples showed how attendance at national events encouraged more participation regionally too. The Bristol youth worker engages with 32 young people across the south west. As a result of the project seven young people have attended national events for the first time.

Resources for meetings provided by the Children and Young People (CYP)'s work team were requested 854 times from 40 different meetings and six training events took place with 90 participants from 42 meetings. There are 1,231 subscribers to Journeys in the Spirit (with 114 new subscribers in 2019). One participant found a CYP workshop particularly enlightening: 'As a result of today I will treat children's meeting as part of worship rather than separate'.

BYM gave nearly £200,000 in grants and loans to meetings for their buildings in 2019. The Quaker community in Ludlow, Shropshire, was one of 16 meetings who benefitted from BYM funds. The grant helped cover the planning, architects', quantity surveyors' and engineers' fees required to complete the purchase and conversion of a Grade II listed workshop next to their meeting house. They were

able to refurbish and insulate the property, to extend the available space for the meeting and increase letting opportunities.

In 2019 we spent £3.0 million on supporting meetings.

### **Witness through action**

In 2019 we strengthened our interfaith links working on climate causes. Our open letter calling for funding and debt relief for poor countries hit by climate disasters was signed by eight other church leaders and published in the Times.

BYM was invited to speak at an interfaith event as part of The Time Is Now mass lobby for climate and environment action. Young Quaker Anya Nanning Ramamurthy made an outstanding speech to a 1,000-strong audience at an interfaith event on the day, alongside leaders from Anglican, Buddhist, Muslim and Jewish traditions. Earlier in the day more than 100 Quakers, with support from Quaker Peace & Social Witness joined 16,000 others to speak directly with MPs and urge government action.

We hosted an interfaith training session run by Hope for the Future, who support people to talk to MPs and other elected representatives about the climate crisis. We also ran seven workshops for Quaker meetings exploring the climate crisis, how it relates to economic injustice and how to take action. We have developed session plans to enable Friends to run workshops themselves.

In conjunction with The Guardian and Caroline Lucas MP, we welcomed the teenage climate activist Greta Thunberg to Friends House. She spoke in The Light, alongside Caroline Lucas and participants in the UK youth climate strikes, to a full-house audience of mainly young people.

The refurbished and rebranded restaurant at Friends House meant the Bake the Difference programme could expand in its second year. The programme is a collaboration between the trading subsidiary and London Pathways Partnership that aims to help ex-offenders reintegrate into society by teaching them culinary skills. Initially focussed on baking, participants will now be able to add front of house, barista and kitchen porter skills to their CVs.

We supported Friends to take action against the Defence and Security Equipment International (DSEI) arms fair. With Roots of Resistance, we hosted a briefing day for the network of Quaker activists taking

## Structure, governance and management

action against the arms fair. The No Faith in War day of action brought protestors from a variety of faith traditions to worship together, united for peace and blocking access roads to the arms fair for nine hours. Roots of Resistance estimated 700 people attended the afternoon Quaker Meeting for Worship – more than double the attendance for DSEI actions in 2017. Quakers in Britain also held a well-attended peace vigil outside the exhibition centre, co-organised with Pax Christi with the support of Stop the Arms Fair.

In 2019 we trained and sent out 20 volunteers on the Ecumenical Accompaniment Programme in Palestine and Israel ('EAPPI'). The international programme is coordinated by the World Council of Churches to monitor human rights in the region and its UK and Ireland branch is managed by BYM. Volunteers in the field are known as Ecumenical Accompaniers (EAs) and their work can make a real difference to everyday lives especially in supporting Palestinians in occupied territories. They work on both sides of the border, and as a result of EAPPI UK & Ireland's work at the Leo Baeck synagogue in Haifa, two Rabbis joined the meeting of EAPPI national coordinators in Beit Jala, Palestine. One of the Rabbis had not been to the West Bank since he was a soldier, while the other had never visited. By their own account, it was an eye-opening trip. A follow up trip is planned for 2020, where they will bring members of their congregation too.

Returning EAs are a crucial part of EAPPI's advocacy programme throughout the British Isles. In 2019 this included 139 speaking engagements, 96 meetings with politicians and religious leaders from a range of positions, parties and faiths. A major achievement was The Control of Economic Activities (Occupied Territories) Bill passing through the second stage of the Irish Parliament (Dáil Éireann). The bill, which explicitly challenges trade with settlements in occupied Palestine, is the first of its kind in Europe. Other countries have shown interest in passing such a bill. EAs contributed to its drafting and development from the very beginning.

Our East Africa programme works with and funds local partners in Rwanda, Kenya and Burundi to provide nonviolent direct action and campaigning support and training. In 2019, 14 full-time Turning the Tide ('TTT') East Africa staff members were employed by local partners and about 60 Community Resource volunteers from Rwanda, Kenya and Burundi carried out 33 basic 3-day trainings on nonviolence.

On average 19 people participated in each training, which means that TTT East Africa trained 627 people in 2019. They supported 106 nonviolent campaign activities, including grassroots groups campaigning for women's and children's rights, against corruption and for better service delivery. Through all the programme's activities, it is estimated to have reached 10,733 people in 2019.

In collaboration with Woodbrooke, TTT Britain launched the first online nonviolence course based in Britain. As part of the course, TTT East Africa contributed practices and materials to share with participants. The course was well received, and will happen again in 2020 with additional speakers, resources and weekly webinars.

Quaker peacemakers young and old came together for an intergenerational exchange of ideas around Quaker conciliation. Conference participants were mostly Quakers, a mix of longstanding conciliators, younger adults and two international guests with direct experience of working with Quakers to address violence in their countries. The event will help shape future Quaker work and the learnings will be published as a book.

We ran seven Justice Matters workshops with a range of Quaker audiences to take the Quaker temperature about 'transformative justice'. Participants appreciated it as a way to be more radical and contemporary.

An independent evaluation of the Peace Education programme published in 2019 found it had engaged approximately 40,000 individuals over the previous year. The study commended the team's combination of direct peace education sessions, downloads of new and existing teaching resources and engagement with our online courses and materials.

The programme supported and trained independent Quaker group Peace Pathways to deliver workshops and peer mediation in North East schools. We also worked with Roehampton University and the Learning Institute to increase opportunities for Peace Education in teacher training. In 2019 two new resources were published: Razor Wire & Olive Branches, building on EAPPI's work to explore the conflict in Palestine and Israel on a human level; and a Welsh language edition of Peace Week.

We spent £2.9 million on Quaker witness through action in 2019.

### Promoting Quakerism

For the first time ever, Quakers had an official presence at Glastonbury festival co-ordinated by the Engaging Young Adult Quakers ('EYAQ') project. We offered festival-goers a space of peace, calm and spirituality amongst the noise and colourful chaos of the UK's largest music festival. The three-year EYAQ project has been finding ways to better connect Quakers aged 18-30 with local meetings, each other and the centrally managed work of BYM.

We launched a series of blogs about #QuakerFacts looking at Quaker trivia and how Quakers have shaped the world. These were very well-read and will be continued into 2020. We published seven blogs looking at and preparing for the general election in December, with 3,951 reads in total, the most popular being "Quakers challenge new government on top priorities" which was accessed 1,204 times. We reached out to Parliamentary candidates to share Quakers priorities for a General Election and received 60 positive responses, including tweets using our suggested statements and words of solidarity.

Three new Podcast episodes looked at immigration, climate change and climate activism. They were downloaded 8,413 times and the themes were popular talking points for us on social media as well. Our posts upholding Quakers involved with Extinction Rebellion and discussing Greta Thunberg's talk at Friends House, in conjunction with Guardian Live events, reached thousands. We had some excellent positive engagement on Facebook and Twitter, – and media coverage thanks to a very cheeky endorsement from BBC's *Fleabag*, one of 2019's most successful TV shows. The Quake! monthly e-newsletter continued to be popular in 2019, with year-on-year subscriber numbers growing by 60% to 5562.

At Swarthmoor Hall a new, more accessible website was launched. The refreshed online presence was underpinned by new priorities and vision statement with a view to develop commercial activities at the Hall.

In 2019 we spent £2.1 million promoting Quakerism.

# Strategic report and review of financial activities for 2019

We would like to thank Friends for the commitment and generosity they have shown to sustain the centrally managed work carried out by our national charity in 2019. This support has enabled us to: provide advice, resources, training and events to strengthen and empower Quaker meetings; uphold the structures and discipline that keep our church and our work spirit-led; operate a range of programmes in Britain and overseas that translates our faith into action; carry out outreach, media and advocacy work that builds public awareness of who Quakers in Britain are and about the things that matter to us.

Apart from contributions from individuals and Quaker meetings, our income derives from five other principal sources: legacies, grants, the surplus from our trading subsidiary, investment income and revenue from our charitable activities. Our revenue from all these sources in 2019 was £17.2 million (2018: £12.2 million).

Over the past few years legacy income has varied from less than £1 million to over £5 million; 2019 was an exceptional year with the amount totalling approximately £7.4 million (2018: £2.7 million). Between 2014 and 2019, legacy income in excess of the amount needed to support our regular work has been allocated to time-limited projects. Projects totalling £5.2 million have been approved, many of which have already been completed. Eleven projects are ongoing and will be completed between 2020-2024. Trustees intend to spend legacy income above what is needed for immediate operating costs on placing a local development worker within reach of every meeting. We are grateful to Friends no longer with us for these gifts which benefit present and future generations.

The largest proportion of contributions reach us in the last three months of the year. Contributions in 2019 were just over £2.2 million. Friends across Britain have given what is right for them, with equal generosity, increasing total contributions by £91,000 on the 2018 total. The contributions that Friends send have a big impact in supporting the centrally managed work.

Friends House (London) Hospitality Limited, trading as the Quiet Company, continues to raise income from conferences, meetings and catering provision at Friends House. The company also manages Swarthmoor Hall at Ulverston in Cumbria and the Quaker Bookshop on behalf of the charity. The company's trading income funds the bulk of the building's running costs, and after

paying these and its operating costs, a surplus of £1.0 million was generated in 2019 as a direct contribution towards our charitable work. As well as contributing 30% of our gross income, the trading company is an exemplar of an ethical business, considering people, the planet and profit equally. As part of BYM's charitable work with and through other organisations, in 2019 the charity also provided room hire and services totalling £0.2m as support in kind.

The market value of our investment portfolio at the end of 2019 was £27.3 million. With the recovery of the stock market since the end of 2018, the portfolio made a gain of £5.3 million. These exceptional market returns reflect overall market movements, as well as the financial benefit to BYM of further investments in renewable energy and international funds run to socially responsible investment criteria. The volatility of the market has been seen in our portfolio valuation across recent years. For 2018 we reported a net loss of £2.3m and for 2017 a net gain of £2.9m. Over 2019, we increased our asset allocation in overseas equities while continuing to be significantly invested in the UK market. Holding diverse investments mitigates the high level of risk associated with a single sector or market. BYM invests for the long term, aiming to generate total returns to support present and future charitable work. We also aim to be a great example of an ethical and responsible investor in the way we choose to invest, exclude, engage and innovate. We monitor the carbon footprint of our portfolio. As of 31 December 2019, our carbon footprint was 83.07 tonnes per pound invested, 61% less than the carbon footprint of FTSE 350. BYM engages with companies, both directly and through its investment manager to try to improve practices and may, in the event of ongoing concerns, sell its shares. Just over 18% of the portfolio is invested in companies responding to the challenge of the climate emergency, either through the provision of renewable or low carbon-energy or the provision of other mitigation solutions.

