

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

# Annual report, including financial statements

for the year ended 31 December 2020



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

Registered charity number 1127633

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To read *Our faith, our work*, which contains information about the work of Quakers in Britain in 2020, visit [www.quaker.org.uk/annualreview](http://www.quaker.org.uk/annualreview)



# Contents

From the Clerk of Trustees and the Recording Clerk	4
Britain Yearly Meeting explained	5
Public benefit statement	5
Strategic report and review of financial activities for 2020	20
Future plans	23
Statement of trustees' responsibilities	24
Independent auditor's report	25
Consolidated statement of financial activities	28
Balance sheets	29
Consolidated statement of cash flow	30
Notes to financial statements	31

## From the Clerk of Trustees and the Recording Clerk

We must look to our meetings, to our love for each other, and our corporate discipline. We must look to ourselves, to speak of our lives and to let our lives speak. Above all we must look to the Truth. We have an Inward Teacher who teaches, guides and commands us. When we know what we have to do, how to do it will come.

Meeting for Sufferings 1992 (*Quaker faith & practice* 29.02)

For Quakers, and our national organisation Britain Yearly Meeting (BYM), 2020 was a year like no other. The coronavirus pandemic kept BYM Trustees very busy. Our strategic priorities (agreed between BYM Trustees and Meeting for Sufferings in 2019 – see diagram on page 7) stood the test of 2020 well, helping us to focus our efforts for 2020 and beyond.

Coronavirus meant Quaker meetings needed new kinds of support delivered in new ways to help them thrive. The pandemic highlighted inequalities everywhere, reinforcing the need for work on peacebuilding and climate justice. Alongside this, we began work to recognise and address racism within the Society of Friends and beyond, and to support meetings in their efforts to become more diverse.

We remain committed to simplifying structures and practices in our national and local organisation to reduce pressure on finances and multiple demands on Friends. Experience has demonstrated that meetings for worship for business can work effectively online (at least for smaller meetings) and that we can evolve our governance structures.

Meanwhile, our premises at Friends House and Swarthmoor Hall closed for much of the year, meaning we lost the usual income from our trading subsidiary, Friends House (London) Hospitality Ltd (trading as Quiet Company). Trustees are confident it will return to profitability, contributing significant income in future. Nevertheless, we have taken steps so it remains solvent while it resumes normal trading.

BYM Trustees planned to achieve a balanced budget by 2025, but now aim for 2023. We accepted several requests for voluntary redundancy, and have started work on new structures for our teams. We used the Coronavirus Job Retention Scheme to furlough some staff. Others have worked safely from home until we can travel and meet in person again.

Against expectations, BYM finished 2020 with a financial surplus despite loss of income. Contributions from Friends and meetings were higher than usual; we hope this will be sustained. One very large legacy has made an unusual contribution albeit that most of the gift is designated for particular purposes as the Friend had wished.

We are grateful to all those Friends and others who have helped fund our work and held us in the light during the year. We thank our staff and all those who serve on committees for their work.

In a post-pandemic world, Quaker work will be needed more than ever. We know what we have to do. Let us look to ourselves, and let our lives speak.

Redacted

Redacted

Caroline Nursey

Paul Parker

## About Britain Yearly Meeting

Quakers in Britain – also known as the Religious Society of Friends – is 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 (467), grouped together into area meetings (70), where individual membership (c.12,100, plus a further 7,000 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, 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 shortened 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 467 local Quaker meetings throughout England, Wales and Scotland.

The charity's resources come from members' contributions, legacies, grants, the gift-aided surplus of our trading company, and investment income. These resources are spent 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. However, the coronavirus pandemic meant we were forced to close the building for much of 2020.

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 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

For some of us this does not seem sufficiently religious. I remember an outburst in Meeting for Sufferings, when Friends felt that Britain Yearly Meeting was becoming 'just a well-run charity'. 'I don't want to be part of a well-run charity, I want to be part of a religious group, a church,' said a weighty Friend. The point is that we need to be an ordinary well-run organisation, with good structures and sensible practices, which we then make extraordinary by transcending, not discarding them.

Beth Allen, 2007 (*Quaker faith & practice* 8.25)

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 (Quaker-equivalent of a chief executive) 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 2014. 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 which concluded in 2020. Recommended changes will be brought to Yearly Meeting in 2021.

## The duty of trustees

It is the duty of BYM Trustees to:

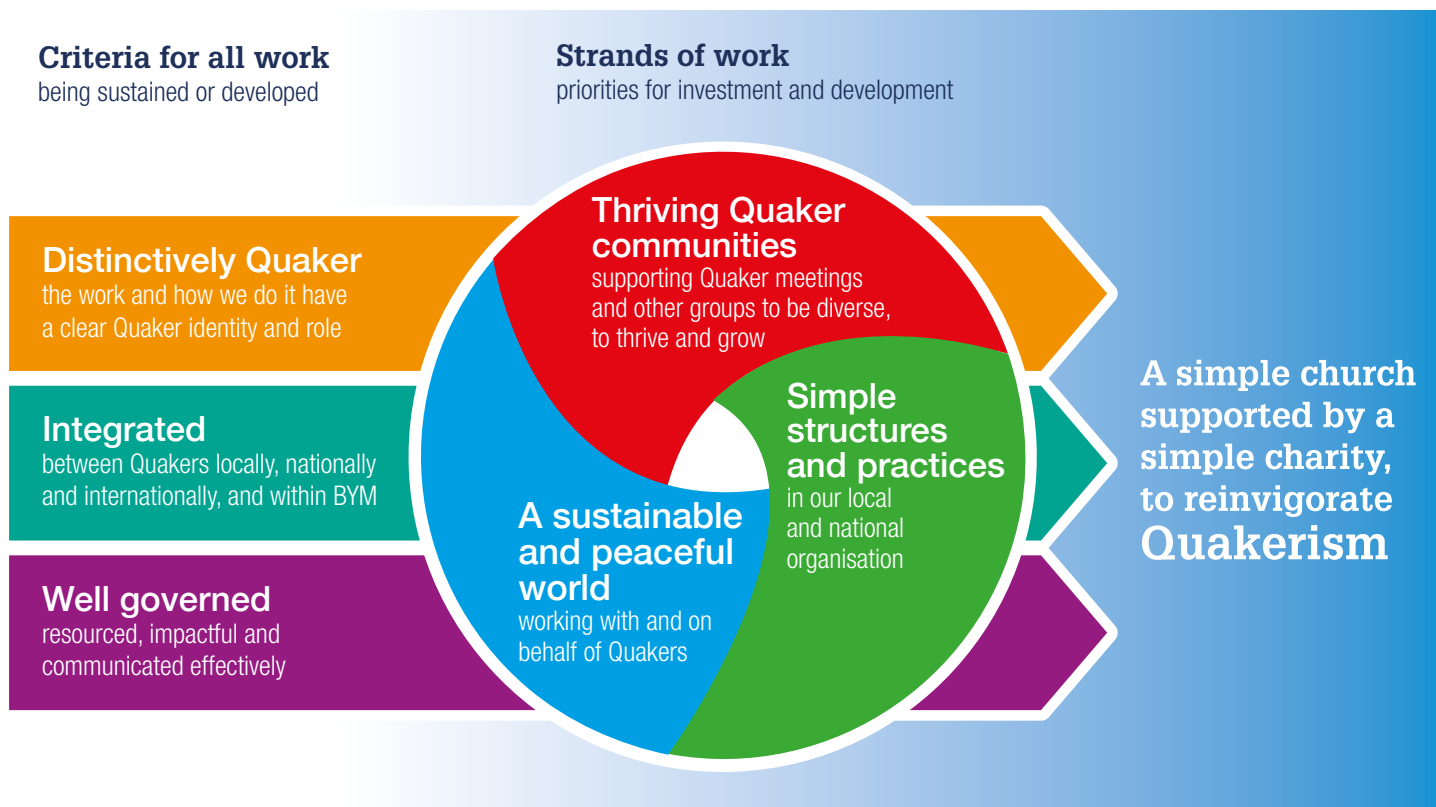
- ensure that the priorities for the work set out by Yearly Meeting and Meeting for Sufferings are taken forward with the right use of our resources
- ensure that the governance and management of the work carried out are in accordance with the objectives set out in the governing document and compliant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

In addition, the board of directors of Friends House (London) Hospitality Ltd 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 2020, these areas of governance are noteworthy:

- Trustees acted to protect the future of the organisation and to support Friends House Hospitality Ltd in response to the coronavirus pandemic and a fall in resources. They also considered the longer-term effects and risks and how these could be mitigated.
- The organisation accelerated plans to be a dispersed organisation.
- In 2019 we adopted strategic priorities for centrally managed work for the next 5–10 years. In 2020 we changed our operational planning to show how work is delivering these priorities. We have begun to develop our planning so that it is increasingly impact-led. Trustees facilitated exploratory discussions involving central committees of the Society on simplifying our structures.
- We continued improvements to safeguarding practice. We introduced a new safeguarding case management system, which now contains digitised versions of our paper archive folders.

## 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. In 2020, Trustees held most of their meetings online following Charity Commission guidance on running charities during the pandemic, published in March.

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 report 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.

## Structure, governance and management

### Values and workplace culture

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 & Social Witness Central Committee; feedback from meetings' role-holders and BYM staff; and the history of Quakers and tradition 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
- **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 2020.

Trustees continue to be concerned about the implications of this Act. BYM raises its concerns with the government, parliamentarians and relevant public bodies whenever possible. We continue to campaign for improvements to this area of regulation and convene a group of civil society organisations that work together to defend the space for civil society to engage with the democratic process.

### Safeguarding procedures

BYM is committed to ensuring that 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. Our policies and procedures ensure that only appropriate staff and volunteers work with children and young people and that criminal records checks are undertaken as required. They are kept under review. In 2020 we continued to implement our improvement plan. We require all staff to undertake safeguarding awareness training, with advanced training for those working directly with children and vulnerable adults.

### 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.

### Diversity and inclusion

BYM 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.

We continue our work to ensure that BYM has a diverse and inclusive workforce. Progress on the work during 2020 and other projects was impacted by the coronavirus pandemic. Despite this, the project group set up to work on diversity and inclusion developed a statement setting out BYM's commitments. It was approved by Management Meeting, shared with Employment Committee and communicated to staff. In 2021, work will begin on an action plan to take forward the commitments made in the statement.

In line with best practice, we review our diversity statistics annually, reporting these to Management Meeting and the Trustees' Employment Committee. At December 2020:

- 64% of staff were female (2019: 61%)
- 22% of staff were from black and minority ethnic communities (2019: 22%)
- 12% of staff considered themselves to be disabled (2019: 12%)
- 10% of staff identified themselves as Lesbian, Gay, Bisexual, Transgender, Queer/Questioning (LGBTQ) (2019: 11%)
- 24% of staff identified themselves as Quaker (2019: 24%)

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.

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

### Gender pay gap

In 2021 we will analyse and voluntarily publish our gender pay gap, which we have done since 2018, although there is no legal requirement to do so. Employers with more than 250 staff are required under legislation to publish their pay differences between men and women on an annual basis.

We were not in a position to do this in 2020 owing to the impact of the coronavirus pandemic on our work.

Previous analyses identified a small gender pay gap in favour of men.

### Operating model and risks

We fund our work from contributions, grants, legacies and investment income. This year, due to the coronavirus pandemic, our wholly-owned trading subsidiary Friends House (London) Hospitality Ltd. made a loss due to the lockdown restrictions. The loss was mitigated by government grants from the Coronavirus Job Retention Scheme. Our goal is to have diverse sources of income to mitigate the high level of risk associated with depending on one source.

