

Northern Friends Peace Board

Report and financial statements
For the year ended 31st December 2017

Northern Friends Peace Board

Reference and administrative information for the year ended 31 December 2017

Charity number SC 024632

Registered office and operational address

Quaker Meeting House, 38 Elmbank Crescent, Glasgow, G2 4PS

Victoria Hall, Knowsley Street, Bolton BL1 2AS

Trustees

Trustees who served during the year and up to the date of this report were as follows:

Phoebe Spence Treasurer

Robert Keeble

Jill Tutton

Douglas Shaw Clerk to the trustees (from January 2017)

Alison Challen

Matthew Guest

Lyn Pardo

Key management personnel

Philip Austin Coordinator

Steven Waling Administrative Assistant

Bankers

The Cooperative Bank, Olympic House, Montford Court, Salford, M5 2QP

Ecology Building Society, 7 Belton Road, Silsden, Keighley BD20 0EE

Independent Examiner

James Gore-Langton FCCA DChA

Slade & Cooper Limited

46-50 Oldham St, Manchester M4 1LE

Northern Friends Peace Board

Trustees' annual report for the year ended 31 December 2017

The Northern Friends Peace Board Executive submits its report and accounts for the period 1st January – 31st December 2017.

The Executive confirms that the accounts comply with current statutory requirements and the charity's constitution.

Objectives and Principal Activities

The objective of the Board is the advancement, within its areas of operation, of the principles of the Religious Society of Friends (Quakers) with special reference to the testimony against all wars, and through promoting peace, justice and care for the environment. This arises from our original mandate: "To advise and encourage Friends in the North, and through them their fellow Christians and citizens generally, in the active promotion of peace in all its height and breadth." It undertakes activities to this end.

When planning our activities for the year, the Executive considered the guidance of the Charity Commission and of the Office of the Scottish Charity Regulator on public benefit. The Executive is committed to reaching as many people as possible through its work, both members and attenders of the Society of Friends as well as people of other faiths and perspectives on the world.

Objectives for the period

- Developing and piloting a number of workshops for Friends and others, and publicising these throughout the North.
- Strengthen the Board and Executive as a community, developing a clerking team, continuing to provide opportunities for joint action as well as discussion and worship.
- Arranging three Board meetings, to take place in Bolton, Dumfries and Darlington.
- Participation by staff and committee members in the Yearly Meeting Gathering, taking place at the University of Warwick from the end of July.
- We will be encouraging support and action towards a global nuclear weapons ban treaty, being discussed at the United Nations in the first half of the year
- Developing regular and more frequent mailings to Local Quaker Meetings, utilising email as well as print media.
- Maintaining and developing our links through networks of other Quaker and peace-related organisations.
- Working with Board members in finding a way taking forward concerns about rethinking security and about alternative production in response to the development of nuclear weapons and of the arms trade.