We believe in working with others; there are times when those with stronger voices than BYM will lead engagement. Collaborating reduces pressure on BYM's resources and group engagement offers added impact. In March we joined a coalition of charities calling on the Charity Commission and Attorney General to seek a landmark ruling on whether charities should ensure their investments support their goals and their duty to

provide public benefit. In November BYM also became a named signatory to Global Investor Statement on Climate Change. The statement recognises the importance of continued action on climate change, reiterates investor support for the Paris Agreement and calls on global governments to implement measures that support a transition to a low carbon economy. The investment policy, together with a full listing of our investments as at 31 December 2019, is published on our website at [www.quaker.org.uk](http://www.quaker.org.uk).

The overall surplus for the year of £8.5 million arose mainly from the net gains on listed investments and the increased level of legacies. We are grateful to these Friends and supporters for their bequests which support the people, communities and concerns they care about into a future beyond their own lifetimes.

## Reserves

Reserves held by BYM comprise four categories, the nature and policies of which are described below.

### Endowments

Endowments are monies received by BYM with the requirement that the capital should be held permanently and the income used for various aspects of the charitable purposes. Trustees are reviewing each of these endowments to see whether the objectives might be achieved better by seeking Charity Commission permission to spend the capital in the light of the increased demands in some areas of work and the levels of returns available. Some endowments have been reclassified as restricted funds this year following such permission.

### Restricted funds

Restricted funds are monies received by BYM with a specified area of expenditure, within the general objectives but with limited application. Some are intended to be held for the long term to finance the named purposes and beneficiaries, in which case capital gains and income are attributed to these funds annually. Others are held for immediate expenditure over a shorter time horizon (normally no more than five years), in which case no addition is made for income or gains arising.

### Designated funds

Designated funds are monies set aside by Trustees to be spent or held to cover specific expenditure or projects. Some designated funds represent the main functional and investment properties held for the long term by BYM. These include Swarthmoor Hall,

Friends House, and Drayton House. The legacy-funded short-term projects fund represents monies set aside for immediate expenditure within the next five years on approved projects. Others are monies allocated to areas of expenditure that cover more than one year. Trustees continue to review these designated funds to ensure that the set purposes remain valid, and if not to ascertain if some can be released for more pressing needs.

### General reserves

The general reserve represents monies accumulated after each year's financial accounts are completed and all necessary provisions and attributions to designated funds are implemented. These monies are available for the immediate use of BYM, subject to retaining such amounts as are prudent for the smooth running of the charity. In the normal course of our activities we aim to balance income and expenditure over the medium term. Accordingly, general reserves are used to provide working capital cash needs, and to finance short-term deficits where necessary.

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Total Funds as per Group balance sheet	85,866	77,358
<b>Exclude:</b>		
Endowment funds	6,125	5,119
Restricted funds	6,637	6,782
Designated funds tied up in fixed and heritage assets	47,261	48,959
Other designated funds	10,464	8,972
<b>General reserves</b>	<b>15,379</b>	<b>7,526</b>

Our reserves policy focuses on the level of BYM's general reserves.

A key measure of sustainability is both current and future liquidity cover, rather than a surplus accounting position. BYM has robust income streams in relation to its trading activities and its investment income from properties. In arriving at its target reserves policy, BYM has also considered the relationship between readily realisable assets and the cash required to fulfil commitments and sustain operations for an anticipated period.

Our general reserves as at 31 December 2019 amount to £15.4 million. The target for general reserves is 3 months' operating costs (£6.4 million based on 2020 budget), plus planned capital expenditure for the next twelve months (£1.3 million). In the event of BYM facing difficult financial circumstances, these reserves would allow us to meet our responsibilities and for operations to continue during a period of managed adjustment to these new circumstances.

While general reserves are above the target figure of 3 months' operating costs plus planned capital expenditure for 2020, our strategic plans assume the excess will reduce over the medium term (3-5 years) as we invest in additional support for Quaker communities as well as investing in areas of development, such as safeguarding, data protection and data management.

The Trustees' Finance and Property Committee reviews the reserves policy annually.

### Financial position

The overall position as at 31 December 2019 remains stable despite the uncertainties in the wider economy. Our net current assets (short-term bank deposits, monies owed to us, less monies owed by us and payable within one year) amount to £7.6 million. These provide a satisfactory level of cash resources for our planned activities and enable us to pay for capital projects during 2020.

### Looking forward

Our financial position at the year-end is sufficient to accommodate fluctuations that may be caused by shortfalls in income or unexpected expenditure. Although the income derived from any single source varies from year to year, the spread of income is sufficiently broad that we can plan our programmes of continuing work with confidence. As ever we continue to monitor carefully both income and expenditure, and cash requirements.

BYM is investing in the future of the Society over the next five years with around £3 million of reserves already committed mostly for work in 2020-21. A deficit operational budget for 2020 has been agreed by Trustees in order to take forward the work on supporting Quaker communities and strengthening our infrastructure. We need to invest in order to be well governed and effective, ensure we protect our children and vulnerable adults as well as we possibly can, and manage and protect our data. We will continue to develop work with children and young adults. BYM will also continue work with and on behalf of Quakers for a sustainable and peaceful world, noting that the need for this in the wider world continues to be pressing and growing. To be able to meet these needs, BYM is changing its structures and practices; this will incur costs in the short term, whilst leading to simplification, increased efficiency, and making a greater difference in the world. Quakers, our communities and the work we do together matter. Prudent stewardship involves prioritising our efforts in order to make the greatest difference in the world with finite amounts of money and time.

Approved by the Trustees of Britain Yearly Meeting of the Religious Society of Friends (Quakers) on 3 April 2020 and signed on their behalf by:



Linda Batten, Treasurer

## Future plans, as of 1 January 2020

A key priority for 2020 will be preparations for Yearly Meeting Gathering at the University of Bath. The theme, 'Listening, prophecy & reconciliation: allyship in a climate emergency' will build on and develop the discussions from Yearly Meeting 2019.

Alongside this work, our plan contains roughly 350 activities of varying scope and complexity across the charitable organisation. Many of these are informed by the strategic priorities for the next 5–10 years defined by Trustees in 2019:

### Thriving Quaker meetings

2020 will be an important year for key projects to provide Quaker communities with increased direct support. We will be putting the learnings from the final Vibrancy in Meetings report into action. This means an increase in the number of local development workers, including a new pilot hub as a base for working outside of London or Birmingham. A new local development team will be in place by the end of the year, and further bases and workers will be initiated over the next five years. At that point, we aim to have a local development worker in reach of every Quaker community.

The results of the national Quaker diversity survey, will be discussed in a series of podcasts released throughout the year. Separate episodes will look at the issues of race, class, disability, and sex & gender in turn. Though not fully representative of all British Quakers, the survey gives a deeper understanding of the makeup of the Quaker community in Britain today.

We continue to experiment with models of what all-age Quaker community looks like, and support meetings to explore ideas of their own. 2020 will see the final stages of the Engaging Young Adult Quakers project and we will build on the learning from the project, and also ensure the participation of young adult Quakers in the ongoing book of discipline revision process. New audience-specific outreach resources will be developed for meetings and Quaker groups, including on linking with their communities.

We will explore ways to give meetings a clearer understanding of their strengths and assets and how to use these for a wider community benefit.

### A sustainable and peaceful world

Over the course of 2020 we will be providing support and resources to help Friends explore the issue of climate justice and to take action, especially in the context of the UN climate change summit that will be held in Glasgow in November. We have joined an interfaith taskforce and will be working with Friends in Scotland to develop a local response to the summit.

We will continue building and developing relationships with European Friends and partners. Through into 2021, we will be collaborating with the Quaker Council for European Affairs (QCEA) on 'Strengthening peace education across Europe and beyond' to keep encouraging developments in EU policy. We will produce resources that question militarism and promote peace education and, with QCEA, hold a conference for Quakers, practitioners and academics in Brussels.

Turning the Tide will be developing new partnerships with grassroots and cross-community organisations, to build peaceful communities in response to increasing division and polarisation. After a successful launch in 2019, we will again run the online Inspiring Nonviolence course with Woodbrooke with additional content and guest speakers.

After nearly ten years of partnership with Kenyan peace activists, Turning the Tide Kenya will become an independent organisation – the Africa Center for Nonviolence and Sustainable Impact (AfriNov). We will continue to support them, acting as an advisor on organisational development and governance.

We will continue the Sanctuary Everywhere programme, working to change UK laws around immigration, while also making networks self-sustaining.

### Simple structures and practices

In line with the new strategic priorities, reviews will be conducted throughout BYM to work towards the shared vision and plan for simplifying structures and processes. We will be developing planning and impact processes to aid decision making, and to help deliver strategic priorities while making the most effective use of resources.

## Future plans

Quaker Peace and Social Witness will finalise a new departmental strategy, which includes the looking at more cross-departmental collaboration to strategically develop Quaker activism support. Work on governance is looking at how staff across BYM support governance and church government, particularly those in Events and Committee Services and the Recording Clerk's Office. Depending on the outcome of this, changes will be implemented in 2020.

In 2020 we will move into the final year of the Simpler Meetings project. Learnings are already being shared on how to reduce the burdens on a small number of Friends holding a large number of roles. We will continue to share the learnings and different solutions for different meetings to free up time for worship, witness and community building.

We will be trialling a model for safeguarding policy and procedures to ensure all meetings are confident and consistent with appropriate levels of safety and responsibility expected of them.



## Statement of trustees' responsibilities

Trustees are responsible for preparing the trustees' 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 trustees to prepare, for each financial year, financial statements which give a true and fair view of the state of affairs of the charity, the group, the incoming resources and the application of resources of the group 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 Statement of Recommended Practice
- make judgements and 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 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 which enable them to ensure that the financial statements comply with the Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the provisions of the governing document. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, the charity's trustees certify that: there is no relevant audit information of which the charity's auditors are unaware; and that they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees' report was approved by the trustees on 3 April 2020 and signed on their behalf by:



Caroline Nursey, Clerk

# Independent auditor's report to the Trustees of the Britain Yearly Meeting of the Religious Society of Friends

## Opinion

We have audited the financial statements of Britain Yearly Meeting of the Religious Society of Friends (the 'the parent charity') for the year ended 31 December 2019 which comprise the consolidated and parent charity statement of financial activities, the group balance sheets, the consolidated statement of cash flows and the notes to the financial statements, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2019 and of the group's incoming resources and application of resources, 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 financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- the 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent 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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements

## Auditor's report

represent the underlying transactions and events in a manner that achieves fair presentation

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 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.