BYM owns properties alongside a portfolio of shares and securities. These generate income to support ongoing activities as well as capital returns above inflation in the longer term. Our properties and investments are one of the means we use to meet the commitments we have entered into, and to carry out our charitable purposes.

As well as generating financial returns to support current and future work, BYM aims to be an ethical and responsible investor in the way we choose to invest, exclude, engage and innovate. Our experience is that we do not need to sacrifice financial returns to invest ethically and responsibly. We do not allow financial costs to be the only consideration when making decisions about how money is spent and invested. Our use of money speaks about values, and is one of the tools we use to bring about the change we seek in the world.

BYM invests and plans for the long term. The charity exists to support Quakers to make change happen, both in our meetings and in the world, in order to realise the Kingdom of Heaven on earth. The financial sustainability of our structures depends on the active participation and upholding, materially and prayerfully, by Quakers.

### 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.

### Risk management policies and procedures

Trustees have paid increased attention to risk, both in their meetings and working with senior staff over recent years. The Deputy Recording Clerk, who holds strategic responsibility for risk management, has helped us develop our approach to risk assessment and management. In 2020, as a result of responding to the pandemic, trustees met more frequently to ensure risks were being managed appropriately. In addition to the operational and strategic risks (noted below), Management Meeting and trustees began to identify longer-term risks as a consequence of the impact of the pandemic and these will be integrated into BYM's Risk Register.

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.

Trustees had identified falling membership and declining Quaker meetings as a strategic risk. Accordingly, in setting strategic priorities and making a commitment to serve Quaker communities more locally, BYM is changing its organisation and infrastructure. Trustees and Management Meeting have noted this change process, in turn, carries some risks; the trustees' Audit Committee has been asked to conduct period reviews of these risks.

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 internal 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.

## Main risks

The most significant risks in BYM's Risk Register and their management are:

Risk	Mitigation and management
<p><b>Membership</b></p> <p>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>	<p>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. 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>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>In 2020, we provided support to Quaker meetings for maintaining their communities online while not being able to meet in person.</p> <p>A new outreach strategy has been adopted with wide involvement across BYM departments. Following a Yearly Meeting commitment, we are increasing our understanding of diversity and inclusion.</p> <p>A new fundraising team is in place to encourage further giving from Quakers and grant-makers.</p>
<p><b>Financial stability</b></p> <p>External shocks or trends impacting our income, cash flow or reserves could put our future financial stability at risk</p>	<p>Financial performance is closely monitored throughout the year. Members of Management Meeting review monthly reporting on income, expenditure, reserves, debt and cashflow positions to manage delivery of the strategic objectives.</p> <p>In 2020 Finance &amp; Property Committee increased the frequency of its meetings to closely monitor the charity's finances and will continue to do so in 2021.</p> <p>In 2021 quarterly reforecasts will enable us to review and respond to changing financial circumstances as and when they arise. The operating business model of Friends House (London) Hospitality Ltd will also be reviewed.</p>
<p><b>Safeguarding confidential and sensitive information</b></p> <p>Loss or unauthorised access to data on our supporters, staff, volunteers or partners could cause harm to those individuals and lead to regulatory action against BYM</p>	<p>Mandatory training is in place on data protection and information security to support safe handling of data and compliance with the General Data Protection Regulation 2018.</p> <p>In 2020, a programme of activities continued to strengthen cyber security capabilities, including upgrades to our IT infrastructure.</p>
<p><b>Communications</b></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>Adoption of six overall objectives for communications work and development of a strategy to achieve them. Emphasis on: more effective messages; cutting confusion; digital communications; effective staff communications; removing bottlenecks and silos; and becoming a fundraising organisation.</p> <p>Integration of external and internal (to Quakers) communications, including impact of programmes and projects into reporting.</p>

## Structure, governance and management

<p><b>Governance</b></p> <p>Failure of governance control, unsustainable governance structures, reputational risk of meeting governance failure</p>	<p>The overall goal of the strategic priorities is for a simple church supported by a simple charity to reinvigorate Quakerism. Trustees began work in 2020 to consider how governance structures could be simplified. Exploratory discussions involving central committees of the Society began and will continue.</p> <p>A review of support for governance is under way. An approach has been adopted by trustees and the review will commence in 2021. Risk management strategy implemented involving trustees, management meeting, operational managers and audit committee.</p> <p>A range of work to support central committees and encourage offers of service.</p>
<p><b>Safeguarding children and adults at risk of abuse</b></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>We invest in our safeguarding arrangements, ensuring that they are robust and reflect the environments in which we work. We hold ourselves to the highest standards.</p> <p>We have clear policies and procedures to help ensure a safe environment, including pre-engagement checks for staff and volunteers, mandatory reporting requirements and a robust code of conduct. Our arrangements are routinely subject to independent audit and review.</p> <p>All our staff are subject to appropriate background checks. Safeguarding training is mandatory for all staff.</p> <p>In 2020, we continued to implement our plan to improve practice at BYM and to provide better resources and support to meetings. We have published a toolkit to help area meetings strengthen safeguarding policies and practice.</p> <p>We concluded the external review of historical case files and have established a case management system. All staff and trustees undertake safeguarding awareness training.</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. As the climate crisis escalates, so does our resolve to meet this commitment.

The coronavirus pandemic has seen a major reduction in our travel and other carbon-producing activities. We are working to preserve some of these environmental gains, such as by holding more meetings virtually. Thirty staff – one in five of the workforce – have opted to work from home or a regional office, which should further reduce travel emissions.

Last year BYM signed up to the Meetings Industry Association's #20PercentLess pledge, committing to reduce reliance on single-use plastics by 20 per cent by 2025. The Quaker Centre Bookshop switched to 100

per cent sustainable packaging and the Quaker Centre Café switched to glass bottled water only.

BYM's economics & sustainability programme works to influence policy to ensure a just transition to a zero-carbon economy, a commitment reinforced by the new five-year strategy for our faith in action work. We are continuing to prepare for the delayed UN Climate Change Conference (COP26) in Glasgow in 2021, including liaising with Friends in Scotland and coordinating other non-Quaker groups. BYM continued to fund Quaker action on sustainability and the climate crisis, funding the Human Impacts of Climate Change programme at the Quaker United Nations Office (QUNO) in Geneva and the Sustainability Communications Officer at Friends World Committee for Consultation (FWCC). BYM is also funding a five-year project on the spiritual basis of sustainability and greening our lives and meetings that is being delivered by Woodbrooke.

### 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.

The report contains a summary of our actions to ensure safe working conditions for all staff during the coronavirus period. Measures taken include arrangements for staff working at home, provision of training related to home working and Covid safety, and preparations to ensure staff can return to our buildings safely when it is permitted.

### 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.

### 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 at [www.quaker.org.uk/grants](http://www.quaker.org.uk/grants).

### Trustees serving during 2020 and up to the date of this report

Georgina Bailey

Linda Batten, Treasurer

Alison Breadon

Jenny Brierley

Sam Challis (until 24 March 2020)

Sarah Donaldson (until 31 December 2020)

Nick Eyre

Kit Fotheringham (from 29 July 2020)

Kate Gulliver

Ellie Harding

Carolyn Hayman

Caroline Nurse, Clerk

Silas Price (from 6 February 2021)

Graham Torr, Assistant Clerk

Frances Voelcker

Danielle Walker Palmour

Christine Willmore

London West Area Meeting

Sheffield & Balby Area Meeting

Wirral & Chester Area Meeting

York Area Meeting

London West Area Meeting

Manchester & Warrington Area Meeting

Lincolnshire Area Meeting

Bristol Area Meeting

West Scotland Area Meeting

Central England Area Meeting

North West London Area Meeting

London West Area Meeting

Norfolk & Waveney Area Meeting

York Area Meeting

North Wales Area Meeting

York Area Meeting

Bristol Area Meeting

### Recruitment, induction and training of trustees

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 Clerk 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.

BYM Trustees are working on improving their diversity. At December 2020, of the serving and incoming trustees:

- 69% were female; 12% preferred not to say
- 6% were from black and minority ethnic communities; 6% preferred not to say
- 31% considered themselves to be disabled
- 12% identified themselves as Lesbian, Gay, Bisexual, Transgender, Queer/Questioning (LGBTQ); 19% preferred not to say
- 69% were under the age of 65.

### BYM staff

In December 2020 BYM employed 146 staff (120.5 full-time equivalent) across its departments, including 41 (31.89 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 2020, Management Meeting comprised:

Paul Grey, Head of Operations

Lisa Kiew, Head of Finance and Resources (until May 2020)

Maureen Sebanakitta, Head of Finance and Resources (from September 2020)

Paul Parker, Recording Clerk

Juliet Prager, Deputy Recording Clerk

Oliver Robertson, Head of Witness and Worship

### 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 in which 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 2020, five internal face-to-face courses were run over 13 sessions from January to March. A lot of face-to-face training sessions had to be cancelled due to the pandemic. Online training on Emergency Home Worker Assessments and Awareness has been delivered to all. Safeguarding Adults and Children and role-specific training for individuals is obtainable online. Direct expenditure on training was 1.6 per cent 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 focusing on physical and mental health, as well as health and safety.

## Communicating with staff

Our methods of communicating with staff continue to evolve, and this year we have faced the additional challenges of the pandemic. A large amount of information on lockdown and furloughing was distributed to staff, backed up by regular one-to-one phone calls and group video conferencing. Staff meetings were moved onto Zoom and reached far more staff than had ever been achieved in person. The meetings are recorded and available to listen to for those unable to attend live.

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. We use an external specialist supplier to conduct surveys on a wide range of workplace issues including, especially during the pandemic, individual wellbeing.

The most recent workplace 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 12 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.

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 House (London) Hospitality Ltd (trading as Quiet Company) is the wholly owned subsidiary of BYM. The company shares the ethos and values of its parent and seeks to put those values into practice in the provision of hospitality services to all who visit Friends House. During the year BYM advanced a loan facility of £1.5m to the Company at an annual rate of interest of 3.6%.

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 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 the Religious Society of Friends in Britain, with trustees appointed by Meeting for Sufferings. BYM provides secretarial support for its work.

Woodbrooke Quaker Study Centre is an independent learning organisation that 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.

## Structure, governance and management

### Fundraising practices

BYM raises funds within the Quaker community through the contributions given by area and local meetings. Individual Friends also make direct donations to BYM and we make applications to trusts and foundations for grant funding. Legacies are a crucial part of our fundraised income and we are grateful to all those who have left a gift for us in their will. We would like to thank all the local and area meetings, charitable trusts, foundations and individuals that support our work.

We adhere to data protection law and our privacy policy is accessible on our website. We do not exchange 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. We commit to the regulator's Fundraising Promise and aim to exceed these standards. In all our fundraising work we aim to:

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

We received one complaint regarding our fundraising practices in 2020. This was from a donor who had been sent a communication from us in error. We apologised and have now ensured that his record on the database has been updated so his marketing preferences are clear.

Our trustees agree and review our fundraising strategy. In 2020, the new fundraising team was fully established and began to implement a more strategic approach to fundraising. For every £1 spent in 2020 on raising voluntary income for BYM centrally, £42 was received in donations and legacies.

### 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

Many of our planned objectives were postponed or delayed due to the pandemic, while new priorities emerged in response to the national lockdowns and changing circumstances. Despite the necessary furloughing of around two thirds of staff, and the closure of all our premises, there is still a great deal of work to celebrate.

