

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

SCOTTISH CHARITY NUMBER: SC019165

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

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YEAR ENDED 31 DECEMBER 2020

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Trustees' Report

This is the Annual Report for South East Scotland Area Meeting of the Religious Society of Friends (Quakers) for the year ended 31st December 2020.

INTRODUCTION

Eleven local groups (including two worshipping groups) of varying sizes meet for regular sessions of Quaker worship within South East Scotland. They also work together as an Area Meeting, responsible for Quaker witness in the area and for the general support of members of the Quaker communities, whether they are in formal membership of the Society of Friends or not. Two meeting houses (in Kelso and in the centre of Edinburgh) act as focal points not only for Quakers but for the wider community, their rooms and facilities being made available for community groups. Both worship and work are overseen by the whole community of Friends through Area Meetings for Church Affairs, at which the process of decision-making is guided by the Spirit.

This report gives some insight into Quaker activities in South East Scotland during 2020, including the implications of the Covid-19 pandemic. It highlights the main concerns of the meetings and work that is undertaken to facilitate their running. Financially the Society is largely dependent on the voluntary donations of its members and attenders and their great generosity is warmly recognised.

We were able to make the Society's rooms available for the use of others until the middle of March and we hope they found a peaceful haven in which they could pursue the purpose that brought them to us. Unfortunately, both meeting houses were closed to public use for the rest of the year, as well as for almost all Quaker use.

PURPOSES AND ACTIVITIES

OBJECTIVES

The charitable object of the Area Meeting is the furtherance of the general religious and charitable purposes of the Religious Society of Friends (Quakers) in the area of South East Scotland and beyond, as laid down in *Quaker Faith & Practice*. The Area Meeting furthers the religious beliefs of its members, provides places where Quaker Meetings for Worship can be held within South East Scotland, maintains Quaker witness within this area and supports charitable objectives that give witness to Quaker testimonies.

PRINCIPAL ACTIVITIES

The Area Meeting is the over arching entity supporting Quaker worship and witness within South East Scotland. Quaker Meetings for Worship are open to the public and, until closure in mid March, were held at:

- Edinburgh Quaker Meeting House (several meetings on Sundays and weekdays)
- Kelso Quaker Meeting House (on Sundays)
- South Edinburgh and Polmont (each Sunday)

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- Dunbar and Kirkcaldy (twice each month)
- Peebles and Portobello/Musselburgh (three times each month)
- Penicuik and North Edinburgh (monthly).

Following the preparation of risk assessments, which were approved by trustees, some meetings were able to reopen for Meetings for Worship towards the end of the year before closing again in December. Quaker worship moved online, for both public Meetings for Worship on Sundays and, at other times, for Quaker business meetings. While there was some experimentation with 'blended' meetings (with some participants being present in person, but most attending online) there was little opportunity for this during 2020. Plans are being made to improve the audio-visual facilities in the Edinburgh Meeting House during 2021 to improve the quality of blended meetings both for Quakers and for others.

ACHIEVEMENTS AND PERFORMANCE

Meetings for Church Affairs (business meetings of the Area Meeting) were held on six occasions during 2020, all but the first held online using "Zoom". All members of the Religious Society of Friends as well as others who attend our Meetings for Worship are welcome to attend these meetings, at which subjects of general interest are explored, reports covering a variety of Quaker concerns are received, and decisions are made concerning the use of our various resources.

Despite the restrictions caused by Covid-19, the main concerns of the Area Meeting during 2020 have been focussed on similar matters to earlier years.

- The year saw further development of our concerns about the effects of climate change, with consideration both of the planetary effects and the impact that this must make on our own lifestyles. The Area Meeting added our name to the 'Global Investment Statement to Governments on Climate Change' which calls on all governments to implement the actions required by the Paris Agreement of 2019 as a matter of utmost urgency. More locally, the Area Meeting is continuing to encourage the UK and Scottish governments to be as ambitious as possible in tackling the climate and ecological emergency. We have also explored ways in which we might further green our meeting houses.
- In relation to peace work, we have made a financial contribution to the Campaign Against Arms Trade (CAAT) to support its work in Scotland. We await with interest an update on plans for the Edinburgh Peace and Justice Centre's project to erect a memorial in Princes Street Gardens to commemorate the courage and steadfastness of conscientious objectors during the two world wars, to which we have contributed in the past.

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- Along with the other three Area Meetings in Scotland, we have continued our involvement with and our support for the Scottish Parliamentary Engagement Officer, employed jointly by General Meeting for Scotland and Britain Yearly Meeting. After the new PEO started in October 2020 following a delayed recruitment process, his work focussed on the Scottish commitments to reduce the country's dependence on fossil fuels and the need for a just and green recovery from the Covid-19 emergency.
- In relation to societal issues, we have continued to provide funds to support remand prisoners in maintaining contact with their families while they are held in prison. We have striven to educate ourselves about Black Lives Matter and show support for anti-racism wherever possible, posting concerns on our website and hosting one of the displays of the Black Lives Matter Mural Trail on the railings outside Edinburgh Meeting House. We have also been considering how we might embrace greater diversity and inclusiveness within our own meetings.
- The Area Meeting hosted a residential meeting of the Quaker Centres Gathering in January 2020. This is a periodic meeting of representatives from all the large Quaker Centres within Britain Yearly Meeting. Items of mutual interest were discussed concerning the running of Quaker buildings that are regularly let out for public meetings or for residential events.

Local meetings support these initiatives through their own Meetings for Learning and study groups, including collecting funds and supporting new themes that are brought before the wider membership. Many have interacted regularly with their local MPs and MSPs. The strengthening of ties between members of different meetings has been fostered through the meetings of all Scottish Friends organised by General Meeting for Scotland (four meetings each year) and the online Britain Yearly Meeting, held for members of the Society of Friends from the whole of Britain.

OUTREACH AT THE EDINBURGH FESTIVAL

It was not possible to use the Quaker Meeting House in Edinburgh as "Venue 40" during the Edinburgh International Festival Fringe in August 2020. However, the Meeting House did take part in the 'FringeMakers' crowdfunding platform initiated by the Festival Fringe, raising money for the provision of new drapes for the theatre space.