## Use of our report

This report is made solely to the parent 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 parent 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane,  
LONDON, EC1Y 0TL

3 April 2020

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

# Financial Statements

## Year to 31 December 2019

## Consolidated statement of financial activities Year to 31 December 2019

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>2019 Total funds £'000</b>	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>2018 Total funds £'000</b>
<b>Income and endowments from:</b>									
. Donations and legacies	2	9,740	400	-	<b>10,140</b>	5,216	310	-	<b>5,526</b>
. Charitable activities	3	287	20	-	<b>307</b>	291	46	-	<b>337</b>
. Other trading activities	4	5,076	-	-	<b>5,076</b>	4,913	(6)	-	<b>4,907</b>
. Investment income	5	1,513	140	-	<b>1,653</b>	1,279	141	-	<b>1,420</b>
<b>Total</b>		<b>16,616</b>	<b>560</b>	<b>-</b>	<b>17,176</b>	11,699	491	-	<b>12,190</b>
<b>Expenditure on:</b>									
. Raising funds	2,4,5	4,876	-	-	<b>4,876</b>	4,317	-	-	<b>4,317</b>
. Charitable activities	3,6	8,288	765	-	<b>9,053</b>	7,425	1,005	-	<b>8,430</b>
<b>Total</b>		<b>13,164</b>	<b>765</b>	<b>-</b>	<b>13,929</b>	<b>11,742</b>	<b>1,005</b>	<b>-</b>	<b>12,747</b>
<b>Net income/ (expenditure) before gains/(losses) on investments</b>		<b>3,452</b>	<b>(205)</b>	<b>-</b>	<b>3,247</b>	(43)	(514)	-	<b>(557)</b>
Net gains/(losses) on listed investments	15	4,069	160	1,032	<b>5,261</b>	(1,811)	(69)	(462)	<b>(2,342)</b>
Realised gain on sale of investment property	15	-	-	-	<b>-</b>	5	-	-	<b>5</b>
<b>Net income/ (expenditure)</b>		<b>7,521</b>	<b>(45)</b>	<b>1,032</b>	<b>8,508</b>	<b>(1,849)</b>	<b>(583)</b>	<b>(462)</b>	<b>(2,894)</b>
Transfers between funds		126	(100)	(26)	<b>-</b>	(1,107)	1,107	-	<b>-</b>
<b>Net movement in funds</b>		<b>7,647</b>	<b>(145)</b>	<b>1,006</b>	<b>8,508</b>	<b>(2,956)</b>	<b>524</b>	<b>(462)</b>	<b>(2,894)</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		65,457	6,782	5,119	<b>77,358</b>	68,413	6,258	5,581	<b>80,252</b>
<b>Fund balances carried forward at 31 December 2019 (2018)</b>		<b>73,104</b>	<b>6,637</b>	<b>6,125</b>	<b>85,866</b>	<b>65,457</b>	<b>6,782</b>	<b>5,119</b>	<b>77,358</b>

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

## Balance sheets as at 31 December 2019

	Notes	Group		Charity	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
<b>Fixed assets:</b>					
<b>Property plant and equipment</b>					
. Functional property	13	<b>31,388</b>	31,307	<b>31,388</b>	31,307
. Other		<b>477</b>	468	<b>477</b>	468
<b>Heritage assets</b>	14	<b>604</b>	604	<b>604</b>	604
<b>Investments</b>					
. Property	15	<b>18,511</b>	18,511	<b>18,511</b>	18,511
. Securities		<b>27,305</b>	23,035	<b>27,305</b>	23,035
Total fixed assets		<b>78,285</b>	73,925	<b>78,285</b>	73,925
<b>Current assets:</b>					
Stocks and work in progress		<b>106</b>	100	<b>97</b>	92
Debtors	17	<b>3,933</b>	2,974	<b>3,820</b>	2,947
Cash at bank and in hand		<b>5,532</b>	2,010	<b>5,508</b>	1,988
Total current assets		<b>9,571</b>	5,084	<b>9,425</b>	5,027
<b>Liabilities:</b>					
Payables: amounts falling due within one year	18	<b>(1,990)</b>	(1,651)	<b>(2,874)</b>	(2,861)
Net current assets		<b>7,581</b>	3,433	<b>6,551</b>	2,166
<b>Total net assets</b>		<b>85,866</b>	77,358	<b>84,836</b>	76,091
<b>The funds of the charity:</b>					
<b>Capital funds:</b>					
Permanent endowment funds	19	<b>6,125</b>	5,119	<b>6,125</b>	5,119
<b>Income funds:</b>					
Restricted funds	19	<b>6,637</b>	6,782	<b>6,637</b>	6,782
Unrestricted funds					
. Designated funds	19	<b>57,725</b>	57,931	<b>57,725</b>	57,931
. General reserve	19	<b>15,379</b>	7,526	<b>14,349</b>	6,259
		<b>85,866</b>	77,358	<b>84,836</b>	76,091

These accounts, which have been prepared in accordance with accounting policies on pages 33 to 38, were approved by the Trustees of Britain Yearly Meeting of the Religious Society of Friends (Quakers) on 3 April 2020 and signed on their behalf by:



Caroline Nursey, Clerk of Trustees



Linda Batten, Trustee

## Consolidated statement of cash flow Year to 31 December 2019

	<b>2019</b>	<b>2018</b>	
	<b>£'000</b>	<b>£'000</b>	
<b>Cash flow from operating activities:</b>			
Net income/(expenditure)	8,508	(2,894)	
Adjustments for:			
Depreciation	866	796	
(Gain)/loss on investments	(5,261)	2,342	
(Gain) on investment property	-	(5)	
Investment income and interest	(1,653)	(1,420)	
Interest-free loans converted to gifts	-	(2)	
Gift of heritage assets	-	(2)	
Trade and other debtors	(959)	(676)	
Inventories	(6)	(18)	
Trade and other creditors	339	(82)	
<b>Cash generated/(used) in operations</b>	<b>1,834</b>	<b>(1,961)</b>	
Interest-free loans repaid and converted to gifts	2	6	
<b>Net cash generated/(used) in operating activities</b>	<b>1,836</b>	<b>(1,955)</b>	
<b>Cash flows from investing activities</b>			
Purchase of property plant & equipment	(956)	(397)	
Purchase of investments	(2,185)	(2,196)	
Proceeds on disposal of investments	3,131	3,026	
Proceeds on disposal of investment property	-	145	
Investment income and interest	1,653	1,420	
<b>Cash generated from investment activities</b>	<b>1,643</b>	<b>1,998</b>	
<b>Cash flows from financing activities</b>			
Interest-free loans repaid	(2)	(4)	
<b>Cash used in financing activities</b>	<b>(2)</b>	<b>(4)</b>	
<b>Net increase in cash and cash equivalents</b>	<b>3,477</b>	<b>39</b>	
<b>Analysis of cash and cash equivalents</b>	<b>2018</b>	<b>Cashflows</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank	<b>2,010</b>	3,522	<b>5,532</b>
Cash with investment managers	<b>1,942</b>	(45)	<b>1,897</b>
<b>Total cash and cash equivalents at 31 December</b>	<b>3,952</b>	<b>3,477</b>	<b>7,429</b>



# Notes to financial statements

## Statutory information

Britain Yearly Meeting of the Religious Society of Friends (BYM) is an unincorporated charity registered with the Charity Commission for England and Wales. The registered office address is Friends House, 173 Euston Road, London NW1 2BJ.

## 1. Accounting policies

### 1.1 Basis of preparation

BYM meets the definition of a public benefit entity under FRS102. The accounts have been prepared under the historical cost convention as modified by the inclusion of certain functional freehold properties at valuation, investments at market value and in accordance with the requirements of the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

### 1.2 Consolidation

Consolidated financial statements ("group financial statements") have been prepared in respect of BYM and its wholly owned subsidiary, Friends House (London) Hospitality Limited. The results of Friends House (London) Hospitality Limited have been consolidated on a line-by-line basis. No separate income and expenditure of the charity has been presented, as permitted by Section 408 of the Companies Act 2006 and para 15.11 of the SORP. The gross income for the charity for the year was £12.4 million (2018: £7.7 million) and its gross expenditure was £10.2 million (2018: £9.5 million).

### 1.3 Income and endowments

Income is recognised in the period in which the charity is entitled to receipt and where the amount can be measured with reasonable certainty. Income is deferred

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

### 1.4 Legacies income

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### 1.5 Expenditure

Expenditure is included in the statement of financial activities when incurred and includes any attributable but irrecoverable VAT. Resources expended comprise the following:

(a) Raising funds. These include salaries, direct costs and a share of support costs; they are analysed into three categories:

- Donations and legacies
- Other trading activities (including funds generated from hospitality)
- Investment income

(b) Charitable activities. These include salaries, direct costs and a share of support costs (or indirect overheads) and are analysed into the following four categories:

- **Sustaining our church and faith:** this is defined in Quaker faith & practice as organising

and maintaining the Yearly Meeting itself as responsive to the leadings of the Holy Spirit; this entails calling, briefing and running decision-making meetings with all the facilities necessary for their efficient and effective functioning. It also includes conducting relations with other churches, faiths and ecumenical bodies.

- **Supporting meetings:** this is defined in Quaker faith & practice as supporting Friends in their local organisations by providing services and advice relevant to the current demands of the Quaker community; for example, such work may relate to children, elderly people, those about to be married, those with responsibility for meeting houses, and those raising funds.
- **Promoting Quakerism:** this is defined in Quaker faith & practice as raising awareness and developing understanding within and without BYM concerning the basic tenets of Quaker faith and practice such as spirituality, peace and human rights.
- **Witness through action:** this is defined in Quaker faith & practice as putting Quaker thinking into practice in relation to the problems and needs of people at home and abroad, for example through conference resources, restorative justice, lobbying both the European Union and the United Nations, working with those in positions of power, and supporting social and development projects.

## 1.6 Support and management costs

These include salaries and other costs and are analysed into the following three categories, the total being charged out to categories 1.5(a) and 1.5(b) above on the following bases:

- Support costs relating to the operation and maintenance of Friends House are allocated on the basis of area occupied.
- Support costs relating to finance, human resources, IT and office services are allocated to the functional departments on the basis of total gross salaries within those functional departments.
- Support costs relating to departmental administration within the functional departments are allocated on the basis of gross salary charged to each departmental activity.

## 1.7 Grants payable

Grants payable are made to third parties in

furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

## 1.8 Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

## 1.9 Property, plant and equipment

All assets costing more than £1,500 and with an expected useful life exceeding one year are capitalised.

### (a) Functional freehold property

Functional freehold properties are included in the accounts at valuation. Professional valuers revalue the properties every five years.

Functional freehold properties are depreciated at a rate of 2% per annum on a straight-line basis in order to write off the buildings over their estimated useful life.

There are three significant functional freehold properties:

- **Friends House**

Friends House comprises freehold land and buildings included at a valuation of £27.9m determined as at September 2017 by Third Sector Property Ltd, on an open market value basis for existing use, in accordance with guidelines issued by the Royal Institution of Chartered Surveyors, plus subsequent additions at cost and less depreciation.

- **Swarthmoor Hall Estate**

The Swarthmoor Hall Estate comprises freehold land and buildings included at a valuation of £2.4m as determined at September 2017 by Carter Jonas Property Consultants on an open market value basis for existing use, less depreciation. The valuation took account of the fact that (a) Swarthmoor Hall Farm comprises a stock-rearing and dairy farm run organically by a sitting tenant with further succession rights and that (b) Swarthmoor Hall Wood has been let on a 999-year lease, with effect from 30 December

1995, to the Woodland Trust at a peppercorn rent.

#### • **Quaker House Brussels**

Quaker House Brussels comprises freehold land and buildings included at a valuation of £1,493k determined as at August 2016 by Marc Panichelli, Expert Immobilier, on an open market basis, less depreciation.

### **(b) Other tangible fixed assets**

Other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Office works – 12.5% per annum based on cost
- Furniture and general office equipment – 20% per annum based on cost
- Computers, similar equipment and software – 33.3% per annum based on cost.