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Significant activities

- Meetings of the Board took place in Bolton, Dumfries and Darlington, with themes and concerns on the agendas including support for a global nuclear weapons ban treaty; militarism and education; peace in communities, and refugee and asylum concerns. Speakers included Tim Gee, from Britain Yearly Meeting, Hannah Larn, working at the Peace Foundation in Warrington, Martin Mansell on behalf of the Scottish Parliamentary liaison work and Pete and Carol Greenwood of Darlington's 'White Rose Group'. Janet Fenton, a Co-opted member of NFPB shared information and inspiration in relation to the UN negotiations for the Treaty on the Prohibition of Nuclear Weapons. Janet was supported from our funds in attending the negotiations in New York. During our meeting in Bolton, members undertook a simple act of public witness in the vicinity of the Meeting House. Local Friends and attenders joined us at all of our meetings.
- We did further work in developing a number of workshops and facilitated such activities in Kendal on the theme of populism, in Liverpool and in Colwyn Bay on communicating our peace concerns effectively and working with others to this end.
- We facilitated two workshops during the British Quakers' 'Yearly Meeting Gathering' held at the University of Warwick in August. We also ran a stall during two evenings of a 'Groups' Fair' at the gathering.
- Members of our Sustainable Security project group attended a workshop with the Rethinking Security project, in London, looking at how to take the issues that we and that project have as common concerns into the wider community. We developed a workshop to that end.
- NFPB members were amongst other Quakers from the North West and from Yorkshire in supporting Sam Walton and Dan Woodhouse at their trial in Burnley arising from their attempt to disarm aircraft destined to be exported to Saudi Arabia for use in Yemen. We supported a vigil at MBDA in Bolton, making missiles also exported for use in Yemen.
- Amongst Quakers, we maintained working links with the Quaker Peace and Social Witness programmes on Peace and Disarmament and on Peace Education; and we were represented at Europe & Middle East Quaker Peace and Service Consultation in Belgium.
- Our communications and networking activities continued through the year, using social media, a regularly updated website, short newsletters sent to each Area Meeting and Local Meeting, reports for representatives to take to their Area Meetings, plus responding to a range of enquiries and requests for materials.
- We undertook a review of our communications, consulting with NFPB members at the meeting in Dumfries.
- We became a Quaker Recognised Body, the new status that became available during the year for Quaker projects and organisations out with the main structure of Britain Yearly Meeting.

Financial review

Northern Friends Peace Board

Trustees' annual report for the year ended 31 December 2017

Our income from individual donations and financial contributions for Local and Area Quaker Meetings declined a little from the previous year but was at a generally good level. In April, Trustees agreed to withdraw from TPT (formerly known as The Pensions Trust). In order to do this, a liability would need to be paid in 2018. Trustees instructed Castlefield, our investment advisors, to arrange for the sale of our investments over a five month period in order to make available the cash to pay off this liability. Our investments again performed well but were reduced by the year end as a consequence of the decision regarding TPT described above. Increased pension contributions continued to be required on a monthly basis to cover the pension deficit, but these were not required once we formally left the TPT pension scheme on 30th September. NFPB now has NEST as its pension provider. We received £40,000 as a legacy gift, with additional funds from that legacy expected in early 2018. Additional external funding will be sought for new and developing projects. We paid for travel and accommodation for staff and committee participation in national and international Quaker events. We intend to find an appropriate way of using remaining funds given some years ago for our Peace Papers project.

No significant expenditure was made on office equipment during the year. Our expenditure on staff and committee development was less than anticipated but we are committed to using these funds in the future.

FINANCIAL POLICIES

Risk assessment

We have undertaken a thorough risk assessment, reviewing our risks and identifying courses of action arising from that assessment. We protected trustees against a potential liability arising from pensions' legislation by designating a significant portion of our reserves to meet any potential liability. By agreeing to withdraw from the TPT pension scheme, we made a judgement that the risk of the likelihood of our liability to TPT increasing - and over which we had no direct control - was greater than the risk of reducing our reserves and the income arising from these invested funds.

Reserves Policy

In March 2001 Trustees agreed that we should endeavour to hold in our reserves the equivalent of four months' running costs, based on the period of notice required for the termination of our Co-ordinator's employment and any winding up costs associated with that. Our current reserves exceed this margin. We expect to continue to draw on this additional source of finance to develop project work when necessary and to review our reserves policy in the light of income levels and anticipated future requirements of the work.

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Trustees' annual report for the year ended 31 December 2017

FUTURE PLANS

- We will be further developing our programme of workshops for Friends and others, and publicising these throughout the North, seeking additional funding when possible.
- Four Board meetings were planned for 2018, to take place in Carlisle, Glasgow, Lincoln and Sheffield.
- We want to continue to strengthen the Board and Executive as a community, developing the clerking team, providing opportunities for joint action as well as discussion and worship.
- We will continue to support action towards signing the Treaty on the Prohibition of Nuclear Weapons.
- We will be contributing to a number of other Quaker and non-Quaker events around the country, including those marking the centenary of the end of the first world war.
- We will continue our practice of regular mailings to Local Quaker Meetings, utilising email as well as print media.
- We are planning systems to bring our processes and record-keeping into line with new data protection requirements.
- We are maintaining and developing our links through networks of other Quaker and peace-related organisations.
- We will complete the payment of our liability to TPT, The Pensions Trust, following our withdrawal from the defined benefit scheme.