OUR MEETING HOUSES

The Area Meeting's two meeting houses (located in the Edinburgh Old Town and in Kelso) are normally hired out to community groups and to voluntary organisations when they are not being used for Quaker activities. Each meeting house is seen not only as a base for the activities of the Society of Friends but also as a resource for the local community.

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During the enforced closure of both meeting houses, the opportunity has been taken to carry out some repair and maintenance, although major planned repair work could not take place in 2020 because of the restrictions placed on contractors.

MEETING HOUSE STAFF

The Area Meeting employs a number of staff to manage the Edinburgh meeting house. Almost all staff work supporting Quaker worship and other activities in Edinburgh is carried out in the Meeting House and little can be done at home, although the joint managers maintained an onsite presence and were able to carry out necessary office work during 2020. The management staff were both willing and able to undertake work outwith their normal job description in order to respond to the rapidly changing situation. It was an Area Meeting priority to continue to pay salaried and, as far as possible, casual staff and an expanded management committee was set up to monitor this and report to trustees.

SUSTAINABILITY

For many years members of the Society of Friends have upheld a commitment to reducing global warming and mitigating climate change (this is known as the "Canterbury Commitment" following a decision taken at a Yearly Meeting held in Canterbury in 2011). Britain Yearly Meeting has asked Area Meetings to include an annual statement about activities and progress towards becoming low carbon communities. Apart from trying to influence the lifestyles of all who worship in Quaker Meetings it is clear that a major task is to try to increase the energy efficiency of each of our two meeting houses. Our architect undertook detailed quinquennial surveys of each meeting house at the end of 2019 and made specific recommendations about improving energy efficiency through installing better wall insulation and more double glazing (in both meeting houses). Work on this and the need to upgrade their heating systems and ventilation has been delayed because of the pandemic.

DONATIONS AND GRANTS

The voluntary contributions of those who attend our Meetings for Worship help to support the upkeep and development of the two meeting houses, as well as supporting the Meeting's charitable activities. The Area Meeting itself provides funds:

- for the work of the Religious Society of Friends within Britain and abroad (as funded through Britain Yearly Meeting);
- to General Meeting for Scotland as support for Scottish ecumenical and interfaith initiatives;
- for the support of the Scottish Parliamentary Liaison Officer (funded through General Meeting for Scotland and Britain Yearly Meeting);
- to its members and others to attend Quaker meetings and conferences;
- to support charitable work undertaken by its own members and for other charities undertaking work supported by the membership.

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The Area Meeting has been the fortunate recipient of a legacy established as the John Wigham (Enjoyment) Trust. This makes grants to *"deserving persons resident in Scotland who owing to straitened circumstances are unable to enjoy the usual pleasures of life, the purpose of such grants being to provide the recipients with some additional comfort or pleasure of an exceptional nature over and above the usual necessities of life."* Since the Trust was established in 2002 more than 150 grants have been distributed to Quakers and non-Quakers from all over Scotland to enable them to experience some aspect of enjoyment in their lives. Reports on grants made by the trust are published regularly in *Scottish Friend*, the newsletter of General Meeting for Scotland, and the Area Meeting's own newsletter, *SESAME*.

FINANCIAL REVIEW

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

OVERVIEW OF INCOME AND EXPENDITURE

The pandemic affected both income and expenditure in 2020. On the income side, there was a substantial decrease because both meeting houses had to close for bookings in March in order to comply with Scottish Government regulations. We were, however, able to take advantage of the Business Support Fund to offset some of these losses. There was a drop in Members' donations to the Area Meeting and direct to Local Meetings. A legacy was received by one of our Local Meetings.

There were some savings as a result of the lack of public use of the rooms in the meeting houses (trading activity) and there being no costs associated with the Edinburgh Festival Fringe. The Area Meeting continued to employ its staff, putting them on full or flexible furlough as necessary and taking advantage of the UK Government's Coronavirus Job Retention Scheme.

The net financial result before other recognised gains was a deficit of £31,112 as compared to a deficit of £27,833 in 2019. The overall result in 2020, after accounting for investment gains, is a loss of £10,662 whereas a surplus of £8,957 was reported in 2019. Overall, such fluctuations are within normal ranges but in 2020 the outcome was achieved by taking the difficult decision to reduce the Area Meeting's total contribution to the work of Britain Yearly Meeting as compared with 2018 and 2019, and because of the unplanned deferral of some major capital work.

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CAPITAL EXPENDITURE

Following the quinquennial reviews of our meeting houses trustees started planning for repair work and for upgrading of the thermal performance of our meeting houses in early 2020. However, both programmes were interrupted by the response to the pandemic starting in March 2020. This major work being planned involved some internal repair work and improvement of insulation at Kelso, as well as installing double glazing; in Edinburgh there was some essential stonework repair to the frontage along Upper Bow as well as redecoration and draught-proofing of some of the windows of the meeting house library and kitchen. However, all this work was greatly delayed and in fact neither project was completed until 2021.

RESERVES POLICIES AND LEGACIES

As explained in our Report for 2019, our capital development of the two meeting houses is expensive and can only be afforded intermittently. In the past we have been able to draw extensively on grant support, supplemented by reserves built up largely from legacies received by the Area Meeting. Since receipt of the large legacy from our Friend Catriona Collins in 2018 we have been able to set aside a fund which we planned to draw on for the improvement work described above. Following on from this, in the first half of 2021 funds were moved from the savings account that we hold with the Charity Bank for settlement of major invoices. In general, we aim to maintain accessible reserves of around £100,000; this situation will be reviewed towards the end of 2021 as we plan for resumption of more normal Quaker activity, assuming the pandemic recedes.

FUNDS

Restricted Funds are those where the donor has stipulated the use for which the funds may be used. Funds at the disposal of Local Meetings have been confirmed as restricted funds. Unrestricted Funds are those which may be spent entirely at the discretion of the Area Meeting within the terms of its charitable aims. Funds which the Area Meeting has set aside for specific projects are treated as Designated Funds. One legacy was received during 2020, a contribution towards work to improve the meeting house in Kelso.