Other tangible fixed assets, which have been fully depreciated, are written out of the accounts as their net realisable value is considered to be negligible.

### **1.10 Heritage assets**

These comprise artefacts, books, paintings and manuscripts relating to Quaker history, which have been purchased by or donated to the Society. These are made available to visitors, academics and researchers to promote an understanding of Quakerism.

These are included either at market value, if available, or at nil value where conventional valuation approaches lack sufficient meaning. No depreciation is charged.

### **1.11 Investment properties**

Investment properties are included in the accounts at a valuation. Every five years, professional valuers revise the values based on prevailing market conditions with the Trustees reassessing the valuations in the interim with professional assistance and making adjustments if they are deemed appropriate. Realised and unrealised gains (or losses) are credited (or charged) to the statement of financial activities in the year in which they arise.

Investment properties include:

- Drayton House, which comprises freehold land and buildings, valued at £18m by Third Sector Property Ltd as at September 2017 on an open market basis. The use of the building has been changed from office to educational use for the

specific period of the tenancy.

- Courtauld House, which comprises freehold land and buildings. On 7 March 2011 a long lease was granted on Courtauld House and its value was written down to £1.
- The Jordans Estate, which comprises freehold land and buildings, valued at £341k by Carter Jonas, property consultants, in August 2016 on an open market basis adjusted to reflect the fact that in excess of 15 acres of pasture land are let on an annual contract, 5 acres of pasture land are subject to a long lease and 4.61 acres of pasture land are subject to a different long lease. The valuation also reflects the fact that this land is held (inter alia) upon trusts for the protection of the quiet, seclusion and amenities of Jordans Friends Meeting House and burial grounds. The estate is also held as a programme-related investment that furthers BYM's aims in relation to sustainability.
- Two small properties valued by BYM with professional assistance, at a valuation of £170k based on open market value adjusted where necessary to reflect the existence of sitting or life tenants.

### **1.12 Other investments**

Equity and bond investments are included in the accounts at their market value at the balance sheet date. Realised and unrealised gains (or losses) are credited (or charged) to the statement of financial activities in the year in which they arise.

### **1.13 Net current assets**

Stocks and work in progress comprise stocks of publications and consumables for resale, valued at the lower of cost and net realisable value.

Debtors include loans advanced and sundry debtors. Interest-free loans are advanced to meetings for the purchase and improvement of meeting houses. They are repayable in annual instalments over periods of up to ten years; these are treated as concessionary loans and are carried at cost rather than the net present value of future payments.

Creditors include loans received from Quakers or Quaker meetings, legacies received where BYM is acting as agent for other Quaker organisations, and sundry creditors. Interest-free loans from Quakers or Quaker meetings are repayable on demand; these are treated as concessionary loans and are carried at cost rather than the net present value of future payments.

## I.14 Fund accounting

### **Endowment funds:**

Endowment funds comprise monies that must be held indefinitely as capital. Endowment income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes, in which case it is credited to restricted funds.

- The Kingsmead and Kingsmead Close Funds: the income of which is restricted to providing training for Quaker Peace & Social Witness (QPSW) workers or, if the whole of the said income is not required for such purposes, then for the maintenance and support of QPSW workers.
- The Friends Educational Foundation (FEF) Joint Bursary Scheme: the income of which is restricted to providing bursary grants at Quaker schools (note 21).
- The Friends Educational Foundation (FEF) Higher Education Awards: the income of which is restricted to providing grants for higher education (note 21).
- The R. Penney Fund is held on trust with the income to be used for the general purposes of the Society.
- Others: the income of four small funds is restricted within the terms of the relevant fund.

During the year permission from the Charity Commission was obtained to transfer the Wynn-Jones Garden fund from an endowment fund to a restricted one.

### **Restricted funds:**

Restricted funds comprise the unexpended income earmarked for specific purposes by donors together with those property funds whose assets are held subject to specific restrictions on use.

The main restricted funds are:

- The Swarthmoor Hall Field Fund, which is restricted to work at Swarthmoor Hall, including the estate. The fund is governed by a separate trust document (note 22).
- The Swarthmoor Hall Fund (note 22) which exists to defray running expenses at Swarthmoor Hall
- The Albert Moore Fund which is held to acquire and maintain the heritage assets currently on

display at Swarthmoor Hall. These assets are excluded from the Swarthmoor Hall Fund at the express wish of the original donor.

- The QPSW Relief Fund, which is held for the relief of poverty, the relief of suffering and general relief.
- The Jordans Estate Fund, which is held upon trust for the protection of the quiet, seclusion and amenities of the Jordans Friends Meeting House and burial grounds.
- The Hope Fund, which is held for providing grants connected with unemployment.
- The Friends Educational Foundation (FEF) Joint Bursary Scheme, which provides bursaries to pupils at Friends schools. These are managed in conjunction with the schools (note 21).
- Friends Educational Foundation (FEF) Higher Education Awards, which makes grants in higher education (note 21).
- The EAPPI Fund is for the Ecumenical Accompaniment Programme in Palestine and Israel, which BYM coordinates in UK and Ireland on behalf of 16 partners, working with the World Council of Churches.
- The Gerald AJ Hodgett Fund is to be applied in such proportions as the trustees decide for the benefit of the central library of the Religious Society of Friends, the Friends Historical Society and higher education awards and grants.
- The Sawell Family Fund is for the upkeep of all property including meeting houses.
- The Outreach Fund supports experiments in new ways to promote Quakerism.
- The Wellcome Trust is funding a two year project (Wellcome Grant Library Archives) which includes cataloguing of the Friends Ambulance Unit (WW2) and Friends Relief Service collections, preservation of both collections, conservation assessment, and promotional activities, along with elements of public and academic engagement.
- Sanctuary Everywhere Fund is applied to BYM's support to a network of local meetings that are responding to the migration crisis by acting in solidarity with refugees and migrants.

30 other funds are restricted to various purposes. These include departmental funds whose income is earmarked for a particular department but which is not restricted to specific work within that department.

**Designated funds:**

Designated funds comprise monies set aside by BYM out of unrestricted general funds but designated for specific future purposes or projects. The main funds are:

- The Cadbury Staines Fund, which is held for items of major non-routine expenditure at the discretion of Meeting for Sufferings. The income from this fund is applied towards grants to associated Quaker bodies and for the relief of individuals through the Overseers Relief Fund.
- The Property Upkeep Fund, which is held to fund the structural maintenance and capital works of all the properties owned for the central work of BYM.
- The Meeting Houses Fund which is held for making interest-free loans to meetings around the country in order that they may purchase or renovate local meeting houses.
- The legacy-funded Short Term Projects Fund supports development work in areas including peace and disarmament, non-violence, advocacy and supporting meetings.
- The Courtauld House Income Fund is held to fund any related costs which arise during the period of the long lease granted on this building.
- The Investment Property Fund, which comprises property held to provide an income. Drayton House is currently let to University College London.
- The Functional Property Fund, which comprises property held for specific work of the Society including Friends House and Swarthmoor Hall.
- The Heritage Assets Fund, which comprises artefacts, books, paintings and manuscripts relating to Quaker history, which have been purchased by, or donated to, the Society. These are made available to visitors, academics and researchers to promote an understanding of Quakerism.

**General Reserves:**

General Reserves represent those monies that are freely available for application towards achieving any charitable purpose that falls within the charitable objects of BYM. They are held to meet working capital needs, to equalise fluctuations in income and as a contingency against non-routine expenditure.

**1.15 Taxation**

BYM is a charity registered with the Charity Commission under number 1127633, and is not liable to income or corporation taxes on income derived from its charitable activities.

Irrecoverable VAT is treated as a cost to the charity and is included within the relevant expense.

**1.16 Foreign currencies**

All transactions in foreign currencies are converted into sterling at the rate prevailing on the date of the transaction. Balances denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

**1.17 Pension costs**

Employer contributions to defined contribution pension schemes and to employees' personal pension plans are charged as expenditure in the year in which they fall due.

**1.18 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

BYM has entered into two foreign exchange forward contracts to manage the risk associated with committed grants and programme-related transactions.

**1.19 Going concern basis**

BYM reported a group cash inflow of £3,477k for the year. Trustees are of the view that the high value of liquid investments and secured rental income from properties are sufficient for the immediate future of the charity for the next 12 to 18 months and on this basis the charity is a going concern. There are no material uncertainties about the charity's ability to continue.

**1.20 Significant management judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other

sources. Actual results may differ from these estimates.

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 and in any future periods affected.

### Significant management judgements

The following are management judgements in applying the accounting policies of BYM that have the most significant effect on the amounts recognised in the financial statements.

### Fair value measurement

BYM uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The charity bases the assumptions on observable data as far as possible but this is not always available. In that case, BYM uses the best information available. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

## 2. Donations and legacies

Group	2019		2019 Total funds £'000	2018		2018 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>						
. Contributions	2,115	109	<b>2,224</b>	2,076	57	<b>2,133</b>
. Legacies and gifts	7,381	11	<b>7,392</b>	2,745	-	<b>2,745</b>
. Grants	244	280	<b>524</b>	395	253	<b>648</b>
	<u>9,740</u>	<u>400</u>	<b>10,140</b>	<u>5,216</u>	<u>310</u>	<b>5,526</b>
Less						
<b>Cost of raising funds</b>						
. Direct costs	(377)	-	<b>(377)</b>	(306)	-	<b>(306)</b>
. Support costs	(234)	-	<b>(234)</b>	(181)	-	<b>(181)</b>
	(611)	-	<b>(611)</b>	(487)	-	<b>(487)</b>
<b>Net voluntary income for charitable activities</b>	<u><b>9,129</b></u>	<u><b>400</b></u>	<u><b>9,529</b></u>	<u><b>4,729</b></u>	<u><b>310</b></u>	<u><b>5,039</b></u>

Included in the contributions figure are interest free loans converted to gifts totalling £2,000 (2018: £2,000). Included in the cost of raising funds is the cost of related support to meetings. The cost of raising funds directly for BYM totalled £223,000 in 2019 and consisted of staff costs and Fundraising Regulator Levy together with a share of support costs. For every £1 spent on raising funds for BYM, £43 was received in donations and legacies in 2019 (2018: £47).

### 3. Charitable activities

Group	2019		2019 Total funds £'000	2018		2018 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>						
. Sustaining our church and faith	12	20	<b>32</b>	53	-	<b>53</b>
. Supporting meetings	178	-	<b>178</b>	202	28	<b>230</b>
. Promoting Quakerism	58	-	<b>58</b>	23	4	<b>27</b>
. Witness through action	39	-	<b>39</b>	13	14	<b>27</b>
	<u>287</u>	<u>20</u>	<u><b>307</b></u>	<u>291</u>	<u>46</u>	<u><b>337</b></u>
Less						
<b>Cost of charitable activities (note 6)</b>						
. Direct costs	(5,703)	(653)	<b>(6,356)</b>	(5,129)	(673)	<b>(5,802)</b>
. Support costs	(2,585)	(112)	<b>(2,697)</b>	(2,296)	(332)	<b>(2,628)</b>
	<u>(8,288)</u>	<u>(765)</u>	<u><b>(9,053)</b></u>	<u>(7,425)</u>	<u>(1,005)</u>	<u><b>(8,430)</b></u>
<b>Net cost of charitable activities</b>	<u><b>(8,001)</b></u>	<u><b>(745)</b></u>	<u><b>(8,746)</b></u>	<u><b>(7,134)</b></u>	<u><b>(959)</b></u>	<u><b>(8,093)</b></u>

Income from charitable activities arises mainly from event fees and subscriptions. Events fees from Yearly Meeting Gathering are included under Supporting Meetings.