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

A Yearly Meeting has been held every year since 1668, with a larger triennial Gathering being held in recent years. The event, which is open to all members, functions as the ultimate decision-making body for Quakers in Britain. Inevitably, the pandemic meant Yearly Meeting Gathering 2020 could not go ahead as planned. Unable to gather in person, more than a thousand Quakers came together online instead for our very first virtual Yearly Meeting session. The session’s focus was kept to worship, receiving reports and managing required business. Remaining business was delegated to Meeting for Sufferings.

The Book of Discipline Revision Committee has been mapping the necessary topics and content. Seven key common themes have been identified to be reflected in the book of discipline, along with five key insights describing the unity of our Quaker way, which will run as threads through it. The committee has continued to engage with Friends on the subject. An online series of workshops, in collaboration with Woodbrooke, asked participants to consider “Prayerfully/ Joyfully/ Creatively/ Boldly revising *Quaker faith & practice*”. The launch of an online creative project, *Open to new light*, has proved a fruitful platform for Friends to share ideas and inspiration with the committee.

In 2020 we spent £1.1 million on sustaining our church and our faith (2019: £1.0 million).

### Supporting meetings

Our Quaker Life team has been working closely with staff from Woodbrooke to respond to the needs of Quaker communities across Britain. We provided written guidance, online sessions and email support on worship, eldership and oversight, and using technology

in an ever-changing environment. We have seen new ways of being a community emerge through this support, including varieties of outdoor meetings, livestreaming, joining via WhatsApp or email – or even a blend of methods in a single meeting.

We communicated government guidance (in six jurisdictions) relevant to our worshipping communities and our role within local communities on everything from face masks to furloughing staff. Our local development workers have been busy supporting Friends in their regions, including running a nightly epilogue since mid-April. We continue to work towards placing more of these workers across Britain.

With schools and many youth services forced to close, it has been a particularly confusing and challenging year for children. Uncertain academic progress and social distancing comes at a key period of personal development. We adapted quickly, moving support groups for children and youth meetings online and holding weekly online groups so that more children could experience worship. We remained responsive to local and national needs, created virtual spaces to develop and maintain communities, and supported volunteers. Running virtual weekend ‘residentials’ allowed for more attendees by overcoming common barriers such as disability, finance or geography.

We received lots of messages from young people saying how much they valued having guaranteed, regular check-ins and safe spaces to explore the feelings and challenges they faced, without judgement. We intend to continue with online work even after face-to-face meetings are possible again – it has allowed young Quakers to meet with others more regularly and easily to build relationships and community.

Quaker Life Central Committee agreed new measures to be introduced to area meetings, to strengthen safeguarding of children, young people and vulnerable adults. These have been published along with a new toolkit, designed to help area meeting trustees adopt robust safeguarding policies and procedures. The guidance published to help Quaker meetings move online during the pandemic included safeguarding information.

After reviewing our archived safeguarding records in 2019, we commissioned an independent review of all case files. A total of 162 historic cases were thoroughly reviewed by highly experienced safeguarding practitioners. They concluded there had been no

## Structure, governance and management

high-risk cases, recommended that 137 cases could be closed, and provided advice on continued management of 25 cases. The review has reassured us that the risks are being managed appropriately by BYM and area meetings.

Last year we reported that Quakers in Britain had submitted evidence to the Investigation into Child Protection in Religious Organisations and Settings, conducted by the Independent Inquiry into Child Sexual Abuse (IICSA). The investigation report has been delayed by the pandemic, and is now expected in 2021.

In 2020 we spent £2.5 million on supporting meetings (2019: 3.0 million).

### Witness through action

The Quaker Peace & Social Witness Summer Series was held in response to the Quaker community – like so many others – being hit hard by the pandemic. Amid the shock, confusion and fear, it felt important to offer online spaces in which Friends could still gather and be together. Over ten well-attended weekly sessions, we brought Quakers and the Quaker-curious together to discuss where they felt led to act. Topics included spirituality, climate justice, peace activism, and building a new economy in the UK. Feedback was overwhelmingly positive. Almost all respondents were willing to recommend the workshop they had attended, while 72 per cent said they would be taking action or making a change in their lives as a result.

We hosted an online discussion in the spirit of the Quaker testimonies to equality and peace to discuss whiteness, allyship and the UK context of the Black Lives Matter movement. A collaboration with Woodbrooke, 'Black Lives Matter: Whiteness and racial justice learning for Quakers' challenged the assembled Friends' preconceptions, privileges and prejudices in five demanding weekly sessions. The combination of presentations, sharing in groups and worship aided powerful and reflective learning. As a result of the course, many Friends were inspired to act or make changes in their lives. Many of the local cluster groups are continuing to meet regularly to explore individual, local and international questions.

Turning the Tide (TTT) is an approach that links peacebuilding with nonviolent campaigning. In Kenya, Burundi and Rwanda, trained local facilitators help campaign groups to identify, analyse and address injustice while ensuring they use nonviolent methods.

Activities and programmes supported by TTT often rely on large gatherings, which haven't been possible due to the pandemic. East African TTT staff have

therefore worked with their community partners to shift much of their grassroots activism online. They have also been making sure that local groups have access to face masks and hand sanitiser so that community engagement and activism can continue safely. This has proved vital, especially with the alarming rise in gender-based violence during the pandemic.

Besides calling on East African governments to increase support to families during the crisis, TTT East Africa is backing campaigns aimed at sensitising communities to the pandemic. In Kenya alone, the programme succeeded in reaching 1,800 people and ensuring that 500 locally made face masks were distributed to vulnerable community members. Its work has also helped to identify the underlying causes of the rise in gender-based violence. TTT is now working with local campaign groups to call out the violence, amplify the voices of those affected, and develop ways to tackle the abuse.

EAPPI is an international programme that sends volunteer human rights monitors – ecumenical accompaniers (EAs) – to the West Bank. The pandemic led to all foreigners being evacuated from the West Bank to Jerusalem, with EAs returning to their home countries. A subsequent rise in abuses against Palestinian communities has starkly demonstrated the continuing need for EAs' protective presence.

In the UK and Ireland, meanwhile, we saw the results of our advocacy work. Together with other charities and activists, we supported the case against the UK government's ban on local authorities making ethical choices in their pension investments. The ban – an attempt to curb boycotts against the Israeli occupation of Palestine – was overturned by the UK Supreme Court in April.

New partnerships and a focus on online tools have greatly extended our reach. Talks given by EAs are now being heard in parts of the British Isles not yet visited by EAs, and by people from as far afield as Australia and the US. Our global #NoToAnnexation campaign, largely developed by EAPPI UK & Ireland staff, has reached over a quarter of a million people on social media. We are now backing a new campaign to raise awareness of the violence and destruction that disrupt Palestine's vital annual olive harvest.

Similarly, a social media campaign initiated by our Peace & Disarmament programme reached 1.3 million people on Twitter. The #UKDefundWar action was in opposition to the £24 billion increase in UK military spending.

We fostered more relationships with key

parliamentarians and civil servants, briefing peers ahead of debates on prisons and on coronavirus. Working with Detention Forum we persuaded a majority of peers to vote for a 28-day limit amendment to the Immigration Bill. We contributed to pressure on the government to review the Overseas Operations Bill, causing it to launch a judge-led inquiry. The Joint Committee on Human Rights also personally thanked Quaker Campaign for the Abolition of Torture for their evidence to its inquiry, which we helped to draft.

We spent £3.0 million on Quaker witness through action in 2020 (2019: £2.9 million).

### Promoting Quakerism

To continue supporting Friends and meetings during lockdown, we needed to communicate more information than usual. With the challenges of staff on furlough, no access to Friends House and no distribution via meetings, we had to find a way to deliver the information Friends needed. We did this by bringing everything together in a weekly edition of our e-newsletter, *Quake!*. Between March and November, the number of subscribers to *Quake!* grew by 27 per cent. More than 11,000 Friends are now reading it every week.

The focus on digital communication continued into how we share publications and documents. With meeting houses unable to receive and share printed materials, we have considerably reduced the amount we produce. This includes our Annual Review of 2019, which was published online only in April. To acknowledge the drastically changed circumstances and what this meant for the organisation's operations, we produced an additional 'half-annual review' in time for Yearly Meeting in November. Published as a dynamic digital document, it is easier to read on large and small screens, to share on social media, and has since been opened over 1,800 times.

We are producing more varied multimedia content than ever. Our series of videos on Young Adult Quaker journeys has been popular on social media, and our podcast and blogs recorded new record figures. Podcast episode 'A Quaker take on sex' had over 5,370 listens and the blog '9 voices the Department for Education would ban from schools' became our most read blog at the time it was published.

In 2020 we spent £2.4 million promoting Quakerism (2019: £2.1 million).

## Strategic report and review of financial activities for 2020

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 2020. The coronavirus pandemic took hold early in the year, forcing us to change our ways of working to ensure that we continued 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.

Our main sources of income are contributions from individuals and Quaker meetings; legacies, grants, investment income and revenue from our charitable activities.

The total income for the year was £16.1 million, a decrease of 6% compared to the previous year (2019: £17.2 million).

Contributions in 2020 were £3.0 million (2019: 2.2 million). We are glad to record an increase in total contributions of 36% compared to 2019 and hope that this is the start of an increase in sustained giving from Friends in Britain.

This year we received £8.0 million in legacies (7.4 million). Included in the £8.0 million received this year is a gift of £6.0 million, of which 75% has been designated by the Trustees to be spent in accordance with the legator's wishes.

Friends House (London) Hospitality Ltd, trading as Quiet Company, generates 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 is an exemplar of an ethical business, considering people, the planet and profit equally.

This year, due to the coronavirus pandemic, the operation has been closed, with the majority of staff on furlough. There was limited activity during the summer months when the restrictions were lifted. The

result of the closure is a fall in revenue of 70%. For the first time in its history, the company has reported a net loss and will not have profits to donate to the charity. In addition, the charity suspended the annual overhead recharges for Friends House (London) Hospitality Ltd and advanced a loan of £1.5m at the rate of 3.6% per annum.

Total expenditure fell by 14% to £12.0 million (2019: £13.9 million). Expenditure on raising funds fell by 40%, as conferences and events were severely impacted by the coronavirus lockdown. We maintained the level of our charitable expenditure at £9 million.

At the end of the year, BYM recorded a net surplus of £5.8 million (2019: £8.5 million), a decrease of 32% compared to the previous year. The surplus includes net gains on investments and revaluation of functional assets of £1.7 million (2019: £5.3 million).

The market value of our investment portfolio at the end of 2020 was £28.9 million (2019: £27.3 million). These remarkable 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. 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. 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.

The investment policy, together with a full listing of our investments as at 31 December 2020, is published on our website at [www.quaker.org.uk](http://www.quaker.org.uk).

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

The total value of funds held at 31 December 2020 was £92 million (2019: £86 million). There are restricted reserves of £6.8 million (2019: £6.6 million); unrestricted reserves of £79 million (2019: £73 million) and endowment reserves of £6.4 million (2019: £6 million).

The objective of our reserves policy is to ensure that BYM maintains sufficient cash and readily realisable assets to enable it to withstand any shortfall in income or unforeseen expenditure while any necessary adjustments are made to the its operations. We have specific policies for the different fund types 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 review each of these endowments to see whether the objectives might be achieved better by seeking Charity Commission permission to spend the capital in light of the increased demands in some areas of work and the levels of returns available.

## 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 where applicable. 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. The designation may be cancelled by the trustees if they later decide that the charity should not proceed or continue with the project for which the funds were designated. Of the designated funds, £50 million represents 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 projects fund represents monies set aside for expenditure on approved projects over the next five years. 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. Accordingly, general reserves are used to provide working capital cash needs and to finance short-term deficits where necessary. The trustees have indicated that BYM's expenditure should be fully covered by its income by 2023.