The land and buildings in Edinburgh and Kelso belonging to the Area Meeting were revalued professionally in 2019. It is the trustees' policy not to depreciate them but to revalue them every five years.

FUNDING SOURCES

The Area Meeting is very dependent on the donations that it receives from its members. Members are extremely generous: they may request that all or part of their donation is passed on for the use of a Local Meeting, or some may be sent further afield to support the work of General Meeting for Scotland or Britain Yearly Meeting. Many members also contribute regularly by cash donations following Meetings for Worship, a source of funding that has been much reduced while worship in person has been prevented during the year.

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Income is received from letting out rooms in both meeting houses to external organisations (normally charities or community groups) when they are not needed for Quaker activity. Funds raised through these lettings are used to support the employment of a number of staff to manage the facilities at the meeting house in Edinburgh. A Management Committee supports these staff and reviews their contracts of employment regularly; it keeps the use of the Edinburgh rooms under review, undertaking the updating of lettings policies and charges, health and safety issues and so on. As a result of the pandemic, much time was spent in 2020 in revising health and safety guidelines in the hope that the meeting house would be able to reopen. Although that was only possible to a very limited extent in that year, the work will stand the management team in good stead if it is possible to reopen in 2021. In 2020, the committee met much more frequently than in previous years to discuss the problems arising from the pandemic, the safety of meeting house staff, furlough, and related matters. The trustees acknowledge the advice of the Area Meeting's accountant, Heather Hartman, which helped inform their decision-making.

In normal years, the Edinburgh Meeting House is used as a venue for the Edinburgh Festival Fringe each August, staffed by volunteers both from within the Area Meeting and from other Quaker meetings. Large numbers of members of the public attend the performances and also use the opportunities that are offered for rest and refreshment. Considerable income is raised through the Festival Fringe performances and the associated activities; this is used to support several external charities as well as funding various aspects of Quaker activity. Because of government restrictions imposed to limit the spread of Covid-19, it was not possible to hold a festival in 2020 and it is unlikely there will be any events in 2021. As a result, the Area Meeting was not able to offer financial support to external charities as it would normally, or to use funds from Festival bookings for supporting its own activities.

GRANT MAKING POLICY

Every year the Area Meeting makes substantial contributions to both Britain Yearly Meeting and General Meeting for Scotland to fund their general work in supporting Quaker witness in Britain and in Scotland as well as further afield. In addition, Britain Yearly Meeting provides technical support and training for those who serve their Meetings in specialised areas such as trustees, treasurers, clerks and registering officers. General Meeting for Scotland undertakes representational work among religious groups in Scotland and provides a forum for the four Area Meetings in Scotland to share matters of common concern. General Meeting for Scotland also provides guidance and some funding for the Parliamentary Engagement Officer employed in Scotland by Britain Yearly Meeting. In 2020, following the resignation of the first Engagement Officer appointed, considerable time elapsed before a new appointment could be made, but the new officer was in place by the end of the year.

Following receipt of the large legacy in 2018 the trustees substantially increased the annual donation passed on to Britain Yearly Meeting from unrestricted funds to about £55,000 in both 2018 and 2019. However, in view of the financial situation created by the pandemic this was reduced to £30,000 in 2020

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Most other grants payable during a year are towards Quaker activities. Non-Quaker as well as Quaker work is normally supported through special collections following local meetings for worship held on Sundays, but the opportunities for these special collections were again greatly reduced by the pandemic. Members and attenders may also specify that parts of their regular donations to the Area Meeting should be passed directly to Britain Yearly Meeting or to one of the Local Meetings (through a restricted Donations Fund).

As reported in 2019, it was agreed that the sum of £10,000 should be passed from a recent legacy to support Scottish work of the Campaign Against Arms Trade. Following the appointment of a Scottish co-ordinator in 2020, £5,000 was contributed to the Campaign's expenses in 2020, with a similar contribution being passed on early in 2021.

PLANS FOR FUTURE PERIODS

The priority of the Area Meeting is to maintain and support its worshipping communities within the area of South East Scotland, encouraging the establishment of further groups whenever possible. It also has a responsibility to increase the profile of Quakerism within this area and it undertakes periodic outreach activities. 2020 has been a particularly challenging year from this perspective. Meetings for Worship have moved on-line and plans for a return to in-person Meetings are currently unclear. The trustees have been considering making substantial investment to prepare the Edinburgh meeting house to host "blended" Meetings (in person, with good links to those participating from home), in the hope that this will appeal both to Quakers and to the community groups who normally rent the rooms. Future developments are critical both in terms of the financial aspects (both lettings and Festival income being essential for supporting our staff when the government grants from which we have benefitted in 2020-21 cease) as well as the community-building aspects of supporting in-person meetings. Trustees hope that the overall direction of the development of our Area Meeting will become somewhat clearer by the end of 2021.

STRUCTURE GOVERNANCE AND MANAGEMENT

ORGANISATION AND AFFILIATION

The Area Meeting is a constituent part of Britain Yearly Meeting of the Religious Society of Friends (Quakers). This is a Christian denomination founded in the seventeenth century. For charitable purposes, its principal objective is the advancement of religion.

Quaker Faith and Practice is regarded as the nearest equivalent of a governing document for the whole Religious Society, being a book of faith and practice constituting the Society's Christian discipline. It was first issued in manuscript form in 1738 and has been rewritten periodically. The most recent (fifth) edition was published in 2013.

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Britain Yearly Meeting of the Religious Society of Friends currently contains 70 Area Meetings (as well as a number of General Meetings encompassing several Area Meetings). Membership of the Society is held within an Area Meeting, and this is also the main charitable and accounting unit.

South East Scotland Area Meeting is one of four making up the General Meeting for Scotland. It comprises 235 members (241 in 2019) worshipping in nine separate Local Quaker Meetings, of which the largest are Central and South Edinburgh with 94 (98 in 2019) and 35 (41 in 2019) members respectively. In addition, a similar number of non-members (known as 'attenders') regularly attend meetings for worship and participate fully in the life of the Society.