### 4. Other trading activities (including Hospitality Company)

Group	2019		2019 Total funds £'000	2018		2018 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>						
. Room lettings	3,051	-	<b>3,051</b>	2,906	-	<b>2,906</b>
. Equipment hire	249	-	<b>249</b>	243	-	<b>243</b>
. Restaurant	1,927	-	<b>1,927</b>	1,908	-	<b>1,908</b>
. Commercial discounts	(10)	-	<b>(10)</b>	(17)	-	<b>(17)</b>
. Discounts for Quaker organisations	(141)	-	<b>(141)</b>	(127)	(6)	<b>(133)</b>
	<u>5,076</u>	<u>-</u>	<u><b>5,076</b></u>	<u>4,913</u>	<u>(6)</u>	<u><b>4,907</b></u>
Less						
<b>Cost of other trading activities</b>						
. Direct costs	(2,777)	-	<b>(2,777)</b>	(2,667)	-	<b>(2,667)</b>
. Support costs	(1,372)	-	<b>(1,372)</b>	(1,097)	-	<b>(1,097)</b>
	<u>(4,149)</u>	<u>-</u>	<u><b>(4,149)</b></u>	<u>(3,764)</u>	<u>-</u>	<u><b>(3,764)</b></u>
<b>Net surplus (deficit) for charitable activities</b>	<u><b>927</b></u>	<u><b>-</b></u>	<u><b>927</b></u>	<u><b>1,149</b></u>	<u><b>(6)</b></u>	<u><b>1,143</b></u>

Direct costs consist of staff and other operating costs such as food. Support costs include the contribution to the costs of running Friends House.

## 5. Investment income

Group	2019		2019 Total funds £'000	2018		2018 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
Rental income	1,029	-	<b>1,029</b>	740	-	<b>740</b>
Dividend income	470	140	<b>610</b>	530	141	<b>671</b>
Interest received	14	-	<b>14</b>	9	-	<b>9</b>
	<u>1,513</u>	<u>140</u>	<u><b>1,653</b></u>	<u>1,279</u>	<u>141</u>	<u><b>1,420</b></u>
Less						
Cost of managing investments						
. Direct costs	(111)	-	<b>(111)</b>	(64)	-	<b>(64)</b>
. Support costs	(5)	-	<b>(5)</b>	(2)	-	<b>(2)</b>
	<u>(116)</u>	<u>-</u>	<u><b>(116)</b></u>	<u>(66)</u>	<u>-</u>	<u><b>(66)</b></u>
<b>Net investment income available for charitable activities</b>	<u><b>1,397</b></u>	<u><b>140</b></u>	<u><b>1,537</b></u>	<u><b>1,213</b></u>	<u><b>141</b></u>	<u><b>1,354</b></u>

## 6. Expenditure on charitable activities

Group	2019		2019 Total costs £'000	2018		2018 Total costs £'000
	Direct costs £'000	Support costs £'000		Direct costs £'000	Support costs £'000	
Sustaining our church and faith (see below)	745	288	<b>1,033</b>	743	271	<b>1,014</b>
Supporting meetings (see below)	2,096	928	<b>3,024</b>	1,621	883	<b>2,504</b>
Promoting Quakerism (see below)	1,368	691	<b>2,059</b>	1,373	729	<b>2,102</b>
Witness through action (see below)	2,147	790	<b>2,937</b>	2,065	745	<b>2,810</b>
	<u><b>6,356</b></u>	<u><b>2,697</b></u>	<u><b>9,053</b></u>	<u><b>5,802</b></u>	<u><b>2,628</b></u>	<u><b>8,430</b></u>

Sustaining our church and faith	2019		2019 Total costs £'000	2018		2018 Total costs £'000
	Direct costs £'000	Support costs £'000		Direct costs £'000	Support costs £'000	
General	84	27	<b>111</b>	107	21	<b>128</b>
Within Yearly Meeting	367	121	<b>488</b>	290	95	<b>385</b>
Within other Quaker bodies	204	66	<b>270</b>	291	95	<b>386</b>
Within other faiths and denominations	90	30	<b>120</b>	55	18	<b>73</b>
Management oversight	-	44	<b>44</b>	-	42	<b>42</b>
	<u>745</u>	<u>288</u>	<u><b>1,033</b></u>	<u>743</u>	<u>271</u>	<u><b>1,014</b></u>



**6. Expenditure on charitable activities (continued)**

	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2018 Total costs £'000</b>
<u>Supporting meetings</u>						
General	843	355	<b>1,198</b>	585	326	<b>911</b>
Spirituality and membership	464	196	<b>660</b>	365	168	<b>533</b>
Children and young people	515	218	<b>733</b>	487	245	<b>732</b>
Finance and property	244	102	<b>346</b>	159	89	<b>248</b>
Employment and wardenship	2	1	<b>3</b>	-	-	<b>-</b>
Witness of meetings	28	12	<b>40</b>	25	13	<b>38</b>
Management oversight	-	44	<b>44</b>	-	42	<b>42</b>
	<u>2,096</u>	<u>928</u>	<b><u>3,024</u></b>	<u>1,621</u>	<u>883</u>	<b><u>2,504</u></b>

	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2018 Total costs £'000</b>
<u>Promoting Quakerism</u>						
General	252	119	<b>371</b>	261	135	<b>396</b>
Outreach	440	208	<b>648</b>	532	253	<b>785</b>
Web development	30	15	<b>45</b>	25	13	<b>38</b>
Publications	84	40	<b>124</b>	84	43	<b>127</b>
Library	136	64	<b>200</b>	126	65	<b>191</b>
Other	426	201	<b>627</b>	345	178	<b>523</b>
Management oversight	-	44	<b>44</b>	-	42	<b>42</b>
	<u>1,368</u>	<u>691</u>	<b><u>2,059</u></b>	<u>1,373</u>	<u>729</u>	<b><u>2,102</u></b>

	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2018 Total costs £'000</b>
<u>Witness through action</u>						
General	18	7	<b>25</b>	50	17	<b>67</b>
Peace witness	1,207	419	<b>1,626</b>	1,001	341	<b>1,342</b>
Social witness	453	157	<b>610</b>	567	193	<b>760</b>
United Nations work	469	162	<b>631</b>	447	152	<b>599</b>
Oversight and management	-	45	<b>45</b>	-	42	<b>42</b>
	<u>2,147</u>	<u>790</u>	<b><u>2,937</u></b>	<u>2,065</u>	<u>745</u>	<b><u>2,810</u></b>

## 7. Friends House support costs

Group	2019 £'000	2018 £'000
<b>Building services (including staff costs)</b>		
Routine maintenance	332	254
Long-term maintenance (Friends House)	246	178
Reception and security	255	273
Cleaning	332	281
Utilities	166	137
Other	28	29
	<b>1,359</b>	1,152
<b>Finance, human resources, IT and office services</b>		
Finance	629	629
Information Technology	422	610
Office services	888	639
Human resources	467	392
Membership database	119	77
	<b>2,525</b>	2,347
<b>Departmental administration</b>		
Quaker Life	64	63
Quaker Communications	82	64
Recording Clerk's Office	96	111
Quaker Peace & Social Witness	182	171
	<b>424</b>	409
	<b>4,308</b>	3,908

Support costs are then analysed into three categories and apportioned to the 'expenditure' categories as follows:

- Support costs relating to the Friends House building are apportioned on the basis of area occupied.
- Support costs relating to finance, human resources, IT and office services are apportioned on the basis of total gross salaries within the functional departments.
- Support costs relating to departmental administration within the functional departments are apportioned on the basis of gross salary charged to each departmental activity.

Support costs are recharged to the 'expenditure' categories:

Group	2019 £'000	2018 £'000
Generating funds		
. Voluntary income	234	181
. Activities for generating funds	1,372	1,097
. Investment income	5	2
Charitable activities	2,697	2,628
	<b>4,308</b>	3,908

## 8. Expenditure

Group	Unrestricted	Restricted	<b>2019</b>	Unrestricted	Restricted	<b>2018</b>
	funds	funds	<b>Total</b>	funds	funds	<b>Total</b>
	£'000	£'000	<b>funds</b>	£'000	£'000	<b>funds</b>
			<b>£'000</b>			<b>£'000</b>
Staff costs (note 9)	7,554	169	<b>7,723</b>	6,684	491	<b>7,175</b>
Premises and equipment costs	1,992	72	<b>2,064</b>	1,263	45	<b>1,308</b>
Office and publicity costs	540	15	<b>555</b>	1,025	65	<b>1,090</b>
Event and trading costs	1,007	22	<b>1,029</b>	1,027	56	<b>1,083</b>
Travel and other costs	1,035	218	<b>1,253</b>	823	129	<b>952</b>
Grants paid (note 10)	1,036	269	<b>1,305</b>	920	219	<b>1,139</b>
	<b>13,164</b>	<b>765</b>	<b>13,929</b>	11,742	1,005	<b>12,747</b>

Governance costs for 2019 totalled £1,141,584 (2018: £1,034,579). They include the costs of servicing Quaker committees, Meeting for Sufferings and Trustee meetings together with the costs of producing the Annual Report including the financial statements, and audit.

### 9a. Staff costs

Group	Unrestricted	Restricted	<b>2019</b>	Unrestricted	Restricted	<b>2018</b>
	funds	funds	<b>Total</b>	funds	funds	<b>Total</b>
	£'000	£'000	<b>funds</b>	£'000	£'000	<b>funds</b>
			<b>£'000</b>			<b>£'000</b>
Recruitment	48	-	<b>48</b>	38	8	<b>46</b>
Basic pay (UK)	5,645	112	<b>5,757</b>	5,208	361	<b>5,569</b>
Basic pay (non-UK)	-	32	<b>32</b>	-	31	<b>31</b>
Employer's National Insurance	537	7	<b>544</b>	486	32	<b>518</b>
Employer's pension contributions	473	6	<b>479</b>	449	33	<b>482</b>
Other allowances	208	-	<b>208</b>	4	-	<b>4</b>
Agency and temporary staff	423	2	<b>425</b>	344	8	<b>352</b>
Staff training and debriefing	113	9	<b>122</b>	52	13	<b>65</b>
Other	107	1	<b>108</b>	103	5	<b>108</b>
	<b>7,554</b>	<b>169</b>	<b>7,723</b>	<b>6,684</b>	<b>491</b>	<b>7,175</b>

### 9b. Staff costs continued

The average number of employees during the year, analysed by function, was as follows:

Group	<b>2019</b>	<b>2019</b>	<b>2019</b>	2018	2018	2018
	<b>Full-time</b>	<b>Part-time</b>	<b>Full-time</b>	Full-time	Part-time	Full-time
	<b>headcount</b>	<b>headcount</b>	<b>equivalent</b>	headcount	headcount	equivalent
Raising income	39	46	61.3	38	45	59.3
Charitable activities	49	41	76.8	54	35	77.2
Governance	4	2	5.8	4	2	5.8
Support services	13	4	13.9	12	4	14.1
	<b>105</b>	<b>93</b>	<b>157.8</b>	108	86	156.4

### 9c. Analysis of redundancy or termination payments in the year

Redundancy payments totalling £184,413 were made in the year in respect of three employees (2018: none). A voluntary settlement agreement was reached with one employee and a payment of £34,649 was made (2018: one employee: £1,553.) All payments are accounted for and funded at the point of commitment.