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Total Funds as per Group balance sheet	91,663	85,866
<b>Exclude:</b>		
Endowment funds	6,430	6,125
Restricted funds	6,760	6,637
Designated funds tied up in fixed and heritage assets	50,434	47,261
Other designated funds	11,667	10,464
<b>General reserves</b>	<b>16,372</b>	<b>15,379</b>

Our reserves policy focuses on the level of BYM's general reserves. The general reserves enable BYM to make long-term commitments to projects, and to protect its work against adverse financial events, such as the ongoing pandemic. The Trustees' Finance & Property Committee reviews the reserves policy annually.

A key measure of sustainability is both current and future liquidity cover, rather than a surplus accounting position, as demonstrated by recent events. Until recently, BYM had robust and predictable income streams from both its trading activities and investment income. Other sources of income include donations and legacies. Legacy income, when received, is significant and prone to fluctuation. Therefore, in arriving at the target reserves policy, BYM has considered the risks pertaining to its main income streams as well as the relationship between readily realisable assets and the cash required to fulfil commitments and sustain operations for a given period.

The target for reserves level is within the range of 5.5 to 7 months' operating costs (£6–8 million). The general reserves balance as at 31 December 2020 is £16.4 million. In the event of unexpected adverse financial events these reserves would ensure that there is sufficient cash or near cash to enable operations to continue smoothly and without the disruption that might otherwise arise when a major source of cashflow is disrupted.

### Going Concern

We have set out above a review of Britain Yearly Meeting's financial performance and the general reserves position for 2020. At the time of writing, we are still in the grip of the coronavirus pandemic and offices remain closed. While the situation is slowly evolving, our planning process, including financial and cashflow projections, has taken into consideration the current and forecasted economic climate and its potential impact on our various sources of income and planned expenditure. This includes the impact of the cancellation of events in the UK following Public Health England advice to avoid large gatherings from March 2020.

The overall position as at 31 December 2020 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 £12 million. These provide a satisfactory level of cash resources for our planned activities and enable us to pay for capital projects during 2021.

As detailed in our general reserves policy, we hold general reserves to provide cover for unexpected changes in income and expenditure to allow us to adjust our cost base and continue activities. We will continue to monitor the situation as it unfolds and manage our finances accordingly. Although there are important uncertainties resulting from the coronavirus pandemic, taking into account all factors, we do not believe there are material uncertainties that call into doubt Britain Yearly Meeting's ability to continue in operation for the foreseeable future. Accordingly, the accounts have been prepared on the basis that Britain Yearly Meeting is a going concern.

### Looking forward

BYM's aspiration is to have a diverse range of income streams. However, we note the reliance on large legacies to close up the funding gap, as well as the income from Friends House (London) Hospitality Ltd. To this end, the trustees have invested in the fundraising team to grow these income streams.

The trustees approved a deficit operational budget for 2021, with a plan to achieve a balanced budget by 2023. We will continue to work with and on behalf of Quakers for a sustainable and peaceful world, noting that the need for this in the wider world is pressing and growing. We need to invest in order to be well governed and effective, ensure we protect our children and vulnerable adults as well as we can whilst also operating securely. We will continue to develop work with children and young adults. 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 effectiveness, efficiencies, 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 resources.

Approved by the Trustees of Britain Yearly Meeting of the Religious Society of Friends (Quakers) on 9 April 2021 and signed on their behalf by:

Redacted

Linda Batten, Treasurer

## Future plans

In 2021 we will focus on preparing for November's UN Climate Change Conference and for our rescheduled Yearly Meeting Gathering, to be held online in July and August. As we move on to the next phase of our integrated strategy of meeting-centred support, we will be rolling out two new local development teams. We will also continue to explore privilege and work to ensure that Quaker communities are genuinely inclusive.

These and many other activities planned across the charitable organisation are informed by the strategic priorities for the next 5–10 years, defined by Trustees in 2019:

### Thriving Quaker meetings

In order to support Quaker communities to be diverse, to thrive and to grow, we have embarked on a programme to place local development workers within reach of every Quaker community in Britain by 2025. Each worker will identify and respond directly to the needs of meetings in their region. In 2021 we will roll out our next two local development teams. And when public health advice allows, we will open our first regional staff hub, moving central work closer to Friends.

We want our Quaker communities to be inclusive, and to welcome people of any age, background and ethnicity. In 2021 we will be embedding the learning from our Engaging Young Adult Quakers, Diversity & Inclusion and Mental Health projects. The events of 2020 underlined the urgent need to address oppression, racism and the structures that sustain them. Across the organisation we will explore and challenge both explicit and implicit forms of prejudice.

Through improved communication, workshops and events, we will further engage Quakers with the work we do on their behalf and support them to take action locally. They are best placed to connect and collaborate with others working to build peace and achieve positive change in their communities.

Following the success of our very first online Yearly Meeting in November 2020, we are now preparing for our second. We look forward to welcoming Friends to a longer virtual event in late July 2021.

We expect to adopt a new safeguarding policy and related procedures.

### A sustainable and peaceful world

We support Quakers to explore and take action on peace and climate justice. Following its postponement until November 2021, we will resume our work with Quakers in Scotland and an interfaith taskforce to develop a local response to the UN Climate Change Conference in Glasgow. We will also collaborate with other faiths to call for a national economy that meets both our climate targets and the needs of those most affected by climate change.

In 2021 our peace education programme will continue to empower children to resolve their own conflicts, explore the root causes of violence, and champion justice and human rights. We will be developing new peacebuilding work in communities in Britain suffering from physical and structural violence. And we will continue to support and learn from a thriving network of Quaker peacebuilders and peace projects in Kenya, Rwanda and Burundi.

We have long worked for an end to the occupation of Palestine. Although the pandemic has interrupted the training and placement of volunteer human rights monitors – ecumenical accompaniers – in the West Bank and Israel, we will strengthen our direct parliamentary advocacy in the UK and Ireland and encourage churches to invest responsibly in relation to Israel/Palestine.

In 2021 we will implement our chosen Sustainability Development Goals, set targets and begin reporting annually on our achievements. This will ensure that our organisation is ethical and becomes an exemplar of sustainability.

### Simple structures and practices

We are working to simplify our organisation's structures and processes. This will help us make the most of our resources and better deliver our strategic priorities. Starting in 2021, we will simplify nominations, introduce online training for committees, improve communication between committees, and review committee cycles. We will support Quaker meetings to consider and implement simpler governance structures and complete and embed the learning from our Simpler Meetings Project.

Our IT team is putting in place the support, systems and technology needed to support dispersed staff. In

## Statement of trustees' responsibilities

2021 it will be training staff on new ways of working, security and compliance, as well as rolling out a Service Desk Solution and a self-service portal.

We are developing a coordinated approach to managing and preserving our collections at Friends House and Swarthmoor Hall. In 2021 we will begin to review our collections against a new policy that focuses on enabling wider audiences to access and engage with our collections in a variety of ways.

Our communication with the public and funders needs to be simple, clear and accessible. This will help them

to better understand and engage with our faith and our work. We will start to address this in 2021 with a new communications strategy. Similarly, we need to better articulate the purpose and impact of our work to Friends to build understanding and support.

By 2023 we aim to operate with a balanced budget and be able to plan based on evidence of the difference our work makes. We want a simple and usable planning, monitoring and evaluation system that enables organisational learning, accountability and demonstrates impact.

## Statement of trustees' responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

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

They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Auditor

Sayer Vincent LLP was re-appointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 9 April 2021 and signed on their behalf by:

Redacted

Caroline Nursey, Clerk



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

## Opinion

We have audited the financial statements of Britain Yearly Meeting of the Religious Society of Friends (Quakers) ('the parent charity') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2020 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Britain Yearly Meeting of the Religious Society of Friends (Quakers)'s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## 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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### Capability of the audit in detecting irregularities

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

- We enquired of management, the audit committee and the finance and property committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## 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.

Redacted

9 April 2021

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane,  
LONDON, EC1Y 0TL

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 2020

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>2020 Total funds £'000</b>	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>2019 Total funds £'000</b>
<b>Income and endowments from:</b>									
. Donations and legacies	2	12,107	703	-	<b>12,810</b>	9,740	400	-	<b>10,140</b>
. Charitable activities	3	70	-	-	<b>70</b>	287	20	-	<b>307</b>
. Other trading activities	4	1,527	(1)	-	<b>1,526</b>	5,076	-	-	<b>5,076</b>
. Investment income	5	1,580	101	-	<b>1,681</b>	1,513	140	-	<b>1,653</b>
<b>Total</b>		<b>15,284</b>	<b>803</b>	<b>-</b>	<b>16,087</b>	<b>16,616</b>	<b>560</b>	<b>-</b>	<b>17,176</b>
<b>Expenditure on:</b>									
. Raising funds	2,4,5	3,029	-	-	<b>3,029</b>	4,876	-	-	<b>4,876</b>
. Charitable activities	3,6	8,520	477	-	<b>8,997</b>	8,288	765	-	<b>9,053</b>
<b>Total</b>		<b>11,549</b>	<b>477</b>	<b>-</b>	<b>12,026</b>	<b>13,164</b>	<b>765</b>	<b>-</b>	<b>13,929</b>
<b>Net income/ (expenditure) before gains/(losses) on investments</b>		<b>3,735</b>	<b>326</b>	<b>-</b>	<b>4,061</b>	<b>3,452</b>	<b>(206)</b>	<b>-</b>	<b>3,247</b>
Net gains/(losses) on listed investments	15	1,196	46	305	<b>1,547</b>	4,069	160	1,032	<b>5,261</b>
Net gains/(losses) on revaluation of fixed asset properties	13	438	(249)	-	<b>189</b>	-	-	-	<b>-</b>
<b>Net income/ (expenditure)</b>		<b>5,369</b>	<b>123</b>	<b>305</b>	<b>5,797</b>	<b>7,521</b>	<b>(46)</b>	<b>1,032</b>	<b>8,508</b>
Transfers between funds		-	-	-	<b>-</b>	126	(100)	(26)	<b>-</b>
<b>Net movement in funds</b>		<b>5,369</b>	<b>123</b>	<b>305</b>	<b>5,797</b>	<b>7,647</b>	<b>(146)</b>	<b>1,006</b>	<b>8,508</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		73,104	6,637	6,125	<b>85,866</b>	65,457	6,782	5,119	<b>77,358</b>
<b>Fund balances carried forward at 31 December</b>		<b>78,473</b>	<b>6,760</b>	<b>6,430</b>	<b>91,663</b>	<b>73,104</b>	<b>6,637</b>	<b>6,125</b>	<b>85,866</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 2020