Decisions affecting the life and work of the charity are taken corporately by the membership within the context of a Meeting for Worship for business, God's will for the meeting being discerned without the need for voting when the meeting takes place within a spirit of worship. Minutes are approved at the conclusion of each item of business when unity has been reached.

GOVERNANCE AND CHARITABLE TRUSTEES

The Area Meeting adopted a governing document at a meeting held on 27 October 2007. Its trustees are all members of the Religious Society of Friends and are appointed under the terms of this governing document. They report regularly to sessions of the Area Meeting. The Governing Document was reviewed by trustees during 2020 and found to be clear, pertinent and fit for its current purposes and not requiring revision at this time.

The Area Meeting also appoints office bearers (who are not trustees for the purposes of the Charities Accounts (Scotland) Regulations). They include a clerk and assistant clerk, a registering officer for marriages and members of an Area Meeting Nominations Committee. The Area Meeting co-treasurers are trustees *ex officio*.

The process for the appointment of trustees is that names are brought forward by the Area Meeting's Nominations Committee; appointment is by minute of the Area Meeting in session. New trustees are given the Trustees' Committee's Terms of Reference and back copies of the committee's minutes, as well as the Handbook for Quaker Trustees, followed by briefing from committee members. In addition, new trustees are encouraged to attend a residential training course for Quaker trustees usually held at Woodbrooke Quaker Study Centre, Birmingham (which was held online in 2020). Other events are organised by Britain Yearly Meeting to enable trustees and treasurers from Area Meetings throughout Britain to meet, and to share best practice and experience.

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RISK MANAGEMENT

An assessment has been made of the major risks to which the charity is exposed, and systems are in place to mitigate its exposure to major risks. This process is ongoing and, in 2020, included risk assessments for the reopening of Meetings for Worship during the current pandemic. Architects undertake quinquennial inspections of both meeting houses, the latest being in late 2019. These reports give the trustees warning of major issues as well as detailed information to assist them with any minor repairs that are required.

Area Meeting policies covering safeguarding, health and safety and food hygiene are in place. The actions required by the General Data Protection Regulation (GDPR), which came into effect in May 2018, have been completed.

THE AREA MEETING'S RESPONSIBILITIES

Law applicable to charities in Scotland requires the Area Meeting to prepare financial statements for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing its financial statements, the Area Meeting is required to:

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

The Area Meeting has appointed a body of trustees as required by its 2007 governing document. The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Area Meeting and which enable the trustees to report that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended), the Area Meeting's governing document, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

The trustees are responsible for safeguarding the assets of the Area Meeting and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with good practice recommendations by OSCR, all Trustees have completed a declaration of eligibility.

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REFERENCE AND ADMINISTRATIVE DETAILS

SCOTTISH CHARITY NUMBER: SC019165

PRINCIPAL OFFICE:

The Quaker Meeting House, 7 Victoria Terrace, Edinburgh EH1 2JL.

ADVISERS:

Accountant

Heather Hartman BA (Hons) CA,
Hartman Figures Limited T/A Charity Figures
c/o 9 Ainslie Place, Edinburgh, EH3 6AT

Independent Examiner

David Jeffcoat FCCA,
Alexander Sloan (Accountants and Business Advisers),
50 Melville Street, Edinburgh EH3 7HF.

Bankers

Bank of Scotland,
61 Leith Walk, Edinburgh EH6 8LS

Triodos Bank,
Deanery Road, Bristol BS1 5AS

Charity Bank Ltd.,
Fosse House, 182 High Street, Tonbridge TN9 1BE.

Investment Managers

Rathbone Greenbank Investments,
10 Queen Square, Bristol BS1 4NT.

Solicitors

Balfour and Manson, 54-66 Frederick Street, Edinburgh EH2 1LS

OFFICE BEARERS (2020):

AlasLair Cameron (Area Meeting Clerk)
Catherine Dyer (Area Meeting Assistant Clerk)
Jacqueline Noltingk (Co-Treasurer)
John Phillips (Co-Treasurer)

KEY MANAGEMENT PERSONNEL

Meeting House managers

Antony Wilkes and Susan Proudlove
Michael Stokes

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TRUSTEES

(during 2020 and at the time of signing this report):

Kathryn Arnot	Jacqueline Noltingk
Ian Beamish (to 19 June 2021)	John Phillips
Ann Forsyth (to 31 March 2021)	David Somervell
Kenneth Jobling (clerk to the Trustees)	Neil Turner
Philip Lucas	

TRUSTEES (at the time of signing this report):

Jennifer Copsey (appointed 1 July 2021)

Alastair Cameron (Clerk to the Area Meeting), Catherine Dyer (Assistant Clerk to the Area Meeting) and David Sterratt (Convenor of the Meeting House Management Committee) attended meetings of trustees during the year.

This Report was approved by the trustees on 20th July 2021. It was signed on their behalf by Kenneth Jobling.

This Report and the Statement of Accounts for 2020 were presented to an Area Meeting held in Edinburgh on 8 September 2021 and the Clerk of the Area Meeting was authorized to sign them.



Kenneth Jobling (Clerk to Trustees) Alastair Cameron (Area Meeting Clerk)

Date: 8 September 2021

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
OF THE AREA MEETING

I report on the financial statements for the year ended 31st December 2020 as set out on pages 16 to 32.