Our policy regarding redundancy is to pay one month's salary for each complete year of service, and proportionate amounts based on the nearest month of service rounded up, subject to a maximum of 20 years and an additional sum in recognition of reduced pension expectations calculated as 1.5% of salary for each year and month of service (rounded up to the nearest month) up to a maximum of 20 years. This has informed our practice for settlement agreement.

### 9d. The following number of employees (including those who joined or left in the course of the year) earned emoluments within the bands shown below

Emoluments include salaries, amounts in lieu of notice, compensation or redundancy payments, and exclude employer pension costs.

	2019 number	2018 number
£60,001-£70,000	3	3
£70,001-£80,000	1	1
£80,001-£90,000	1	1
£100,001-£110,000	1	-
£140,001-£150,000	1	-

### 9e. Remuneration and benefits received by key management personnel

In 2019 BYM considered the following posts to be key management personnel:

- Recording Clerk
- Deputy Recording Clerk
- Head of Witness and Worship
- Head of Operations
- Head of Finance and Resources

Total remuneration received by key management personnel was £361,169 (2018: £358,437).

The Recording Clerk acts as Chief Executive and earned a salary of £87,077. Salaries for other key management personnel ranged between £59,881–£68,717.

All staff are auto-enrolled into a defined contribution pension scheme provided by Aviva with employer contribution of 8% subject to an employee contribution of 3% of gross salary.

Other key benefits available to staff are death-in-service benefit at twice annual salary and permanent health insurance with income protection up to 75% salary.

BYM operates a 1:4.7 ratio between its lowest and highest paid posts across its London and regional paycales.

**10. Grants paid**

Group	Unrestricted	Restricted	<b>2019</b>	Unrestricted	Restricted	<b>2018</b>
	funds	funds	<b>Total</b>	funds	funds	<b>Total</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Grants to individuals	0	36	<b>36</b>	2	21	<b>23</b>
Grants to Quaker bodies	754	182	<b>936</b>	724	98	<b>822</b>
Other grants	283	50	<b>333</b>	194	100	<b>294</b>
	<b>1,037</b>	<b>219</b>	<b>1,305</b>	920	219	<b>1,139</b>

One grant was made during the year to a Quaker meeting of which a Trustee was a member (2018: one):

£750 to Westminster Quaker Meeting (London West Area Meeting)

BYM made 115 (2018: 76) grants and programme funding awards including, reimbursement of expenses, to individuals and organisations in 2019.

Organisations in receipt of over £10,000 in order of the total amount of funds awarded to recipients are listed below:

<b>Recipient</b>	<b>2019</b>
	<b>Total Funding</b>
	<b>£</b>
Quaker United Nations Office (QUNO)	559,564
Alternatives to Violence (Kenya)	155,975
World Council of Churches	69,591
Friends World Committee for Consultation (FWCC)	61,305
Quaker Council for European Affairs (QCEA)	49,327
Breckenhough School on behalf of Friends School Joint Council (Friends School Joint Bursary Fund)	39,756
Friends Church Rwanda	26,253
Ministry for Peace and Reconciliation under the Cross (Mi-PAREC)	26,213
Friends World Committee for Consultation: Europe and Middle East Section (FWCC: EMES)	22,621
Cardiff Quaker Meeting	20,000
Ludlow Quaker Meeting	16,000
The Friend Publication Ltd	15,271
Dundee Quaker Meeting	15,000
Norwich Quaker Meeting	15,000
Meeting of Friends in Wales	11,945
Young Friends General Meeting	10,500
Beverley Quaker Meeting	10,000
Bristol Area Quaker Meeting	10,000

Grants and awards of £10,000 or less totalling £126,055 were given to a further 39 organisations.

28 grants to individuals were given totalling £44,891

A full list of grants and programme funding awards given in 2019 to organisations is on our website [www.quaker.org.uk](http://www.quaker.org.uk)

## I Ia. Trustees' remuneration

No trustee received any remuneration in respect of services given as trustee in 2019 or 2018.

Trustees are entitled to reimbursement of travelling, accommodation and out-of-pocket expenses incurred in the performance of their duties. The amount reimbursed to the trustees of BYM (14 Trustees in 2019 and 13 Trustees in 2018) and included in direct costs was £2,315 (2018: £6,653). Much of the work of governance is carried out through delegated authority although the trustees of BYM retain the ultimate responsibility for the work carried out. The direct costs of the governance structure include the cost of staff supporting the various committees.

Waived trustees expenses were £2,812 (2018: £2,060).

## I Ib. Related party transactions

By the nature of their role, charity trustees are deemed to be related parties.

Donations received by BYM without conditions from Trustees totalled £7,428 in 2019 (2018: £17,125).

In the course of normal charity business, grants were given to the following organisation who shares Trustees in common with BYM:

	<b>2019</b>	2018
	<b>£</b>	£
Woodbrooke Quaker Study Centre Ltd	-	40,191

## I Ic. Transactions with subsidiary company

	<b>2019</b>	2018
	<b>£</b>	£
Distribution received from subsidiary company:	<b>1,267,030</b>	965,307
Payments received from subsidiary company:		
Rent	<b>150,000</b>	150,000
Interest on debenture loan	<b>4,424</b>	4,044
Payments made to subsidiary company:		
Staff discount in restaurant	<b>30,005</b>	40,018
Creditor: balance due to subsidiary	<b>1,421,887</b>	1,606,978

**12. Expenditure**

Group	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
Depreciation	814	52	<b>866</b>	741	55	796
Auditors' remuneration						
.Audit	30	-	<b>30</b>	30	-	30
.Other		-	<b> </b>		-	

**13. Property, plant and equipment**

Group and charity	Functional freehold property £'000	Office equipment £'000	2019 Total £'000	Functional freehold property £'000	Office equipment £'000	2018 Total £'000
<b>Cost or valuation</b>						
At 1 January	31,944	891	<b>32,835</b>	31,820	755	<b>32,575</b>
Additions	725	231	<b>956</b>	124	273	<b>397</b>
Disposals	-	(99)	<b>(99)</b>	-	(137)	<b>(137)</b>
At 31 December	<u>32,669</u>	<u>1,023</u>	<b><u>33,692</u></b>	<u>31,944</u>	<u>891</u>	<b><u>32,835</u></b>
<b>Depreciation</b>						
At 1 January	637	423	<b>1,060</b>	-	401	<b>401</b>
Charge for year	644	222	<b>866</b>	637	159	<b>796</b>
Disposals	-	(99)	<b>(99)</b>	-	(137)	<b>(137)</b>
At 31 December	<u>1,281</u>	<u>546</u>	<b><u>1,827</u></b>	<u>637</u>	<u>423</u>	<b><u>1,060</u></b>
<b>Net book values</b>						
<b>At 31 December</b>	<b><u>31,388</u></b>	<b><u>477</u></b>	<b><u>31,865</u></b>	<b><u>31,307</u></b>	<b><u>468</u></b>	<b><u>31,775</u></b>

Friends House was revalued at £27.9m in September 2017 by Third Sector Property Ltd.

Swarthmoor Hall Estate was revalued at £2.4m in September 2017 by Carter Jonas Property Consultants Ltd.

Included in the office equipment figure are intangible assets consisting of IT software with a net book value of £38,554 (2018: £42,586).

#### 14. Heritage assets

The pictures, paintings and sketches at Friends House and the historical artefacts at Swarthmoor Hall are recognised in the accounts at a professional valuation.

The pictures, paintings, sketches and prints were valued by Andrew Colvin, Fine Art Valuers, in February 2006. An updated inventory was done during the year and the total number is 278. The historical artefacts at Swarthmoor Hall were valued for insurance purposes by Tennants Auctioneers in September 2003.

Group and charity	<b>2019</b> <b>£'000</b>	2018 £'000	2017 £'000	2016 £'000	2015 £'000
Historical artefacts at Swarthmoor Hall	<b>425</b>	425	423	423	423
Friends House picture collection	<b>179</b>	179	179	179	179
	<b>604</b>	604	602	602	602

The charity also holds manuscripts and printed materials in the Library at Friends House. These assets are acknowledged to be of historic importance to Quakers and must be held indefinitely in direct furtherance of the charitable objects, i.e. to promote the advancement and awareness of Quakerism.

These assets meet the definition of heritage assets in the charity Statement of Recommended Practice 2015 in that they are held in perpetuity as a permanent record of the charity's history. As reliable cost information is not available and conventional valuation approaches lack sufficient meaning, given that certain aspects of the manuscripts and their historical significance are irreplaceable, no value is included on the balance sheet in respect of them.

All expenditure incurred on the maintenance and preservation of these assets is accounted for through the statement of financial activities.

The following information regarding the heritage assets not included on the balance sheet is given to provide an understanding of their nature:

	<b>2019</b>	2018	2017	2016	2015
Books and pamphlets	<b>98,107</b>	96,472	95,487	91,133	90,685
Periodicals (titles)	<b>2,300</b>	3,000	3,000	3,000	3,000
Quaker archives*	<b>325</b>	325	301	301	300
Bound manuscripts	<b>970</b>	970	970	970	970
Other manuscripts*	<b>269</b>	266	251	244	240
Photographs, museum objects and medals	<b>40,081</b>	40,079	40,049	40,042	40,025

The figures above refer to the approximate number of volumes/items held, other than items marked \* where the figures refer to metres of shelf space used for the collections.

The reduction in the number of periodicals is due to a fresh method of counting them by title rather than by quantity.

The archives and manuscripts dating from the 17th to 20th centuries are valued, for insurance purposes only, at £5.7 million, based on a valuation as at December 2009 by Robert Kirkman Limited, Antiquarian Booksellers. The books and other printed materials are valued, for insurance purposes only, at £1.8 million, based on a valuation as at November 2008 by Bertram Rota Antiquarian Booksellers.

The nature of each collection and, in particular, the type of material held by the Library, has remained unchanged over the past five years, in line with the charity's Collections policy (see our website [www.quaker.org.uk](http://www.quaker.org.uk)).