Structure, governance and management

The area of operation of the Board is primarily that covered by the Area Meetings of Britain Yearly Meeting in Scotland, North Wales and Northern England. Its constitution is governed by the Law of Scotland and is registered as a charity with the Office of the Scottish Charity Regulator. The Board maintains an office in Bolton and a Scottish postal address. It employs a full-time Co-ordinator and a part-time Administrative Assistant.

Procedures of the Board and its committees follow the general counsel on church affairs set out in *Quaker Faith and Practice*. Its trustees form the Executive Committee and its work is guided by the meetings of all Board members, including Representatives of all Northern Area Meetings and co-opted members, each of whom is appointed for specific purposes. The full Board meets three or four times per calendar year and its Executive meets at least four times per year. The Board's various sub groups meet at different times, reporting to the Board and to the Executive.

The law requires the Executive to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources of the year and the application of resources of the charity for that period. In preparing those financial statements, the Executive are required to:

1. select suitable accounting policies and then apply them consistently,
2. make judgements and estimates that are reasonable and prudent,
3. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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Trustees' annual report for the year ended 31 December 2017

The Executive are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable accounting standards. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Executive during the period covered were Allison Challen, Mathew Guest, Robert Keeble, Lyn Pardo, Douglas Shaw (Clerk to the Executive during the Year), Phoebe Spence (Treasurer) and Jill Tutton. Friends are appointed to the Executive both from the membership of the Board and from amongst Northern Friends as co-opted members. We committed resources and time to continuing induction and training of staff and committee members. The Executive committee met four times during the period covered.

Philip Austin and Steven Waling, Co-ordinator and Administrative Assistant respectively, undertook the finance-related administrative work from the Board's office, and Philip Austin continued his co-ordinating role in relation to all other areas of the work of the Board and Executive.

The Board maintains effective and regular working links with Quaker Peace and Social Witness, with cross-representation of staff on its Peace Campaigning and Networking Group reinforcing this positive complementary working relationship.

This report was approved by the trustees on _____ and signed on their behalf

Douglas Shaw, Clerk to the Executive

Northern Friends Peace Board

Independent examiner's report to the trustees for the year ended 31 December 2017

I report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

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

James Gore-Langton FCCA DChA
Slade & Cooper Limited
Chartered Certified Accountants
46-50 Oldham Street
Manchester
M4 1LE

Date.....

Northern Friends Peace Board
Receipts and Payments Account
for the year ended 31 December 2017

	Unrestricted funds	Restricted funds	Total funds 2017	<i>Total funds</i> 2016
Note	£	£	£	£
Receipts				
Donations	37,100	-	37,100	41,367
Legacies	40,000	-	40,000	4,698
Grants	3 5,106	-	5,106	5,923
Gross receipts from other charitable activities	4 1,132	-	1,132	1,254
Income from investments other than land and buildings	5 7,141	-	7,141	8,821
	90,479	-	90,479	62,063
Receipts from asset and investment sales				
Proceeds from sale of investments	159,445	-	159,445	-
	159,445	-	159,445	-
Total receipts	249,924	-	249,924	62,063
Payments				
Payments relating directly to charitable activities	6 53,796	-	53,796	57,154
Governance costs:				
Independent examination	210	-	210	210
Preparation of annual accounts	840	-	840	840
Payroll	176	-	176	216
Pension Scheme Exit Charge	80,000	-	80,000	-
	135,022	-	135,022	58,420
Total payments	135,022	-	135,022	58,420
Net receipts/(payments) before transfers	114,902	-	114,902	3,643
Transfer between funds	-	-	-	-
Net receipts/payments	114,902	-	114,902	3,643