Respective responsibilities of the Trustees and the Independent Examiner

The 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 (as amended). The trustees consider that the audit requirement of Regulation 10(1) (a) to (c) 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 was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulation 2006 (as amended). 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently 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:

1. That 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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the 2006 Accounting Regulations (as amended); and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Accounting Regulations 2006 (as amended) have not been met; or
2. To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Jeffcoat FCCA
Alexander Sloan
50 Melville Street,
Edinburgh EH3 7HF

Date: 8th September 2021

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STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted £	Restricted £	2020 £	2019 £
Income from:					
Donations and legacies	3	57,436	34,103	91,539	102,532
Charitable activities	4	385	3,037	3,422	12,413
Other trading activities	5	39,250	44	39,294	145,394
Investment income	6	6,797	184	6,981	5,878
Other income	7	55,566	-	55,566	-
Total income		159,434	37,368	196,802	266,217
Expenditure on:					
Raising funds	8	77,189	663	77,852	107,013
Charitable activities	9	119,990	30,072	150,062	187,037
Total resources expended		197,179	30,735	227,914	294,050
Net incoming resources before other recognised gains / (losses)		(37,745)	6,633	(31,112)	(27,833)
Unrealised gains on investments	16	21,118	-	21,118	34,389
Realised (losses)/ gains on investments	16	(668)	-	(668)	2,401
Gains on revaluation of fixed assets		-	-	-	-
Net (expenditure)/ income		(17,295)	6,633	(10,662)	8,957
Gross transfers between funds		5,242	(5,242)	-	-
Net movement in funds		(12,053)	1,391	(10,662)	8,957
Total funds at 1 January 2020		2,143,719	120,502	2,264,221	2,255,264
Total funds at 31 December 2020		2,131,666	121,893	2,253,559	2,264,221

The charity has no other recognised gains or losses other than the result for the year as set out above. All activities of the charity are classified as continuing.

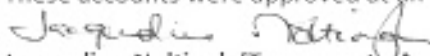
The notes on pages 18 to 32 form part of the financial statements.

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BALANCE SHEET			
	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	15	1,524,370	1,527,506
Investments	16	410,700	388,010
		<hr/>	<hr/>
		1,935,070	1,915,516
Current assets			
Debtors	17	12,997	18,062
Short term deposits		101,149	193,667
Cash at bank and in hand		231,665	168,074
		<hr/>	<hr/>
		345,811	379,803
Creditors: Amounts falling due within one year	18	(27,322)	(31,098)
		<hr/>	<hr/>
Net current assets		318,489	348,705
		<hr/>	<hr/>
Total assets less current liabilities		2,253,559	2,264,221
		<hr/>	<hr/>
Funds			
Unrestricted funds	19		
General funds		577,340	578,985
Designated funds			
Property & Property Improvements		1,510,000	1,510,000
Fixtures and fittings		10,020	14,025
Various		34,306	40,709
		<hr/>	<hr/>
		2,131,666	2,143,719
Restricted funds	20	121,893	120,502
		<hr/>	<hr/>
		2,253,559	2,264,221
		<hr/>	<hr/>

These accounts were approved at an Area Meeting held on 8th September 2021 and signed by:


Jacqueline Noltingk (Treasurer to Area Meeting)


Kenneth Toling (Clerk to Trustees)

The notes on pages 18 to 32 form part of the financial statements.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. **CHARITY INFORMATION**

The Religious Society of Friends (Quakers): South East Scotland Area Meeting is an unincorporated Scottish charity with registered number SC019165. The Principal Office is: The Quaker Meeting House, 7 Victoria Terrace, Edinburgh EH1 2JL.

2. **ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)– Charities SORP (FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The presentational currency in the financial statements is Pound Sterling and the level of rounding is to the nearest pound.

Religious Society of Friends (Quakers) South East Scotland Area Meeting meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note(s).

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions which affect reported income, expenditure, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable. Actual results in the future could differ from such estimates.

Judgements

The judgements (apart from those involving estimations) that management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

In relation to the charity's properties: The Trustees consider that the value of the properties at 31 December 2020 is not materially different to the amounts reported in professional valuations carried out in April 2019.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The estimated useful economic life and residual value of the properties is considered to be not materially different to the current value stated in the accounts and consider a depreciation charge in respect of the properties is not necessary.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (cont'd)

Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the ability of the charity to continue as a going concern for the foreseeable future. Accordingly, the accounts have been prepared on a going concern basis.

Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income from donations and legacies includes all income that is in substance a gift, made to the charity on a voluntary basis. This is included in full in the Statement of Financial Activities when receivable. Grants of a general nature, where entitlement is not conditional on delivery of a specified level of service, are recognised when the charity becomes unconditionally entitled to the grant. A legacy, in whole or 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.
- Income from charitable activities includes income earned both from the supply of services and from performance-related grants which have conditions that specify the provision of particular services to be provided by the charity. Grants where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Income from other trading activities includes income earned from trading activities to raise funds for the charity and is recognised when receivable. The Quaker Meeting House in Edinburgh is used as a venue during the Edinburgh International Festival Fringe in normal years. Members from throughout the Area Meeting participate in all aspects of running this venue, funds raised through and expended on behalf of this activity being accounted for in a separate Festival Committee account, a designated fund of the Area Meeting. In addition, funds are raised through sales for the public, including catering, within the Edinburgh meeting house.
- Investment income is included when receivable.
- **Acting as agent:** The Area Meeting acts as agent in passing funds, received from the public for performances during the Edinburgh Festival Fringe, directly to performing companies. These transfers are not shown in the accounts.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (cont'd)

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It comprises expenditure incurred in advertising Quaker activities to the public and in selling items (such as refreshments) to the public in the Quaker meeting houses. The expenses shown are the cost of such items as well as the cost associated with using the meeting house as a venue during the Edinburgh Festival Fringe.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries including grant making. It includes both costs that can be directly attributed to such activities and those of an indirect nature necessary to support them including costs related to the governance of the charity.
- Grants payable are made in line with the objectives of the Area Meeting. The Area Meeting gives priority to Quaker bodies, but does consider grants to other organisations.

The value of services provided by volunteers has not been included in these accounts as the monetary value is not easily measured.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. They comprise the costs associated with employing the meeting house managers and with running the two Quaker meeting houses. The meeting houses support all Quaker activity within the Area Meeting and, in addition, they provide a facility for the use of local communities (through which they contribute to Quaker fundraising).

The bases on which support costs have been allocated are set out in note 9.

Pensions

The charity operates a defined contribution pension scheme for all employees who have elected to participate. The assets of the schemes are held separately from those of the charity in an independently administered fund.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available for any purpose of the Area Meeting. The Area Meeting makes transfers for internal purposes between its funds; these are shown gross in the Statement of Financial Activities (SOFA) and in more detail in Notes 18 and 19.