**15. Investments**

	<b>Group 2019 £'000</b>	Group 2018 £'000	<b>Charity 2019 £'000</b>	Charity 2018 £'000
Listed investments (including cash)	<b>27,305</b>	23,035	<b>27,305</b>	23,035
Investment properties	<b>18,511</b>	18,511	<b>18,511</b>	18,511
Subsidiary undertaking	-	-	-	-
	<b>45,816</b>	41,546	<b>45,816</b>	41,546

**Listed investments**

	<b>2019 £'000</b>	2018 £'000
Group and charity	<b>2019 £'000</b>	2018 £'000
<b>Investment holdings</b>		
Market value at 1 January	<b>21,093</b>	24,264
Additions at cost	<b>2,185</b>	2,196
Disposals at book value (proceeds: £3,131k, realised gain £542k) (2018: proceeds £3,025k, realised gain £211k)	<b>(2,588)</b>	(2,814)
Unrealised gains / (losses)	<b>4,718</b>	(2,553)
Market value 31 December	<b>25,408</b>	21,093
<b>Cash held by investment managers</b>	<b>1,897</b>	1,942
	<b>27,305</b>	23,035

**Listed investments and cash held by investment managers at 31 December 2019 are analysed by fund as follows:**

	<b>2019 £'000</b>	2018 £'000
Group and charity	<b>2019 £'000</b>	2018 £'000
General funds	<b>19,215</b>	16,210
Designated funds	<b>1,901</b>	1,604
Restricted funds	<b>830</b>	677
Endowment funds	<b>5,359</b>	4,544
	<b>27,305</b>	23,035

**Listed investments held at 31 December 2019, all of which were dealt in on a recognised stock exchange, comprised the following**

	<b>2019 £'000</b>	2018 £'000
UK fixed-income	<b>1,274</b>	244
UK equities	<b>17,079</b>	15,401
Overseas equities	<b>5,823</b>	4,894
Cash	<b>1,897</b>	1,942
Alternatives	<b>1,232</b>	554
	<b>27,305</b>	23,035

## 15. Investments (continued)

Individual holdings at 31 December 2019 which made up more than 5% of the portfolio were:

	<b>£'000</b>
Impax Environmental Markets PLC 10p Ords	<b>1,517</b>
Fund Partners Ltd IM WHEB Sustainability B Acc	<b>1,374</b>
BMO Responsible Global EM Equity R Acc	<b>1,277</b>

The historic cost of investments including cash at 31 December 2019 was £17,293k (2018: £16,942k)

The investment policy and full listing of investments at 31 December 2019 are published on our website at [www.quaker.org.uk](http://www.quaker.org.uk).

### Net gains/(losses) on listed investments comprised the following:

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Realised gains	<b>543</b>	211
Unrealised gains / (losses)	<b>4,718</b>	(2,553)
	<b>5,261</b>	(2,342)

## Investment properties

Investment properties held at 31 December 2019 and their movements during the year were as follows:

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Group and charity	<b>18,511</b>	18,651
<b>Market value</b>		
At 1 January	<b>18,511</b>	18,651
Disposals	<b>-</b>	(140)
At 31 December	<b>18,511</b>	18,511

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Group and charity	<b>18,000</b>	18,000
Drayton House	<b>18,000</b>	18,000
Courtauld House	<b>-</b>	-
Woodland and pasture at Jordans	<b>341</b>	341
Land at Lakenheath	<b>70</b>	70
Lesser Slatters	<b>100</b>	100
	<b>18,511</b>	18,511

Drayton House was revalued at £18m in September 2017 by Third Sector Property Ltd.

## 16. Investment in subsidiary undertaking and related charity

BYM has one subsidiary company, Friends House (London) Hospitality Limited. Trading as the Quiet Company, this company is incorporated in England and Wales; its registered office is located at Friends House, 173 Euston Road, London NW1 2BJ. The principal activities of the company are the provision of meeting rooms, conference facilities, hospitality and restaurant services. The investment of BYM in Friends House (London) Hospitality Limited comprises two ordinary shares of £1 each, being the entire issued share capital of that company. Friends House (London) Hospitality Limited donates its taxable profits to BYM by Gift Aid. A summary of the financial results of the company for the year to 31 December 2019 is shown below. Accounts of the company will be filed with the Registrar of Companies.

<b>Profit and loss account</b>	<b>2019</b>	2018
	<b>£'000</b>	£'000
Turnover	<b>4,916</b>	4,734
Operating expenses and shared costs	<b>(3,882)</b>	(3,463)
Operating profit	<b>1,034</b>	1,271
Interest paid	<b>(4)</b>	(4)
Profit for the year before Gift Aid and taxation	<b>1,030</b>	1,267
	<b>2018</b>	2018
	<b>£'000</b>	£'000
<b>Summarised balance sheet</b>		
Current assets	<b>1,818</b>	1,915
Creditors: amounts falling due within one year	<b>(538)</b>	(398)
Net assets	<b>1,280</b>	1,517
Called up share capital (£2)	-	-
Debenture	<b>250</b>	250
Profit and loss account	<b>1,030</b>	1,267
	<b>1,280</b>	1,517

This note is the company note. The group note (note 4: Other trading activities) includes the company's results but is shown before £150k rent and £4k debenture interest paid to BYM.

### Note

BYM has advanced £250,000 to Friends House (London) Hospitality Limited ("the Company") for the purposes of providing working capital. This loan is secured by a fixed and floating charge over the assets and undertaking of the Company and is repayable on BYM giving 24 months' written notice. The terms of the loan agreement includes the payment of interest at an arm's length commercial rate of 1.00% above the Co-operative Bank base rate for the time being calculated on a daily basis.

## 17. Debtors

	<b>Group 2019 £'000</b>	Group 2018 £'000	<b>Charity 2019 £'000</b>	Charity 2018 £'000
<b>Receivable within one year</b>				
Loans advanced to meetings (see below)	<b>10</b>	11	<b>10</b>	11
Other loans advanced	<b>25</b>	39	<b>25</b>	39
Trade debtors	<b>419</b>	305	<b>56</b>	28
Prepayments	<b>197</b>	133	<b>197</b>	133
Accrued income	<b>2,927</b>	2,237	<b>2,927</b>	2,237
Other debtors	<b>285</b>	204	<b>285</b>	204
	<b>3,863</b>	2,929	<b>3,500</b>	2,652
<b>Receivable after more than one year</b>				
Loans advanced to meetings (see below)	<b>70</b>	45	<b>70</b>	45
Subsidiary company	<b>-</b>	-	<b>250</b>	250
	<b>3,933</b>	2,974	<b>3,820</b>	2,947

Interest-free loans are made to meetings for the purchase and improvement of meeting houses. They are repayable in annual instalments over periods of up to ten years.

<b>Interest-free loans, group and charity</b>	<b>2019 £'000</b>	2018 £'000
Balance outstanding at 1 January	<b>56</b>	200
Loans advanced during the year	<b>50</b>	5
	<b>106</b>	205
Repayments made	<b>(26)</b>	(149)
Balance outstanding at 31 December	<b>80</b>	56
Due within one year	<b>10</b>	11
Due after one year	<b>70</b>	45
	<b>80</b>	56

**18. Creditors: amounts falling due within one year**

	<b>Group 2019 £'000</b>	Group 2018 £'000	<b>Charity 2019 £'000</b>	Charity 2018 £'000
Trade creditors	<b>422</b>	276	<b>349</b>	243
Event deposits	<b>402</b>	291	<b>-</b>	-
Interest free loans (see below)	<b>68</b>	70	<b>68</b>	70
Social security and other taxes	<b>300</b>	175	<b>300</b>	175
Pensions contributions	<b>61</b>	72	<b>61</b>	72
Due to subsidiary	<b>-</b>	-	<b>1,422</b>	1,607
Accruals	<b>517</b>	450	<b>468</b>	411
Canadian legacy	<b>43</b>	43	<b>43</b>	43
Other	<b>177</b>	274	<b>163</b>	240
	<b><u>1,990</u></b>	<u>1,651</u>	<b><u>2,874</u></b>	<u>2,861</u>

<b>Interest-free loans - group and charity</b>	<b>2019 £'000</b>	2018 £'000
Balance outstanding at 1 January	<b><u>70</u></b>	<u>76</u>
Repayments made	<b>(2)</b>	(4)
Converted to gifts	<b>-</b>	(2)
Balance outstanding at 31 December	<b><u>68</u></b>	<u>70</u>

All interest-free loans are repayable on demand.

## 19a. Reconciliation of movement in funds

Group and charity	At 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2019 £'000</b>
<b>Endowment funds</b>					
. FEF Joint Bursary Scheme (note 21)	1,617	-	-	328	<b>1,945</b>
. QPS Kingsmead	1,540	-	-	312	<b>1,852</b>
. FEF Higher Education Awards (note 21)	1,188	-	-	241	<b>1,429</b>
. QPS Kingsmead Close	502	-	-	101	<b>603</b>
. R. Penny	166	-	-	34	<b>200</b>
. Other endowment funds	106	-	-	(10)	<b>96</b>
<b>Total endowment funds</b>	<b>5,119</b>	<b>-</b>	<b>-</b>	<b>1,006</b>	<b>6,125</b>

Details of the purposes of individual endowment funds are included in the accounting policies on page 36.

Group and charity	At 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2019 £'000</b>
<b>Restricted funds</b>					
. Sawell Family Fund	584	-	(55)	-	<b>529</b>
. Swarthmoor Hall Field Fund (note 22)	865	20	(86)	91	<b>890</b>
. Swarthmoor Hall Fund (note 22)	1,408	3	(128)	-	<b>1,283</b>
. Albert Moore Fund	536	-	-	-	<b>536</b>
. QPSW Relief Fund	99	23	(45)	-	<b>77</b>
. Jordans Estate Fund	329	-	(3)	-	<b>326</b>
. Hope Fund	102	-	(7)	-	<b>95</b>
. FEF Joint Bursary Scheme (note 21)	40	41	(42)	-	<b>39</b>
. FEF Higher Education Awards (note 21)	149	31	(20)	-	<b>160</b>
. EAPPI Fund	-	121	(121)	-	<b>-</b>
. Gerald A J Hodgett Fund	338	-	(32)	-	<b>306</b>
. Outreach	62	-	(6)	-	<b>56</b>
. Wellcome Grant Library Archives	-	42	-	-	<b>42</b>
. Sanctuary Everywhere	-	71	-	-	<b>71</b>
. Kingsmead Income Fund	276	37	(2)	-	<b>311</b>
. Kingsmead Close Income Fund	122	12	(1)	-	<b>133</b>
. Other restricted funds	409	159	(187)	(31)	<b>350</b>
. Functional property funds	1,463	-	(30)	-	<b>1,433</b>
<b>Total restricted funds</b>	<b>6,782</b>	<b>560</b>	<b>(765)</b>	<b>60</b>	<b>6,637</b>

Details of the purposes of individual restricted funds are included in the accounting policies on page 36.

**19a. Reconciliation of movement in funds (continued)**

Group and charity	At 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2019 £'000</b>
<b>Unrestricted funds</b>					
Designated funds					
. Cadbury Staines Fund	1,355	44	(3)	366	<b>1,762</b>
. Property Upkeep Fund	5,332	982	(701)	(1)	<b>5,612</b>
. Meeting Houses Fund	57	-	-	23	<b>80</b>
. Legacy funded short term projects	2,054	-	(1,004)	1	<b>1,051</b>
. Courtauld House Income Fund	174	-	(1)	1	<b>174</b>
. Investment Property Fund	18,511	-	-	-	<b>18,511</b>
. Functional Property Fund	29,844	-	(614)	701	<b>29,931</b>
. Heritage Assets Fund	604	-	-	-	<b>604</b>
Total designated funds	57,931	1,026	(2,323)	1,091	<b>57,725</b>
General Reserve	7,526	15,590	(10,841)	3,104	<b>15,379</b>
<b>Total unrestricted funds</b>	<b>65,457</b>	<b>16,616</b>	<b>(13,164)</b>	<b>4,195</b>	<b>73,104</b>
<b>Total funds</b>	<b>77,358</b>	<b>17,176</b>	<b>(13,929)</b>	<b>5,261</b>	<b>85,866</b>

Details of the purposes of the designated funds are included in the accounting policies on page 37.