	Notes	Group		Charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Fixed assets:</b>					
<b>Property plant and equipment</b>					
	13				
. Functional property		<b>30,980</b>	31,388	<b>30,980</b>	31,388
. Other		<b>339</b>	477	<b>339</b>	477
<b>Heritage assets</b>					
	14	<b>604</b>	604	<b>604</b>	604
<b>Investments</b>					
	15				
. Property		<b>18,511</b>	18,511	<b>18,511</b>	18,511
. Securities		<b>28,871</b>	27,305	<b>28,871</b>	27,305
<b>Total fixed assets</b>		<b>79,305</b>	78,285	<b>79,305</b>	78,285
<b>Current assets:</b>					
Stocks and work in progress		<b>95</b>	106	<b>89</b>	97
Debtors	17	<b>7,255</b>	3,933	<b>8,984</b>	3,820
Cash at bank and in hand		<b>6,594</b>	5,532	<b>6,573</b>	5,508
<b>Total current assets</b>		<b>13,944</b>	9,571	<b>15,646</b>	9,425
<b>Liabilities:</b>					
Payables: amounts falling due within one year	18	<b>(1,586)</b>	(1,990)	<b>(3,048)</b>	(2,874)
Net current assets		<b>12,358</b>	7,581	<b>12,598</b>	6,551
<b>Total net assets</b>		<b>91,663</b>	85,866	<b>91,902</b>	84,836
<b>The funds of the charity:</b>					
<b>Capital funds:</b>					
Permanent endowment funds	19	<b>6,430</b>	6,125	<b>6,430</b>	6,125
<b>Income funds:</b>					
Restricted funds	19	<b>6,760</b>	6,637	<b>6,760</b>	6,637
Unrestricted funds					
. Designated funds	19	<b>62,101</b>	57,725	<b>62,101</b>	57,725
. General reserve	19	<b>16,372</b>	15,379	<b>16,611</b>	14,349
		<b>91,663</b>	<b>85,866</b>	<b>91,902</b>	84,836

These accounts, which have been prepared in accordance with accounting policies on pages 31 to 36, were approved by the Trustees of Britain Yearly Meeting of the Religious Society of Friends (Quakers) on 9 April 2021 and signed on their behalf by:

Caroline Nursey, Clerk of Trustees

Linda Batten, Trustee

## Consolidated statement of cash flow Year to 31 December 2020

	<b>2020</b>	<b>2019</b>	
	<b>£'000</b>	<b>£'000</b>	
<b>Cash flow from operating activities:</b>			
Net income/(expenditure)	5,797	8,507	
Adjustments for:			
Depreciation	825	866	
(Gain)/loss on investments	(1,736)	(5,261)	
Investment income and interest	(1,681)	(1,652)	
Non cash donation (investments)	(11)	-	
Trade and other debtors	(3,322)	(959)	
Inventories	11	(6)	
Trade and other creditors	(404)	339	
<b>Cash generated/(used) in operations</b>	<b>(521)</b>	<b>1,834</b>	
Interest-free loans repaid and converted to gifts	10	2	
<b>Net cash generated/(used) in operating activities</b>	<b>(511)</b>	<b>1,836</b>	
<b>Cash flows from investing activities</b>			
Purchase of property plant & equipment	(90)	(956)	
Purchase of investments	(3,898)	(2,185)	
Proceeds on disposal of investments	2,434	3,131	
Investment income and interest	1,681	1,652	
<b>Cash generated from investment activities</b>	<b>127</b>	<b>1,642</b>	
<b>Cash flows from financing activities</b>			
Interest-free loans repaid	(10)	(2)	
<b>Cash used in financing activities</b>	<b>(10)</b>	<b>(2)</b>	
<b>Net increase in cash and cash equivalents</b>	<b>(394)</b>	<b>3,476</b>	
<b>Analysis of cash and cash equivalents</b>			
	<b>2019</b>	<b>Cashflows</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank	<b>5,532</b>	1,062	<b>6,594</b>
Cash with investment managers	<b>1,897</b>	(1,456)	<b>441</b>
<b>Total cash and cash equivalents at 31 December</b>	<b>7,429</b>	<b>(394)</b>	<b>7,035</b>

# Notes to financial statements

## Statutory information

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

Britain Yearly Meeting of the Religious Society of Friends (Quakers) 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 Britain Yearly Meeting of the Religious Society of Friends (Quakers) and its wholly owned subsidiary, Friends House (London) Hospitality Ltd. The results of Friends House (London) Hospitality Ltd 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 £14.3 million (2019: £12.4 million) and its gross expenditure was £10.0 million (2019: £10.2 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 Government grants including the Job Retention Scheme

Government grants are recognised when there is reasonable assurance that the charity will comply with the conditions attaching to the grant and the grant will be received.

Claims made through the UK Government's Coronavirus Job Retention and Support Schemes are recognised as income in the period during which the associated staff were furloughed. This income is considered to be unrestricted.

## 1.6 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.

## 1.7 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.

## 1.8 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.

## 1.9 Operating leases

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

## 1.10 Land, property, plant and equipment

All tangible fixed assets costing more than £1,500 and with an expected useful life exceeding one year are capitalised at cost, including any incidental expenses of acquisition and irrecoverable VAT.

### (a) Functional freehold property

Functional freehold properties are held at valuation. Professional valuers revalue the properties every five years to ensure that the carrying amount does not differ materially from the fair value of the asset at the end of the reporting period. Work to existing properties which is capable of extending the useful life or otherwise adding to the value of the property is capitalised. All other expenditure incurred in respect



of general repairs to functional assets is charged to the SOFA in the year it is incurred. Assets under construction are stated at cost and transferred to completed properties when ready for use.

There are three significant functional freehold properties:

- **Friends House**

Friends House comprises freehold land and buildings included at a valuation of £29.1m determined as at December 2020 by Carter Jonas 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 £2.3m as determined at December 2020 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. The trustees have reviewed the property for any material impairment at 31 December 2020 and based on its strategic location and robust maintenance programme, consider there to be no indication of any material impairment to the property.

### (b) Other tangible fixed assets

Other tangible fixed assets are capitalised and depreciated in line with the policy over their estimated useful lives.

### c) Depreciation

The depreciation expense is charged or apportioned to the relevant SOFA heading reflecting the asset's use on a straight line basis as follows:

Freehold land	nil
Freehold buildings	50 years
Computer equipment	3 years
Equipment furniture and fittings	5 years
General office equipment	5 years
Specialised building works	8 years

### d) Impairment

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. The Trustees undertook such a review in respect of Friends House and Swarthmoor Hall in recognition of the impact of the coronavirus pandemic on the valuation of the properties. The updated valuations have been disclosed in Note 1.10 (a) above. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in the SOFA. Reversals of impairment losses are recognised in the SOFA or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

### 1.11 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 as the assets are considered to have indefinite lives.

### 1.12 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. The Trustees have assessed the possible impact of the coronavirus pandemic on

the investment properties and based on its location, current and projected rental values and robust maintenance programme the values have not been impaired.

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 Britain Yearly Meeting's aims in relation to sustainability.
- Two small properties valued by Britain Yearly Meeting 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.

### **1.13 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.

### **1.14 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 Britain Yearly Meeting of the Religious Society of Friends (Quakers) 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.

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **1.15 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 22).
- The Friends Educational Foundation (FEF) Higher Education Awards: the income of which is restricted to providing grants for higher education (note 22).
- 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.

**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 21).
- The Swarthmoor Hall Fund (note 21) 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 22).
- Friends Educational Foundation (FEF) Higher Education Awards, which makes grants in higher education (note 22).
- 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 Britain Yearly Meeting of the Religious Society of Friends (Quakers) 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 Britain Yearly Meeting of the Religious Society of Friends (Quakers).
- The Meeting Houses Fund comprises interest-free loans made 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 and Estate.
- 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.
- The Marsh Memorial Fund to foster the gifts of children (particularly of girls) in the UK and overseas.

### **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 routine expenditure.

## **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 outflow of £393,000 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 operating for at least 12 months from the date these financial statements are approved

## **1.21 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 Britain Yearly Meeting that have the most significant effect on the amounts recognised in the financial statements.

### **Estimation uncertainty**

Britain Yearly Meeting makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### **Fair value measurement**

Britain Yearly Meeting 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, Britain Yearly Meeting 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	Unrestricted	Restricted	<b>2020</b>	Unrestricted	Restricted	<b>2019</b>
	funds	funds	<b>Total</b>	funds	funds	<b>Total</b>
	£'000	£'000	<b>£'000</b>	£'000	£'000	<b>£'000</b>
<b>Income</b>						
. Contributions	2,563	404	<b>2,967</b>	2,115	109	<b>2,224</b>
. Legacies and gifts	7,889	-	<b>7,889</b>	7,381	11	<b>7,392</b>
. Grants	1,655	299	<b>1,954</b>	244	280	<b>524</b>
	<u>12,107</u>	<u>703</u>	<b><u>12,810</u></b>	<u>9,740</u>	<u>400</u>	<b><u>10,140</u></b>
Less						
<b>Cost of raising funds</b>						
. Direct costs	(331)	-	<b>(331)</b>	(377)	-	<b>(377)</b>
. Support costs	(263)	-	<b>(263)</b>	(234)	-	<b>(234)</b>
	<u>(594)</u>	<u>-</u>	<b><u>(594)</u></b>	<u>(611)</u>	<u>-</u>	<b><u>(611)</u></b>
<b>Net voluntary income for charitable activities</b>	<b><u>11,513</u></b>	<b><u>703</u></b>	<b><u>12,216</u></b>	<b><u>9,129</u></b>	<b><u>400</u></b>	<b><u>9,529</u></b>

Included in the contributions figure are interest-free loans converted to gifts totalling £4,000 (2019: £2,000). Included in the cost of raising funds is the cost of related support to meetings. The cost of raising funds directly for Britain Yearly Meeting totalled £272,000 in 2020 and consisted of staff costs and Fundraising Regulator Levy together with a share of support costs. For every £1 spent on raising funds for Britain Yearly Meeting, £42 was received in donations and legacies in 2019 (2019: £43).

**3. Charitable activities**

Group	2020		2020 Total funds £'000	2019		2019 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>						
. Sustaining our church and faith	4	-	<b>4</b>	12	20	<b>32</b>
. Supporting meetings	50	-	<b>50</b>	178	-	<b>178</b>
. Promoting Quakerism	12	-	<b>12</b>	58	-	<b>58</b>
. Witness through action	4	-	<b>4</b>	39	-	<b>39</b>
	<u>70</u>	<u>-</u>	<u><b>70</b></u>	<u>287</u>	<u>20</u>	<u><b>307</b></u>
Less						
<b>Cost of charitable activities (note 6)</b>						
. Direct costs	(5,054)	(403)	<b>(5,457)</b>	(5,703)	(653)	<b>(6,356)</b>
. Support costs	(3,466)	(74)	<b>(3,540)</b>	(2,585)	(112)	<b>(2,697)</b>
	<u>(8,520)</u>	<u>(477)</u>	<u><b>(8,997)</b></u>	<u>(8,288)</u>	<u>(765)</u>	<u><b>(9,053)</b></u>
<b>Net cost of charitable activities</b>	<u><b>(8,450)</b></u>	<u><b>(477)</b></u>	<u><b>(8,927)</b></u>	<u><b>(8,001)</b></u>	<u><b>(745)</b></u>	<u><b>(8,746)</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	2020		2020 Total funds £'000	2019		2019 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>						
. Room lettings	1,089	(1)	<b>1,088</b>	3,051	-	<b>3,051</b>
. Equipment hire	59	-	<b>59</b>	249	-	<b>249</b>
. Restaurant	422	-	<b>422</b>	1,927	-	<b>1,927</b>
. Commercial discounts	(5)	-	<b>(5)</b>	(10)	-	<b>(10)</b>
. Discounts for Quaker organisations	(38)	-	<b>(38)</b>	(141)	-	<b>(141)</b>
	<u>1,527</u>	<u>(1)</u>	<u><b>1,526</b></u>	<u>5,076</u>	<u>-</u>	<u><b>5,076</b></u>
Less						
<b>Cost of other trading activities</b>						
. Direct costs	(2,002)	-	<b>(2,002)</b>	(2,777)	-	<b>(2,777)</b>
. Support costs	(372)	-	<b>(372)</b>	(1,372)	-	<b>(1,372)</b>
	<u>(2,374)</u>	<u>-</u>	<u><b>(2,374)</b></u>	<u>(4,149)</u>	<u>-</u>	<u><b>(4,149)</b></u>
<b>Net surplus (deficit) for charitable activities</b>	<u><b>(847)</b></u>	<u><b>(1)</b></u>	<u><b>(848)</b></u>	<u><b>927</b></u>	<u><b>-</b></u>	<u><b>927</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	2020		2020 Total funds £'000	2019		2019 Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000		Unrestricted funds £'000	Restricted funds £'000	
Rental income	1,139	-	<b>1,139</b>	1,029	-	<b>1,029</b>
Dividend income	408	101	<b>509</b>	470	140	<b>610</b>
Interest received	33	-	<b>33</b>	14	-	<b>14</b>
	<u>1,580</u>	<u>101</u>	<b><u>1,681</u></b>	<u>1,513</u>	<u>140</u>	<b><u>1,653</u></b>
Less						
Cost of managing investments						
. Direct costs	(53)	-	<b>(53)</b>	(111)	-	<b>(111)</b>
. Support costs	(9)	-	<b>(9)</b>	(5)	-	<b>(5)</b>
	<u>(62)</u>	<u>-</u>	<b><u>(62)</u></b>	<u>(116)</u>	<u>-</u>	<b><u>(116)</u></b>
<b>Net investment income available for charitable activities</b>	<b><u>1,518</u></b>	<b><u>101</u></b>	<b><u>1,620</u></b>	<b><u>1,397</u></b>	<b><u>140</u></b>	<b><u>1,537</u></b>