Designated funds are unrestricted funds earmarked by the charity for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (cont'd)

Fixed assets

- Land and buildings are shown at their market value at the date of their valuation with no adjustments for appreciation or depreciation. They are revalued at approximately five-year intervals; the trustees do not believe that more frequent revaluation would be warranted.
- All capital expenditures over £250 are capitalised by the charity for its charitable purposes.
- Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows: Fixtures and fittings: - 20 % straight line.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are recognised at the amount prepaid after taking account of any discounts due.

Cash at Bank and In Hand

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 the opening of the deposit or similar account.

Creditors

Creditors are recognised where South East Scotland Area Meeting has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

Financial Instruments

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

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. Donations and legacies

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Donations from members and Other individuals	57,436	30,703	88,139	101,034
Legacies	-	2,000	2,000	98
Grants: <i>Francis Camfield Trust</i>	-	1,400	1,400	1,400
	<u>57,436</u>	<u>34,103</u>	<u>91,539</u>	<u>102,532</u>

The income from donations and legacies totalled £91,539 (2019: £102,532) of which £57,436 was unrestricted (2019: £66,087) and £34,103 was restricted (2019: £36,445). The charity benefits greatly from the involvement and enthusiastic support of volunteers, details of which are given in our annual report. In accordance with accounting standards, the economic contribution of general volunteers is not measured in the accounts.

4. Income from charitable activities

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Income from Quaker activities	385	3,037	3,422	12,413
	<u>385</u>	<u>3,037</u>	<u>3,422</u>	<u>12,413</u>

The income from charitable activities in the year totalled £3,422 (2019: £12,413) of which £385 was unrestricted (2019: £956) and £3,037 (2019: £11,457) was restricted.

5. Income from other trading activities

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Room lettings	19,386	-	19,386	76,214
Letting catering	13,552	-	13,552	46,161
Quaker Centres Gathering	4,658	-	4,658	-
Festival venue fee income	-	-	-	14,854
Festival venue café/tea-room sales	-	-	-	1,342
Sales of books, foyer refreshments, B & B income etc	1,654	44	1,698	6,823
	<u>39,250</u>	<u>44</u>	<u>39,294</u>	<u>145,394</u>

The income from other trading activities in the year totalled £39,294 (2019: £145,394) of which £39,250 (2019: £145,369) was unrestricted and £44 (2019: £25) was restricted.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
	£	£	£	£
6. Investment Income				
Dividends	5,402	-	5,402	4,184
Bank interest	1,395	184	1,579	1,694
	<hr/>	<hr/>	<hr/>	<hr/>
	6,797	184	6,981	5,878
	<hr/>	<hr/>	<hr/>	<hr/>

The income from investment income in the year totalled £6,981 (2019: £5,878) of which £6,797 (2019: £5,602) was unrestricted and £184 (2019: £276) was restricted.

7. Other Income

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Grants: City of Edinburgh Council				
Business Support Fund (BSF)	25,000	-	25,000	-
Scottish Borders Council BSF	7,500	-	7,500	-
Coronavirus Job Retention Scheme	23,066	-	23,066	-
	<hr/>	<hr/>	<hr/>	<hr/>
	55,566	-	55,566	-
	<hr/>	<hr/>	<hr/>	<hr/>

The other income in the year totalled £55,566 (2019: £nil) of which £55,566 (2019: £nil) was unrestricted and £nil (2019: £nil) was restricted.

8. Analysis of expenditure on raising funds

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Goods for sale at meeting house	6,972	-	6,972	25,371
Festival venue costs	-	-	-	12,051
Cost of sale items & tea-room costs	-	-	-	596
Periodicals & PRS cost	-	-	-	339
Cost of fundraising	-	-	-	89
Support costs of raising funds (note 10)	70,217	663	70,880	68,567
	<hr/>	<hr/>	<hr/>	<hr/>
	77,189	663	77,852	107,013
	<hr/>	<hr/>	<hr/>	<hr/>

The expenditure on raising funds in the year totalled £77,852 (2019: £107,013) of which £77,189 (2019: £106,508) was unrestricted and £663 (2019: £505) was restricted.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

9. Analysis of expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Grant Making:				
Britain Yearly Meeting	30,000	11,133	41,133	65,636
General Meeting for Scotland	6,033	1,068	7,101	7,342
Northern Friends Peace Board	2,250	-	2,250	2,205
Mary's Meals	-	-	-	700
Campaign Against Arms Trade	5,000	-	5,000	-
Northern Friends Youth Events Trust	1,300	-	1,300	1,274
Galgael Trust	-	-	-	1,200
Peace & Justice Centre	119	-	119	-
Various grants < £1,000*	350	10,465	10,815	18,466
	<u>45,052</u>	<u>22,666</u>	<u>67,718</u>	<u>96,823</u>
Quaker Activities:				
Attendance at conferences & meetings	2,470	-	2,470	6,632
Bursary help (requested by overseers)	-	2,735	2,735	270
Committee expenses	-	8	8	652
Administration costs	198	425	623	191
Books, newsletters, publicity & outreach	1,132	203	1,335	2,626
Reg' & memb'ship of other org's	172	-	172	327
Activities within local meetings	749	1,676	2,425	4,507
Premises costs of local meetings	-	1,696	1,696	6,441
	<u>4,721</u>	<u>6,743</u>	<u>11,464</u>	<u>21,647</u>
Support costs (see note 10)	<u>70,217</u>	<u>663</u>	<u>70,880</u>	<u>68,567</u>
TOTAL	<u>119,990</u>	<u>30,072</u>	<u>150,062</u>	<u>187,037</u>

*All grants were made to organisations, with the exception of expenditure of £1,000 from the John Wigham (Enjoyment) Fund, made to individuals under the terms of the bequest. Contributions by members of Local Meetings for Special Collections passed on £2,620 (2019: £9,138) for various charitable purposes.

The expenditure on charitable activities in the year totalled £150,062 (2019: £187,037) of which £119,990 (2019: £147,226) was unrestricted and £30,072 (2019: £39,811) was restricted.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10. Analysis of support and governance costs

The charity initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Governance costs and other support costs are apportioned separately between charitable activities and raising funds for the year. Refer to the table below for the analysis of support and governance costs and the basis of apportionment.