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Statement of balances
as at 31 December 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Cash funds					
Bank and cash balances at start of year		43,829	1,405	45,234	41,591
Surplus / (deficit) shown on receipts and payments account		114,902	-	114,902	3,643
Bank and cash balances at end of year		158,731	1,405	160,136	45,234
Investments					
	Fund			Market valuation 2017	2016
Investment portfolio	Unrestricted			47,415	212,051
Other assets					
	Fund			2017	2016
Stock of goods for resale	Unrestricted			2,162	2,644
Computer and office equipment	Unrestricted			1,228	1,228
Total other assets				3,390	3,872
Liabilities					
	Fund			2017	2016
Trade creditors	Unrestricted			3,200	-
Taxes payable	Unrestricted			290	-
Pension Liability	Unrestricted			43,656	-
Total liabilities				47,146	-
Contingent liability					
	Fund			2017	2016
Pension scheme withdrawal debt	10 Unrestricted			-	109,837

Approved by the trustees on ___/___/___ and signed on their behalf by:

Phoebe Spence (Trustee)

Northern Friends Peace Board

Notes to the accounts for the year ended 31 December 2017

1 Basis of accounting

These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

3 Grants received

	Unrestricted £	Restricted £	2017 £	2016 £
Bryan Lancasters Friends Gift	-	-	-	300
Edward Cadbury Trust	-	-	-	500
Friends' Trusts	606	-	606	623
Westcroft Trust	4,500	-	4,500	4,500
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	5,106	-	5,106	5,923
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4 Receipts from charitable activities

	Unrestricted £	Restricted £	2017 £	2016 £
Workshop fees and sales	589	-	589	628
Commissions	526	-	526	539
Reimbursements	17	-	17	87
	<hr/>	<hr/>	<hr/>	<hr/>
	1,132	-	1,132	1,254
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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Notes to the accounts for the year ended 31 December 2017 (continued)

5 Investment receipts

	Unrestricted £	Restricted £	2017 £	2016 £
Bank interest	391	-	391	321
Dividends	6,750	-	6,750	8,500
	7,141	-	7,141	8,821
	7,141	-	7,141	8,821

6 Payments relating directly to charitable activities

	Unrestricted £	Restricted £	2017 £	2016 £
Staff costs	44,432	-	44,432	46,632
Premises	2,757	-	2,757	2,710
Publications produced	92	-	92	131
Publicity	160	-	160	358
Office costs	2,843	-	2,843	3,463
Meetings and events	262	-	262	576
Travel and accommodation	3,112	-	3,112	3,284
Professional fees	138	-	138	-
	53,796	-	53,796	57,154
	53,796	-	53,796	57,154

7 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration during the year .

7 trustees received travel and subsistence expenses during the year of £1,117.(2016:£528)

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year.

Northern Friends Peace Board

Notes to the accounts for the year ended 31 December 2017 (continued)

8 Analysis of movements in restricted funds

	Balance at 1 January 2017 £	Receipts £	Payments £	Transfers £	Balance at 31 December 2017 £
Peace Papers	1,405	-	-	-	1,405
Total	1,405	-	-	-	1,405
	1,405	-	-	-	1,405

Name of fund	Description, nature and purposes of the fund
Peace Papers	To produce a set of materials highlighting and detailing the range of activities for peace undertaken by British Quakers.

9 Analysis of movement in unrestricted funds

	Balance at 1 January 2017 £	Receipts £	Payments £	Transfers £	As at 31 December 2017 £
General fund	43,829	249,924	(135,022)	-	158,731

Name of fund	Description, nature and purposes of the fund
General fund	Bank and cash balances available for general charitable activities.

10 Pension scheme and contingent liability

The charity participates in the Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension plan.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

Northern Friends Peace Board

Notes to the accounts for the year ended 31 December 2017 (continued)

10 Pension scheme and contingent liability (contd)

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan. The charity has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2017. As of this date the estimated employer debt for Northern Friends Peace Board was £120,456. During the year, the trustees decided to withdraw from the scheme and pay off the employer debt.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. Therefore, the amounts of debt can be volatile over time.

The charity paid £80,319 towards the debt at 31 December 2017, and had a remaining liability of £43,656 at that date.