## 6. Expenditure on charitable activities

Group	2020		2020 Total costs £'000	2019		2019 Total costs £'000
	Direct costs £'000	Support costs £'000		Direct costs £'000	Support costs £'000	
Sustaining our church and faith (see below)	576	519	<b>1,095</b>	745	288	<b>1,033</b>
Supporting meetings (see below)	1,690	785	<b>2,475</b>	2,096	928	<b>3,024</b>
Promoting Quakerism (see below)	1,404	1,043	<b>2,447</b>	1,368	691	<b>2,059</b>
Witness through action (see below)	1,788	1,192	<b>2,980</b>	2,147	790	<b>2,937</b>
	<b><u>5,458</u></b>	<b><u>3,539</u></b>	<b><u>8,997</u></b>	<b><u>6,356</u></b>	<b><u>2,697</u></b>	<b><u>9,053</u></b>

Sustaining our church and faith	2019		2019 Total costs £'000	2019		2019 Total costs £'000
	Direct costs £'000	Support costs £'000		Direct costs £'000	Support costs £'000	
General	40	32	<b>72</b>	84	27	<b>111</b>
Within Yearly Meeting	221	181	<b>402</b>	367	121	<b>488</b>
Within other Quaker bodies	224	183	<b>407</b>	204	66	<b>270</b>
Within other faiths and denominations	91	75	<b>166</b>	90	30	<b>120</b>
Management oversight	-	48	<b>48</b>	-	44	<b>44</b>
	<u>576</u>	<u>519</u>	<b><u>1,095</u></b>	<u>745</u>	<u>288</u>	<b><u>1,033</u></b>

## 6. Expenditure on charitable activities (continued)

	Direct costs £'000	Support costs £'000	<b>2020 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>
Supporting meetings						
General	577	251	<b>828</b>	843	355	<b>1,198</b>
Spirituality and membership	496	216	<b>712</b>	464	196	<b>660</b>
Children and young people	368	161	<b>529</b>	515	218	<b>733</b>
Finance and property	227	99	<b>326</b>	244	102	<b>346</b>
Employment and wardenship	1	1	<b>2</b>	2	1	<b>3</b>
Witness of meetings	21	9	<b>30</b>	28	12	<b>40</b>
Management oversight	-	48	<b>48</b>	-	44	<b>44</b>
	<u>1,690</u>	<u>785</u>	<u><b>2,475</b></u>	<u>2,096</u>	<u>928</u>	<u><b>3,024</b></u>

	Direct costs £'000	Support costs £'000	<b>2020 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>
Promoting Quakerism						
General	186	132	<b>318</b>	252	119	<b>371</b>
Outreach	511	362	<b>873</b>	440	208	<b>648</b>
Web development	22	16	<b>38</b>	30	15	<b>45</b>
Publications	73	52	<b>125</b>	84	40	<b>124</b>
Library	131	92	<b>223</b>	136	64	<b>200</b>
Other	481	341	<b>822</b>	426	201	<b>627</b>
Management oversight	-	48	<b>48</b>	-	44	<b>44</b>
	<u>1,404</u>	<u>1,043</u>	<u><b>2,447</b></u>	<u>1,368</u>	<u>691</u>	<u><b>2,059</b></u>

	Direct costs £'000	Support costs £'000	<b>2020 Total costs £'000</b>	Direct costs £'000	Support costs £'000	<b>2019 Total costs £'000</b>
Witness through action						
General	3	2	<b>5</b>	18	7	<b>25</b>
Peace witness	877	561	<b>1,438</b>	1,207	419	<b>1,626</b>
Social witness	488	312	<b>800</b>	453	157	<b>610</b>
United Nations work	420	268	<b>688</b>	469	162	<b>631</b>
Oversight and management	-	49	<b>49</b>	-	45	<b>45</b>
	<u>1,788</u>	<u>1,192</u>	<u><b>2,980</b></u>	<u>2,147</u>	<u>790</u>	<u><b>2,937</b></u>



**7. Friends House support costs**

Group	2020 £'000	2019 £'000
<b>Building services (including staff costs)</b>		
Routine maintenance	272	332
Long-term maintenance (Friends House)	463	246
Reception and security	211	255
Cleaning	324	332
Utilities	111	166
Other	29	28
	1,410	1,359
<b>Finance, human resources, IT and office services</b>		
Finance	735	629
Information Technology	402	422
Office services	727	888
Human resources	298	467
Membership database	86	119
	2,248	2,525
<b>Departmental administration</b>		
Quaker Life	145	64
Quaker Communications	74	82
Recording Clerk's Office	23	96
Quaker Peace & Social Witness	283	182
	525	424
	4,183	4,308

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	2020 £'000	2019 £'000
Generating funds		
. Voluntary income	263	234
. Activities for generating funds	372	1,372
. Investment income	9	5
Charitable activities	3,539	2,697
	4,183	4,308

## 8. Expenditure

Group	Unrestricted	Restricted	2020	Unrestricted	Restricted	2019
	funds	funds	Total	funds	funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (note 9)	7,901	133	<b>8,034</b>	7,554	169	<b>7,723</b>
Premises and equipment costs	1,691	86	<b>1,777</b>	1,992	72	<b>2,064</b>
Office and publicity costs	287	33	<b>320</b>	540	15	<b>555</b>
Event and trading costs	223	-	<b>223</b>	1,007	22	<b>1,029</b>
Travel and other costs	393	81	<b>474</b>	1,035	218	<b>1,253</b>
Grants paid (note 10)	1,054	144	<b>1,198</b>	1,036	269	<b>1,305</b>
	<b>11,549</b>	<b>477</b>	<b>12,026</b>	<b>13,164</b>	<b>765</b>	<b>13,929</b>

Governance costs for 2020 totalled £1,055,176 (2019: £1,141,584). 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	2020	Unrestricted	Restricted	2019
	funds	funds	Total	funds	funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Recruitment	33	2	<b>35</b>	48	-	<b>48</b>
Basic pay (UK)	5,926	109	<b>6,035</b>	5,645	112	<b>5,757</b>
Basic pay (non-UK)	-	1	<b>1</b>	-	32	<b>32</b>
Employer's National Insurance	536	11	<b>547</b>	537	7	<b>544</b>
Employer's pension contributions	586	10	<b>596</b>	473	6	<b>479</b>
Other allowances	589	-	<b>589</b>	208	-	<b>208</b>
Agency and temporary staff	110	-	<b>110</b>	423	2	<b>425</b>
Staff training and debriefing	38	-	<b>38</b>	113	9	<b>122</b>
Other	83	-	<b>83</b>	107	1	<b>108</b>
	<b>7,901</b>	<b>133</b>	<b>8,034</b>	<b>7,554</b>	<b>169</b>	<b>7,723</b>

### 9b. Staff costs continued

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

Group	2020	2020	2020	2019	2019	2019
	Full-time	Part-time	Full-time	Full-time	Part-time	Full-time
	headcount	headcount	equivalent	headcount	headcount	equivalent
Raising income	30	32	46.5	39	46	61.3
Charitable activities	44	44	73.8	49	41	76.8
Governance	4	2	5.7	4	2	5.8
Support services	13	3	14.1	13	4	13.9
	<b>91</b>	<b>81</b>	<b>140.0</b>	<b>105</b>	<b>93</b>	<b>157.8</b>

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

Redundancy payments totalling £860,268 were made in the year in respect of 31 employees (2019: 184,413 / 3). A voluntary settlement agreement was reached with one employee and a payment of £92,447 was made (2019: one employee: £34,649). All payments are accounted for and funded at the point of commitment. £257,381 of redundancy and termination costs were accrued at the balance sheet date.

Our policy regarding redundancy until September 2020 was 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.

From September 2020 an updated redundancy policy came into effect and Britain Yearly Meeting opened a voluntary redundancy scheme. Our policy regarding redundancy from September 2020 has been two weeks' normal rate of pay per full year, capped at a maximum of 15 years' service, subject to a minimum of £3k and a maximum of £50k. Additional months of service beyond the last full year worked will be calculated on a proportional basis. Where staff work hours in addition to their contracted hours, normal pay will be calculated using average hours worked over the previous 12 months worked (prior to any period of furlough).

Where voluntary redundancy was applied for on or before 5pm on 11 December 2020 and accepted, an enhancement of 3 months pay and payment of 1.5% of salary for each year of service up to 15 years in addition to the above. Where an individual applied for voluntary redundancy on or before 5pm on 13 October 2020 and was accepted, an additional amount of £1,000 was paid.

### 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.

	<b>2020</b> <b>number</b>	<b>2019</b> <b>number</b>
£60,001-£70,000	2	3
£70,001-£80,000	6	1
£80,001-£90,000	2	1
£90,001-£100,000	1	1
£100,001-£110,000	2	1
£110,001-£120,000	3	-

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

In 2020 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 £342,296 (2019: £361,169).

The Recording Clerk acts as Chief Executive and earned a salary of £89,515. Salaries for other key management personnel ranged between £63,713 - £70,641.

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.

Britain Yearly Meeting of the Religious Society of Friends (Quakers) operates a 1:4.7 ratio between its lowest and highest paid posts across its London and regional pay scales.

## 10. Grants paid

Group			<b>2020</b>			<b>2019</b>
	Unrestricted funds £'000	Restricted funds £'000	<b>Total funds £'000</b>	Unrestricted funds £'000	Restricted funds £'000	<b>Total funds £'000</b>
Grants to individuals	-	55	<b>55</b>	-	36	<b>36</b>
Grants to Quaker bodies	817	54	<b>871</b>	754	182	<b>936</b>
Other grants	237	35	<b>272</b>	283	50	<b>333</b>
	<b>1,054</b>	<b>144</b>	<b>1,198</b>	<b>1,037</b>	<b>219</b>	<b>1,305</b>

No grants were made during the year to a Quaker meeting of which a Trustee was a member (2019: one).

Britain Yearly Meeting made 78 (2019: 115) grants and programme funding awards including reimbursement of expenses to individuals and organisations in 2020.