	2020 £	2019 £
<u>Meeting House expenses</u>		
Wages and salaries (note 13)	66,456	63,295
Council tax and utilities	14,538	15,917
Repairs and maintenance	10,528	10,083
Building upgrades	2,690	-
Professional fees	7,509	3,810
Insurance	5,002	4,871
Cleaning	4,936	11,258
Office costs and minor purchases	8,434	6,146
Staff training and miscellaneous expenditure	561	1,100
<u>Support of the Area Meeting</u>		
Accounting support	7,005	7,354
Audit/Independent examiner's fees (governance)	1,760	1,600
Investment management fees	3,431	3,353
Computing support, postage	379	453
Depreciation of fixed assets	8,531	7,894
	<hr/>	<hr/>
	141,760	137,134
	<hr/>	<hr/>
50% allocation to raising funds (based on time)	70,880	68,567
50% allocation to charitable activities (based on time)	70,880	68,567
	<hr/>	<hr/>
	141,760	137,134
	<hr/>	<hr/>

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Summary analysis of expenditure and related income for charitable activities

	Grant Making £	Quaker Activities £	2020 Total £	2019 Total £
Costs	(67,718)	(82,344)	(150,062)	(187,037)
Income from Quaker activities	-	3,422	3,422	12,413
Net cost funded from other income	(67,718)	(78,922)	(146,640)	(174,624)

12. Net income for the year

This is stated after charging:

	2020 £	2019 £
Depreciation	8,531	7,894
Independent examination/Audit fee	1,760	1,600

13. Staff Costs

	2020	2019
The number of staff on a head count basis during the year was	9	9
	2020 £	2019 £
<u>Staff costs comprise:</u>		
Salaries and wages	64,068	61,047
Employer's social security costs	-	-
Employer's pension costs	2,388	2,248
	66,456	63,295

No employee was paid a salary of more than £60,000 per annum in the current or previous years. The average number of full-time staff (full time equivalents) was 2.5 (2019: 2.5).

Remuneration of key management personnel for the year, including pension contributions was £39,891 (2019: £37,438).

The office bearers were not paid remuneration, but two office bearers were reimbursed for postage totalling £578 (2019: postage £167).

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

14. Taxation

As a charity, the Area Meeting is exempt from corporation tax on its charitable activities.

15. Fixed Assets

	Property/ improvements £	Fixtures & Fittings £	Total £
<u>Cost/valuation</u>			
As at 1 January 2020	1,510,000	84,594	1,594,594
Additions during year	-	5,395	5,395
Disposals	-	(1,300)	(1,300)
	<hr/>	<hr/>	<hr/>
As at 31 December 2020	1,510,000	88,689	1,598,689
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
As at 1 January 2020	-	67,088	67,088
Charge for year	-	8,531	8,531
Released on disposals	-	(1,300)	(1,300)
	<hr/>	<hr/>	<hr/>
Depreciation at 31 December 2020	-	74,319	74,319
	<hr/>	<hr/>	<hr/>
<u>Net Book Value</u>			
As at 31 December 2020	1,510,000	14,370	1,524,370
	<hr/>	<hr/>	<hr/>
As at 31 December 2019	1,510,000	17,506	1,527,506
	<hr/>	<hr/>	<hr/>

The three Edinburgh properties were valued in April 2019 by Ryden Property Consultants and Laing & Co Property Consultants. They considered the market value of the properties to be £1,380,000 on this date. The Kelso property was also valued in April 2019 by Hastings Property, Kelso. The market value was considered to be £130,000. The Trustees consider that the market value of the properties at 31 December 2020 is unlikely to be materially different to the April 2019 valuation amounts and therefore consider it reasonable to carry these values in the accounts. The following summarises the values at the time of the valuations:

	Edinburgh Meeting House	Flat 4, 6 Upper Bow, Edinburgh	Flat 3F2, 6 Upper Bow, Edinburgh	Kelso Meeting House
Market valuation:	£800,000	£340,000	£240,000	£130,000

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16. Investments

	2020	2019
	£	£
Market value of quoted investments at 1 January 2020	352,323	-
Additions	18,594	338,632
Disposals	(22,283)	(20,698)
Unrealised gains on revaluation	21,118	34,389
	<hr/>	<hr/>
Market value of investments at 31 December 2020	369,752	352,323
Cash held as part of the portfolio	40,948	35,687
	<hr/>	<hr/>
	410,700	388,010
	<hr/>	<hr/>
Historical cost of investments at 31 December 2020	356,497	353,656
	<hr/>	<hr/>
	2020	2019
	£	£
The portfolio consists of:		
UK Equities	11,242	11,685
Overseas Equities	6,210	6,725
Unit Trusts	301,848	284,177
Bonds	50,452	49,736
Cash	40,948	35,687
	<hr/>	<hr/>
	410,700	388,010
	<hr/>	<hr/>

All investments are carried at their fair value. Investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of the financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy of the Trustees Annual Report.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors, particularly as the charity is reliant on the dividend yield in part to finance its work.

The charity has managed the investment risks by retaining an expert advisor and operating an investment policy that provides for a high degree of diversification of holdings quoted on a recognised stock exchange. The charity does not make use of derivatives and other similar complex financial instruments.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. Debtors

	2020	2019
	£	£
Debtors	9,540	15,172
Prepayments	3,457	2,890
	<hr/>	<hr/>
Total	12,997	18,062
	<hr/>	<hr/>

18. Creditors: amounts falling due within one year

	2020	2019
	£	£
Creditors	10,979	13,948
Accruals	5,343	6,150
Loans: Loans from members	11,000	11,000
	<hr/>	<hr/>
Total	27,322	31,098
	<hr/>	<hr/>

Loans from members: At 31 December 2020, £11,000 was outstanding (2019: £11,000). All loans are interest free and repayable on request within one month.