**19b. Reconciliation of movement in funds – prior year**

Group and charity	At 1 January 2018 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2018 £'000</b>
<b>Endowment funds</b>					
. FEF Joint Bursary Scheme (note 21)	1,763	-	-	(146)	<b>1,617</b>
. QPS Kingsmead	1,679	-	-	(139)	<b>1,540</b>
. FEF Higher Education Awards (note 21)	1,295	-	-	(107)	<b>1,188</b>
. QPS Kingsmead Close	547	-	-	(45)	<b>502</b>
. R. Penny	181	-	-	(15)	<b>166</b>
. Other endowment funds	116	-	-	(10)	<b>106</b>
<b>Total endowment funds</b>	<b>5,581</b>	<b>-</b>	<b>-</b>	<b>(462)</b>	<b>5,119</b>

## 19b. Reconciliation of movement in funds – prior year (continued)

Group and charity	At 1 January 2018 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	At 31 December 2018 £'000
<b>Restricted funds</b>					
. Sawell Family Fund	602	-	(18)	-	<b>584</b>
. Swarthmoor Hall Field Fund (note 22)	914	-	-	(49)	<b>865</b>
. Swarthmoor Hall Fund (note 22)	1,545	23	(105)	(55)	<b>1,408</b>
. Albert Moore Fund	536	-	-	-	<b>536</b>
. QPSW Relief Fund	111	22	(32)	(2)	<b>99</b>
. Jordans Estate Fund	335	-	(0)	(6)	<b>329</b>
. Hope Fund	100	5	(3)	-	<b>102</b>
. FEF Joint Bursary Scheme (note 21)	51	43	(54)	-	<b>40</b>
. FEF Higher Education Awards (note 21)	125	34	(10)	-	<b>149</b>
. Children and Young People General Fund	-	21	(219)	198	<b>-</b>
. EAPPI Fund	-	199	(439)	240	<b>-</b>
. Gerald A J Hodgett Fund	360	-	(27)	5	<b>338</b>
. Outreach	80	-	-	(18)	<b>62</b>
. Kingsmead Income Fund	-	38	(3)	241	<b>276</b>
. Kingsmead Close Income Fund	-	12	(1)	111	<b>122</b>
. Other restricted funds	6	94	(64)	373	<b>409</b>
. Functional property funds	1,493	-	(30)	-	<b>1,463</b>
<b>Total restricted funds</b>	<b>6,258</b>	<b>491</b>	<b>(1,005)</b>	<b>1,038</b>	<b>6,782</b>

Group and charity	At 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	At 31 December 2018 £'000
<b>Unrestricted funds</b>					
Designated funds					
. Cadbury Staines Fund	1,634	43	(159)	(163)	<b>1,355</b>
. Property Upkeep Fund	4,697	773	(321)	(183)	<b>5,332</b>
. Meeting Houses Fund	200	-	-	(143)	<b>57</b>
. Legacy funded short term projects	2,315	16	(692)	415	<b>2,054</b>
. Courtauld House Income Fund	178	0	(4)	-	<b>174</b>
. Investment Property Fund	18,651	-	-	(140)	<b>18,511</b>
. Functional Property Fund	30,327	-	-	(483)	<b>29,844</b>
. Heritage Assets Fund	602	-	-	2	<b>604</b>
. Quaker Life General	-	48	(448)	400	<b>-</b>
. QPSW General Fund	-	450	(1,582)	1,132	<b>-</b>
<b>Total designated funds</b>	<b>58,604</b>	<b>1,330</b>	<b>(3,206)</b>	<b>1,203</b>	<b>57,931</b>
General Reserve	9,809	10,369	(8,536)	(4,116)	<b>7,526</b>
<b>Total unrestricted funds</b>	<b>68,413</b>	<b>11,699</b>	<b>(11,742)</b>	<b>(2,913)</b>	<b>65,457</b>
<b>Total funds</b>	<b>80,252</b>	<b>12,190</b>	<b>(12,747)</b>	<b>(2,337)</b>	<b>77,358</b>



## 20. Consolidated trusts

The trustees of BYM are also the trustees for Swarthmoor Hall and Friends Educational Funds. These are treated as restricted funds within these accounts. Details of the movements on these funds are given in notes 21 and 22 below.

## 21. Friends Educational Funds

	Higher Education Awards funds		Joint Bursary Scheme		<b>Total 2019</b>	Higher Education Awards funds		Joint Bursary Scheme		<b>Total 2018</b>
	Income fund £'000	Endowment fund £'000	Income fund £'000	Endowment fund £'000		Income fund £'000	Endowment fund £'000	Income fund £'000	Endowment fund £'000	
<b>Income</b>										
From generated funds										
. Voluntary income	2	-	3	-	<b>5</b>	5	-	3	-	<b>8</b>
. Investment income	29	-	39	-	<b>68</b>	29	-	40	-	<b>69</b>
<b>Total income</b>	<b>31</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>73</b>	<b>34</b>	<b>-</b>	<b>43</b>	<b>-</b>	<b>77</b>
<b>Expenditure</b>										
Charitable activities	(20)	-	(43)	-	<b>(63)</b>	(10)	-	(54)	-	<b>(64)</b>
Net income / (expenditure)	11	-	(1)	-	<b>10</b>	24	-	(11)	-	<b>13</b>
Realised gains / (losses) on investments	-	25	-	34	<b>59</b>	-	10	-	13	<b>23</b>
Unrealised (losses) / gains on investments	-	216	-	294	<b>510</b>	-	(117)	-	(159)	<b>(276)</b>
Net movement in funds	11	241	(1)	328	<b>579</b>	24	(107)	(11)	(146)	<b>(240)</b>
<b>Reconciliation of funds</b>										
Funds brought forward at 1 January	149	1,188	40	1,617	<b>2,994</b>	125	1,295	51	1,763	<b>3,234</b>
Funds carried forward at 31 December	<b>160</b>	<b>1,429</b>	<b>39</b>	<b>1,945</b>	<b>3,573</b>	<b>149</b>	<b>1,188</b>	<b>40</b>	<b>1,617</b>	<b>2,994</b>
<b>Fixed assets</b>										
Investments	-	1,250	-	1,702	<b>2,952</b>	-	1,188	-	1,617	<b>2,805</b>
<b>Current assets</b>										
Cash at bank and in hand	160	179	39	243	<b>621</b>	149	-	40	-	<b>189</b>
Net assets	<b>160</b>	<b>1,429</b>	<b>39</b>	<b>1,945</b>	<b>3,573</b>	<b>149</b>	<b>1,188</b>	<b>40</b>	<b>1,617</b>	<b>2,994</b>

## 22. Swarthmoor Hall Restricted Funds

	Swarthmoor Hall Field Fund £'000	Swarthmoor Hall Fund £'000	<b>Total 2019 £'000</b>	Swarthmoor Hall Field Fund £'000	Swarthmoor Hall Fund £'000	<b>Total 2018 £'000</b>
<b>Income</b>						
From generated funds						
. Voluntary income	-	3	<b>3</b>	-	5	<b>5</b>
. Investment income	20	-	<b>20</b>	20	-	<b>20</b>
. Other income	-	-	<b>-</b>	-	3	<b>3</b>
From charitable activities - programme	-	-	<b>-</b>	-	(6)	<b>(6)</b>
	<u>20</u>	<u>3</u>	<u><b>23</b></u>	<u>20</u>	<u>2</u>	<u><b>22</b></u>
<b>Expenditure</b>						
Charitable activities						
. Programme	(87)	(89)	<b>(176)</b>	-	(107)	<b>(107)</b>
. Estate	(63)	(33)	<b>(96)</b>	-	(26)	<b>(26)</b>
. Other	-	(6)	<b>(6)</b>	-	(6)	<b>(6)</b>
	<u>(150)</u>	<u>(128)</u>	<u><b>(278)</b></u>	<u>-</u>	<u>(139)</u>	<u><b>(139)</b></u>
Net income / (expenditure)	(130)	(125)	<b>(255)</b>	20	(137)	<b>(117)</b>
Unrealised (losses) / gains on investments	139	-	<b>139</b>	(75)	-	<b>(75)</b>
Realised gains / (losses) on investments	16	-	<b>16</b>	6	-	<b>6</b>
Net movement in funds	<u>25</u>	<u>(125)</u>	<u><b>(100)</b></u>	<u>(49)</u>	<u>(137)</u>	<u><b>(186)</b></u>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 January	865	1,408	<b>2,273</b>	914	1,545	<b>2,459</b>
Funds carried forward at 31 December	<u><b>890</b></u>	<u><b>1,283</b></u>	<u><b>2,173</b></u>	<u>865</u>	<u>1,408</u>	<u><b>2,273</b></u>
<b>Represented by:</b>						
Fixed assets:						
Functional property	25	-	<b>25</b>	-	-	<b>-</b>
Other fixed assets	38	-	<b>38</b>	-	-	<b>-</b>
Investments	802	-	<b>802</b>	677	-	<b>677</b>
	<u>865</u>	<u>-</u>	<u><b>865</b></u>	<u>677</u>	<u>-</u>	<u><b>677</b></u>
<b>Net current assets</b>	<u>25</u>	<u>1,283</u>	<u><b>1,308</b></u>	<u>188</u>	<u>1,408</u>	<u><b>1,596</b></u>
<b>Net assets</b>	<u><b>890</b></u>	<u><b>1,283</b></u>	<u><b>2,173</b></u>	<u>865</u>	<u>1,408</u>	<u><b>2,273</b></u>

## 23. Analysis of net assets between funds

Group	General	Designated	Restricted	Endowment	<b>2019</b>	General	Designated	Restricted	Endowment	<b>2018</b>
	reserve	funds	funds	funds	<b>Total</b>	reserve	funds	funds	funds	<b>Total</b>
	£'000	£'000	£'000	£'000	<b>£'000</b>	£'000	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 31 December 2019 are represented by:</b>										
Tangible fixed assets	438	30,535	1,496	-	<b>32,469</b>	468	30,448	1,463	-	<b>32,379</b>
Investments	19,215	20,412	830	5,359	<b>45,816</b>	16,210	20,115	677	4,544	<b>41,546</b>
Net current assets	(4,274)	6,778	4,311	766	<b>7,581</b>	(9,152)	7,368	4,642	575	<b>3,433</b>
<b>Total net assets</b>	<b>15,379</b>	<b>57,725</b>	<b>6,637</b>	<b>6,125</b>	<b>85,866</b>	<b>7,526</b>	<b>57,931</b>	<b>6,782</b>	<b>5,119</b>	<b>77,358</b>

## 24. Operating lease commitments

At 31 December 2019, BYM is committed to making the following payments under non-cancellable operating leases:

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Payments falling due:		
Within one year	<b>67</b>	57
Between two and five years	<b>93</b>	130
	<b>160</b>	187

The total expense for operating lease costs incurred in 2019 was £72,306 (2018: £79,410)

## 25. Operating lease income due

At 31 December 2019, BYM is due to receive rental income as follows under non-cancellable operating leases in respect of Drayton House:

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Rents falling due:		
Within one year	<b>1,083</b>	879
Between two and five years	<b>3,791</b>	4,332
	<b>4,874</b>	5,211

Quakers share a way of life, not a set of beliefs. Quaker unity is based on shared understanding and a shared practice of silent worship – a communal stillness.

Quakers seek to experience God directly – internally, in relationships with others, and with the world. Local meetings for worship are open to all who wish to attend.

Quakers try to live with honesty and integrity. This means speaking truth to all, including people in positions of power. The Quaker commitment to peace arises from the conviction that love is at the heart of existence and that all human beings are unique and equal.

This leads Quakers to put faith into action by working locally and globally to change the systems that cause injustice and violent conflict.

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