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>2020 Total Funding £</b>
Quaker United Nations Office (QUNO)	558,457
Africa Centre for Non-Violence (Kenya)	155,350
Friends World Committee for Consultation (FWCC)	69,393
Quaker Council for European Affairs (QCEA)	47,014
Woodbrooke (Quaker Study Centre)	34,812
MIPAREC (Burundi)	30,580
Evangelical Friends Church of Rwanda	30,565
Friends World Committee for Consultation: Europe and Middle East Section (FWCC: EMES)	23,254
World Council of Churches	21,799
The Friend Publication, Subscriptions Department	15,698
Hertford & Hitchin AM	15,000
Rookhow Friends Meeting House	15,000
Kendell LM	15,000
Meeting of Friends in Wales	12,245

Grants and awards of £10,000 or less totalling £110,239 were given to a further 28 organisations.

36 grants to individuals were given totalling £55,281

A full list of grants and programme funding awards given in 2020 to organisations is on our website at [www.quaker.org.uk/grants](http://www.quaker.org.uk/grants).

**I la. Trustees' remuneration**

No trustee received any remuneration in respect of services given as trustee in 2020 or 2019.

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 2020 and 14 Trustees in 2019) and included in direct costs was £969 (2019: £2,315). 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 nil (2019: £2,812).

**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 £6,896 in 2020 (2019: £7,428).

**I Ic. Transactions with subsidiary company**

	<b>2020</b>	2019
	<b>£</b>	£
Distribution received from subsidiary company:	<b>1,029,642</b>	1,267,030
Payments received from subsidiary company:		
Rent	<b>150,000</b>	150,000
Interest on debenture loan	<b>4,411</b>	4,424
Payments made to subsidiary company:		
Staff discount in restaurant	<b>7,242</b>	30,005
Creditor: balance due to subsidiary	<b>1,755,567</b>	1,421,887

## 12. Expenditure

Group	2020		2019
	Unrestricted funds	Restricted funds	
	£'000	£'000	£'000
Depreciation	585	56	641
Auditors' remuneration			
. Audit	30	-	30
. Other	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>

## 13. Property, plant and equipment

Group and charity	2020		2019			
	Functional freehold property	Office equipment		Total		
	£'000	£'000	£'000			
<b>Cost or valuation</b>						
At 1 January	32,669	1,023	33,692	31,944	891	32,835
Additions	7	83	90	725	231	956
Disposals	-	(243)	(243)	-	(99)	(99)
On revaluation	189	-	189	-	-	-
At 31 December	<u>32,865</u>	<u>863</u>	<u>33,728</u>	<u>32,669</u>	<u>1,023</u>	<u>33,692</u>
<b>Depreciation</b>						
At 1 January	1,281	546	1,827	637	423	1,060
Charge for year	612	221	833	644	222	866
Disposals	-	(243)	(243)	-	(99)	(99)
On revaluation	(8)	-	(8)	-	-	-
At 31 December	<u>1,885</u>	<u>524</u>	<u>2,409</u>	<u>1,281</u>	<u>546</u>	<u>1,827</u>
<b>Net book values</b>						
<b>At 31 December</b>	<b><u>30,980</u></b>	<b><u>339</u></b>	<b><u>31,319</u></b>	<b><u>31,388</u></b>	<b><u>477</u></b>	<b><u>31,865</u></b>

Friends House was revalued at £29.1m in December 2020 by Carta Jonas Property Ltd.

Swarthmoor Hall Estate was revalued at £2.3m in December 2020 by Carter Jonas Property Consultants Ltd.

Quaker House Brussels was revalued £1.5m in August 2016 by Marc Panichelli expert Immobilier.

Included in the office equipment figure are intangible assets consisting of IT software with a net book value of £21,296 (2019: £38,554)

#### 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>2020</b> <b>£'000</b>	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Historical artefacts at Swarthmoor Hall	<b>425</b>	425	425	423	423
Friends House picture collection	<b>179</b>	179	179	179	179
	<b>604</b>	604	604	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>2020</b>	2019	2018	2017	2016
Books and pamphlets	<b>98,310</b>	98,107	96,472	95,487	91,133
Periodicals (titles)	<b>2,300</b>	2,300	3,000	3,000	3,000
Quaker archives*	<b>325</b>	325	325	301	301
Bound manuscripts	<b>970</b>	970	970	970	970
Other manuscripts*	<b>271</b>	269	266	251	244
Photographs, museum objects and medals	<b>40,086</b>	40,081	40,079	40,049	40,042

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 2020 £'000</b>	Group 2019 £'000	<b>Charity 2020 £'000</b>	Charity 2019 £'000
Listed investments (including cash)	<b>28,871</b>	27,305	<b>28,871</b>	27,305
Investment properties	<b>18,511</b>	18,511	<b>18,511</b>	18,511
Subsidiary undertaking	-	-	-	-
	<b>47,382</b>	45,816	<b>47,382</b>	45,816

### Listed investments

Group and charity	<b>2020 £'000</b>	2019 £'000
<b>Investment holdings</b>		
Market value at 1 January	<b>25,408</b>	21,093
Additions at cost	<b>3,898</b>	2,185
Additions – donated	<b>11</b>	-
Disposals at book value (proceeds: £2,74k, realised loss £636k) (2019: proceeds £3,131k, realised gain £542k)	<b>(2,810)</b>	(2,588)
Unrealised gains / (losses)	<b>1,923</b>	4,718
Market value 31 December	<b>28,430</b>	25,408
<b>Cash held by investment managers</b>	<b>441</b>	1,897
	<b>28,871</b>	27,305

Listed investments and cash held by investment managers at 31 December 2020 are analysed by fund as follows:

Group and charity	<b>2020 £'000</b>	2019 £'000
General funds	<b>20,318</b>	19,215
Designated funds	<b>2,010</b>	1,901
Restricted funds	<b>877</b>	830
Endowment funds	<b>5,666</b>	5,359
	<b>28,871</b>	27,305

Listed investments held at 31 December 2020, all of which were dealt in on a recognised stock exchange, comprised the following

	<b>2020 £'000</b>	2019 £'000
UK fixed-income	<b>1,433</b>	1,274
UK equities	<b>15,999</b>	17,079
Overseas equities	<b>9,636</b>	5,823
Cash	<b>442</b>	1,897
Alternatives	<b>1,361</b>	1,232
	<b>28,871</b>	27,305



**15. Investments (continued)****Individual holdings at 31 December 2020 (2019: Three/£4,168,000) which made up more than 5% of the portfolio were:**

	<b>2020</b>
	<b>£'000</b>
Impax Environmental Markets PLC 10p Ords	<b>1,924</b>
Fund Partners Ltd IM WHEB Sustainability B Acc	<b>1,657</b>
Stewart Investors Asia Sustainability B Acc	<b>1,474</b>

The historic cost of investments including cash at 31 December 2020 was £17,977k (2019: £17,293k).

The investment policy and full listing of investments at 31 December 2020 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>2020</b>	2019
	<b>£'000</b>	£'000
Realised gains	<b>(376)</b>	543
Unrealised gains / (losses)	<b>1,923</b>	4,718
	<b>1,547</b>	5,261

**Investment properties**

Investment properties held at 31 December 2020 and their movements during the year were as follows:

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Group and charity	<b>18,511</b>	18,511
<b>Market value</b>		
At 1 January	<b>18,511</b>	18,511
Disposals	-	-
Adjustments to valuation	-	-
At 31 December	<b>18,511</b>	18,511
	<b>2020</b>	2019
	<b>£'000</b>	£'000
Group and charity	<b>18,000</b>	18,000
Drayton House	<b>18,000</b>	18,000
Courtauld House	-	-
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 Ltd. 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 Ltd comprises two ordinary shares of £1 each, being the entire issued share capital of that company. Friends House (London) Hospitality Ltd donates its taxable profits to BYM by Gift Aid. A summary of the financial results of the company for the year to 31 December 2020 is shown below. Accounts of the company will be filed with the Registrar of Companies.

<b>Profit and loss account</b>	<b>2020 £'000</b>	2019 £'000
Turnover	<b>1,950</b>	4,916
Operating expenses and shared costs	<b>(2,179)</b>	(3,882)
Operating profit	<b>(229)</b>	1,034
Interest paid	<b>(10)</b>	(4)
Profit for the year before Gift Aid and taxation	<b>(239)</b>	1,030
	<b>2020 £'000</b>	2019 £'000
<b>Summarised balance sheet</b>	<b>2020 £'000</b>	2019 £'000
Current assets	<b>1,804</b>	1,818
Creditors: amounts falling due within one year	<b>(293)</b>	(538)
Net assets	<b>1,511</b>	1,280
Called up share capital (£2)	-	-
Debenture	<b>1,750</b>	250
Profit and loss account	<b>(239)</b>	1,030
	<b>1,511</b>	1,280

This note is the company note. The group note (note 4: Other trading activities) includes the company's results but is shown before £150,000 rent and £4,000 debenture interest paid to BYM.

### Note

BYM has advanced £1,750,000 to 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. The Trustees increased the facility by £1,500,000 due to the pandemic to ensure that it could continue to meet its ongoing obligations whilst the Directors worked on a recovery plan.

**17. Debtors**

	<b>Group 2020 £'000</b>	Group 2019 £'000	<b>Charity 2020 £'000</b>	Charity 2019 £'000
<b>Receivable within one year</b>				
Loans advanced to meetings (see below)	<b>10</b>	10	<b>10</b>	10
Other loans advanced	<b>(14)</b>	25	<b>(14)</b>	25
Trade debtors	<b>42</b>	419	<b>21</b>	56
Prepayments	<b>159</b>	197	<b>159</b>	197
Accrued income	<b>6,785</b>	2,927	<b>6,785</b>	2,927
Other debtors	<b>207</b>	285	<b>207</b>	285
	<b>7,189</b>	3,863	<b>7,168</b>	3,500
<b>Receivable after more than one year</b>				
Loans advanced to meetings (see below)	<b>66</b>	70	<b>66</b>	70
Subsidiary company	<b>-</b>	-	<b>1,750</b>	250
	<b>7,255</b>	3,933	<b>8,984</b>	3,820

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>2020 £'000</b>	2019 £'000
Balance outstanding at 1 January	<b>80</b>	56
Loans advanced during the year	<b>25</b>	50
	<b>105</b>	106
Repayments made	<b>(29)</b>	(26)
Balance outstanding at 31 December	<b>76</b>	80
Due within one year	<b>10</b>	10
Due after one year	<b>66</b>	70
	<b>76</b>	80

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

	<b>Group 2020 £'000</b>	Group 2019 £'000	<b>Charity 2020 £'000</b>	Charity 2019 £'000
Trade creditors	<b>66</b>	422	<b>63</b>	349
Event deposits	<b>215</b>	402	<b>-</b>	-
Interest free loans (see below)	<b>58</b>	68	<b>58</b>	68
Social security and other taxes	<b>176</b>	300	<b>176</b>	300
Pensions contributions	<b>90</b>	61	<b>90</b>	61
Due to subsidiary	<b>-</b>	-	<b>1,756</b>	1,422
Accruals	<b>771</b>	517	<b>697</b>	468
Canadian legacy	<b>43</b>	43	<b>43</b>	43
Other	<b>167</b>	177	<b>165</b>	163
	<b><u>1,586</u></b>	<u>1,990</u>	<b><u>3,048</u></b>	<u>2,874</u>

<b>Interest-free loans - group and charity</b>	<b>2020 £'000</b>	2019 £'000
Balance outstanding at 1 January	<b><u>68</u></b>	<u>70</u>
Repayments made	<b>(10)</b>	(2)
Converted to gifts	<b>-</b>	-
Balance outstanding at 31 December	<b><u>58</u></b>	<u>68</u>

All interest-free loans are repayable on demand.