19. Unrestricted Funds – Current Year

	Balance at 1/1/20 £	Incoming £	Outgoing £	Transfers £	Gain on revaluation £	Balance at 31/12/20 £
General account	578,986	95,868	(60,381)	(57,583)	20,450	577,340
Property account	1,510,000	-	-	-	-	1,510,000
Capital account	14,725	-	-	-	-	14,725
Festival account	867	807	(15)	-	-	1,659
Victoria Terrace	21,817	59,704	(122,901)	54,194	-	12,814
Kelso Meeting House	3,032	3,055	(7,170)	5,924	-	4,841
Committee account	267	-	-	-	-	267
Fixtures and fittings	14,025	-	(6,712)	2,707	-	10,020
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,143,719	159,434	(197,179)	5,242	20,450	2,131,666
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

19. Unrestricted Funds – Prior Year

	Balance at 1/1/19 £	Incoming £	Outgoing £	Transfers £	Gain on revaluation £	Balance at 31/12/19 £
General account	570,662	66,418	(92,438)	(2,446)	36,790	578,986
Property account	1,510,000	-	-	-	-	1,510,000
Capital account	9,725	5,000	-	-	-	14,725
Festival account	1,880	17,368	(12,781)	(5,600)	-	867
Victoria Terrace	23,567	122,502	(137,513)	13,261	-	21,817
Kelso Meeting House	7,192	6,726	(4,311)	(6,575)	-	3,032
Committee account	359	-	(78)	(14)	-	267
Fixtures and fittings	12,677	-	(6,613)	7,961	-	14,025
	<u>2,136,062</u>	<u>218,014</u>	<u>(253,734)</u>	<u>6,587</u>	<u>36,790</u>	<u>2,143,719</u>

The general account is used for the main income and expenditure items of the Area Meeting. The property account represents the market value of property held and the value of any improvements work during the year.

The capital account is a designated account for legacies and donations received by the Area Meeting utilised for major capital projects.

The Festival account is operated by the Festival Committee for the purpose of using the Edinburgh Quaker Meeting House as a venue during the Edinburgh Festival Fringe.

The Victoria Terrace account is for all transactions involved in running the Edinburgh Quaker meeting house, with the exception of its special use during the annual Edinburgh Festival.

The Kelso Meeting House account is used for all transactions involved in running the Kelso Quaker meeting house.

The Committee account incorporates the funds of two small committees: Library Committee and the Sustainability Network. The Sustainability Network fund was closed during 2019 and the remaining funds transferred to the general fund.

Fixtures and fittings relate to the value of fixtures and fittings within the main meeting house at 7 Victoria Terrace.

For transfers between unrestricted and restricted accounts, see Note 20.

20. Restricted Funds – Current Year

	Balance at 1 Jan 2020 £	Incoming £	Outgoing £	Transfers £	Balance at 31 Dec 2020 £
John Wigham Trust	4,499	1,087	(1,000)	-	4,586
Local Quaker Meetings	115,903	24,680	(19,206)	(5,242)	116,135
Donations Fund	-	10,201	(10,201)	-	-
Prison Work Fund	100	-	(100)	-	-
AV Project Fund	-	1,400	(228)	-	1,172
	<u>120,502</u>	<u>37,368</u>	<u>(30,735)</u>	<u>(5,242)</u>	<u>121,893</u>

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20. Restricted Funds – Prior Year

	Balance at 1 Jan 2019	Incoming	Outgoing	Transfers	Balance at 31 Dec 2019
	£	£	£	£	£
John Wigham Trust	7,682	756	(3,939)	-	4,499
Local Quaker Meetings	111,520	36,205	(25,235)	(6,587)	115,903
Donations Fund	-	11,142	(11,142)	-	-
Prison Work Fund	-	100	-	-	100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	119,202	48,203	(40,316)	(6,587)	120,502
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The John Wigham (Enjoyment) Trust was established when the Area Meeting received a legacy during 2002 from the late John Wigham for the purpose of establishing a trust to provide grants to "deserving persons resident in Scotland who owing to straitened circumstances are unable to enjoy the usual pleasures of life". The trust was established by minute of South-East Scotland Monthly Meeting in November 2002. Inland Revenue recognition of the charitable purposes of the Trust was given in 2003. Grants may be made from income and from capital. The Area Meeting appointed three trustees who started recommending the award of grants during 2004.

Funds contributed by members or collected for use in Local Quaker Meetings within the area of South-East Scotland Area Meeting, and therefore not under the direct oversight of the Area Meeting itself, are shown as restricted. There are nine such funds, shown under the collective heading "Local Quaker Meetings".

The Donations Fund contains donations made by members to be passed on for Quaker work out with the Area Meeting.

The Prison Work Fund contains a donation received from outside the Area Meeting for the benefit of work undertaken to support remand prisoners at HMP Saughton.

The AV Project fund is to support the upgrade of the AV equipment at 7 Victoria Terrace and a grant of £1,400 has been received from Francis Camfield Trust in 2020 for this purpose.

Transfers between restricted and unrestricted funds:

Transfers: £5,242 was transferred from Local Quaker Meetings to the Victoria Terrace account and General account for the purposes related to the running of 7 Victoria Terrace and the Area Meeting during 2020.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS)
SOUTH EAST SCOTLAND AREA MEETING

YEAR ENDED 31 DECEMBER 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

21. Analysis of funds – Current Year

	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Fixed assets	1,524,370	-	1,524,370	1,527,506
Investments	410,700	-	410,700	388,010
Current assets	223,918	121,893	345,811	379,803
Creditors	(27,322)	-	(27,322)	(31,098)
	<hr/>	<hr/>	<hr/>	<hr/>
	2,131,666	121,893	2,253,559	2,264,221
	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of funds – Prior Year

	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Fixed assets	1,527,506	-	1,527,506	1,524,738
Investments	388,010	-	388,010	-
Current assets	259,301	120,502	379,803	763,229
Creditors	(31,098)	-	(31,098)	(32,703)
	<hr/>	<hr/>	<hr/>	<hr/>
	2,143,719	120,502	2,264,221	2,255,264
	<hr/>	<hr/>	<hr/>	<hr/>

22. Commitments

The Area Meeting committed a conditional grant of £10,000 (2019: nil) to Campaign Against The Arms Trade as at 31 December 2019. The outstanding commitment at 31 December 2020 is £5,000 (2019: £10,000).

23. Related party transactions

Related party transactions during the year are disclosed in note 13.