**19a. Reconciliation of movement in funds**

Group and charity	At 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2020 £'000</b>
<b>Endowment funds</b>					
. FEF Joint Bursary Scheme (note 22)	1,945	-	-	96	<b>2,041</b>
. QPS Kingsmead	1,852	-	-	91	<b>1,943</b>
. FEF Higher Education Awards (note 22)	1,429	-	-	71	<b>1,500</b>
. QPS Kingsmead Close	603	-	-	30	<b>633</b>
. R. Penny	200	-	-	10	<b>210</b>
. Other endowment funds	96	-	-	7	<b>103</b>
<b>Total endowment funds</b>	<b>6,125</b>	<b>-</b>	<b>-</b>	<b>305</b>	<b>6,430</b>

Details of the purposes of individual endowment funds are included in the accounting policies on page 34.

Group and charity	At 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2020 £'000</b>
<b>Restricted funds</b>					
. Sawell Family Fund	529	-	(21)	-	<b>508</b>
. Swarthmoor Hall Field Fund (note 23)	890	13	(100)	(203)	<b>599</b>
. Swarthmoor Hall Fund (note 23)	1,283	5	(26)	-	<b>1,261</b>
. Albert Moore Fund	536	-	-	-	<b>536</b>
. QPSW Relief Fund	77	22	(45)	-	<b>54</b>
. Jordans Estate Fund	326	-	(1)	-	<b>325</b>
. Hope Fund	95	12	(12)	-	<b>95</b>
. FEF Joint Bursary Scheme (note 22)	39	297	(7)	-	<b>330</b>
. FEF Higher Education Awards (note 22)	160	25	(22)	-	<b>163</b>
. Children and Young People General Fund	-	15	-	-	<b>15</b>
. EAPPI Fund	-	126	(64)	-	<b>62</b>
. Gerald A J Hodgett Fund	306	4	(24)	-	<b>286</b>
. Outreach	56	-	(6)	-	<b>50</b>
. Wellcome Grant Library Archives	42	-	(41)	-	<b>1</b>
. Sanctuary Everywhere	71	7	(10)	-	<b>67</b>
. Kingsmead Income Fund	311	26	(7)	-	<b>330</b>
. Kingsmead Close Income Fund	133	9	(2)	-	<b>139</b>
CB & HH Taylor-Trust Fund	-	190	-	-	<b>190</b>
. Other restricted funds	351	52	(59)	-	<b>343</b>
. Functional property funds	1,433	-	(30)	-	<b>1,403</b>
<b>Total restricted funds</b>	<b>6,637</b>	<b>803</b>	<b>(477)</b>	<b>(203)</b>	<b>6,760</b>

Details of the purposes of individual restricted funds are included in the accounting policies on page 35.

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

Group and charity	At 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	<b>At 31 December 2020 £'000</b>
<b>Unrestricted funds</b>					
Designated funds					
. Cadbury Staines Fund	1,762	31	(194)	108	<b>1,707</b>
. Property Upkeep Fund	5,612	1,089	(8)	-	<b>6,693</b>
. Meeting Houses Fund	80	-	-	(4)	<b>76</b>
. Legacy funded short term projects	1,051	74	(412)	-	<b>713</b>
. Marsh Memorial Fund	-	4,314	-	-	<b>4,314</b>
. Courtauld House Income Fund	174	-	-	-	<b>174</b>
. Investment Property Fund	18,511	-	-	-	<b>18,511</b>
. Functional Property Fund	29,931	-	(629)	7	<b>29,309</b>
. Heritage Assets Fund	604	-	-	-	<b>604</b>
Total designated funds	57,725	5,508	(1,243)	111	<b>62,101</b>
General Reserve	15,379	9,776	(10,306)	1,523	<b>16,372</b>
<b>Total unrestricted funds</b>	<b>73,104</b>	<b>15,284</b>	<b>(11,549)</b>	<b>1,634</b>	<b>78,473</b>
<b>Total funds</b>	<b>85,866</b>	<b>16,087</b>	<b>(12,026)</b>	<b>1,735</b>	<b>91,663</b>

Details of the purposes of the designated funds are included in the accounting policies on page 35.

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

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 22)	1,617	-	-	328	<b>1,945</b>
. QPS Kingsmead	1,540	-	-	312	<b>1,852</b>
. FEF Higher Education Awards (note 22)	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>

**19b. Reconciliation of movement in funds – prior year (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>Restricted funds</b>					
. Sawell Family Fund	584	-	(55)	-	<b>529</b>
. Swarthmoor Hall Field Fund (note 23)	865	20	(86)	91	<b>890</b>
. Swarthmoor Hall Fund (note 23)	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 22)	40	41	(42)	-	<b>39</b>
. FEF Higher Education Awards (note 22)	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>
<b>Unrestricted funds</b>					
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>Designated funds</b>					
. 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>

## 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 2020</b> <b>£'000</b>	Higher Education Awards funds		Joint Bursary Scheme		<b>Total 2019</b> <b>£'000</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	-	270	-	<b>272</b>	2	-	3	-	<b>5</b>
. Investment income	24	-	27	-	<b>51</b>	29	-	39	-	<b>68</b>
<b>Total income</b>	<b>26</b>	<b>-</b>	<b>297</b>	<b>-</b>	<b>323</b>	<b>31</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>73</b>
<b>Expenditure</b>										
Charitable activities	(23)	-	(7)	-	<b>(30)</b>	(20)	-	(43)	-	<b>(63)</b>
Net income / (expenditure)	3	-	290	-	<b>293</b>	11	-	(1)	-	<b>10</b>
Realised gains / (losses) on investments	-	(17)	-	(24)	<b>(41)</b>	-	25	-	34	<b>59</b>
Unrealised (losses) / gains on investments	-	88	-	120	<b>208</b>	-	216	-	294	<b>510</b>
Net movement in funds	3	71	290	96	<b>460</b>	11	241	(1)	328	<b>579</b>
<b>Reconciliation of funds</b>										
Funds brought forward at 1 January	160	1,429	39	1,945	<b>3,573</b>	149	1,188	40	1,617	<b>2,994</b>
Funds carried forward at 31 December	<b>163</b>	<b>1,500</b>	<b>329</b>	<b>2,041</b>	<b>4,033</b>	<b>160</b>	<b>1,429</b>	<b>39</b>	<b>1,945</b>	<b>3,573</b>
<b>Represented by:</b>										
Investments	-	1,322	-	1,799	<b>3,121</b>	-	1,250	-	1,702	<b>2,952</b>
Cash at bank and in hand	163	178	329	242	<b>912</b>	160	179	39	243	<b>621</b>
Net assets	<b>163</b>	<b>1,500</b>	<b>329</b>	<b>2,041</b>	<b>4,033</b>	<b>160</b>	<b>1,429</b>	<b>39</b>	<b>1,945</b>	<b>3,573</b>



**22. Swarthmoor Hall Restricted Funds**

	Swarthmoor Hall Field Fund £'000	Swarthmoor Hall Fund £'000	<b>Total 2020 £'000</b>	Swarthmoor Hall Field Fund £'000	Swarthmoor Hall Fund £'000	<b>Total 2019 £'000</b>
<b>Income</b>						
From generated funds						
. Voluntary income	-	5	<b>5</b>	-	3	<b>3</b>
. Investment income	13	-	<b>13</b>	20	-	<b>20</b>
. Other income	-	-	<b>-</b>	-	-	<b>-</b>
From charitable activities - programme	-	-	<b>-</b>	-	-	<b>-</b>
	<u>13</u>	<u>5</u>	<u><b>18</b></u>	<u>20</u>	<u>3</u>	<u><b>23</b></u>
<b>Expenditure</b>						
Charitable activities						
. Programme	-	-	<b>-</b>	(87)	(89)	<b>(176)</b>
. Estate	(100)	(26)	<b>(126)</b>	(63)	(33)	<b>(96)</b>
. Other	-	-	<b>-</b>	-	(6)	<b>(6)</b>
	<u>(100)</u>	<u>(26)</u>	<u><b>(126)</b></u>	<u>(150)</u>	<u>(128)</u>	<u><b>(278)</b></u>
Net income / (expenditure)	(87)	(21)	<b>(108)</b>	(130)	(125)	<b>(255)</b>
Unrealised (losses) / gains on investments	57	-	<b>57</b>	139	-	<b>139</b>
Realised gains / (losses) on investments	(19)	-	<b>(19)</b>	16	-	<b>16</b>
Net movement in funds	<u>(49)</u>	<u>(21)</u>	<u><b>(70)</b></u>	<u>25</u>	<u>(125)</u>	<u><b>(100)</b></u>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 January	890	1,283	<b>2,173</b>	865	1,408	<b>2,273</b>
Funds carried forward at 31 December	<u><b>841</b></u>	<u><b>1,262</b></u>	<u><b>2,103</b></u>	<u><b>890</b></u>	<u><b>1,283</b></u>	<u><b>2,173</b></u>
<b>Represented by:</b>						
Fixed assets:						
Functional property	25	-	<b>25</b>	25	-	<b>25</b>
Other fixed assets	75	-	<b>75</b>	38	-	<b>38</b>
Investments	848	-	<b>848</b>	802	-	<b>802</b>
	<u>948</u>	<u>-</u>	<u><b>948</b></u>	<u>865</u>	<u>-</u>	<u><b>865</b></u>
<b>Net current assets</b>	(107)	1,262	<b>1,155</b>	25	1,283	<b>1,308</b>
<b>Net assets</b>	<u><b>841</b></u>	<u><b>1,262</b></u>	<u><b>2,103</b></u>	<u><b>890</b></u>	<u><b>1,283</b></u>	<u><b>2,173</b></u>

### 23. Analysis of net assets between funds

	General reserve £'000	Designated funds £'000	Restricted funds £'000	Endow- ment funds £'000	<b>Total funds 2020 £'000</b>	General reserve £'000	Designated funds £'000	Restricted funds £'000	Endow- ment funds £'000	<b>Total funds 2019 £'000</b>
Group and charity										

#### Fund balances at 31 December 2020 are represented by:

Tangible fixed assets	507	29,913	1,503	-	<b>31,923</b>	438	30,535	1,496	-	<b>32,469</b>
Investments	20,318	20,521	877	5,666	<b>47,382</b>	19,215	20,412	830	5,359	<b>45,816</b>
Net current assets/ (liabilities)	(4,453)	11,667	4,380	764	<b>12,358</b>	(4,274)	6,778	4,311	766	<b>7,581</b>
<b>Total net assets</b>	<b>16,372</b>	<b>62,101</b>	<b>6,760</b>	<b>6,430</b>	<b>91,663</b>	<b>15,379</b>	<b>57,725</b>	<b>6,637</b>	<b>6,125</b>	<b>85,866</b>

### 24. Operating lease commitments

At 31 December 2020, BYM is committed to making the following payments under non-cancellable operating leases:

	<b>2020</b> <b>£'000</b>	2019 £'000
Payments falling due:		
Within one year	<b>20</b>	67
Between two and five years	<b>23</b>	93
	<b>43</b>	160

The total expense for operating lease costs incurred in 2020 was £34,539 (2019: £72,306).

### 25. Operating lease income due

At 31 December 2020, BYM is due to receive rental income as follows under non-cancellable operating leases in respect of Drayton House:

	<b>2020</b> <b>£'000</b>	2019 £'000
Rents falling due		
Within one year	<b>1,083</b>	1,083
Between two and five years	<b>2,708</b>	3,791
	<b>3,791</b>	4,874



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.

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