



**QUAKER COUNCIL FOR EUROPEAN AFFAIRS
BRITISH COMMITTEE**

Registered Charity No. 293776

ANNUAL REPORT AND ACCOUNTS

for the year ending 31 December 2006

Principal Operating Office:

**The Hollies, Priory Road
Wolston
Coventry CV8 3FX**

Report for the year ending 31 December 2006

The Quaker Council for European Affairs (QCEA) was founded in 1979 to bear witness throughout Europe to Friends' long-standing concerns for peace, human rights and the right sharing of resources. It does this chiefly through the work of a small staff based at Quaker House in Brussels, who carry out studies, prepare and disseminate reports and a monthly newsletter (Around Europe), arrange meetings and conferences, and maintain contact with other organisations with related concerns and with officials and elected representatives in the political institutions of Europe. QCEA is the only Quaker body holding participatory status as a non-Governmental Organisation at the Council of Europe.

QCEA is constituted under Belgian law as an international association not for profit (a.i.s.b.l.).

This work is supported by Friends in many countries, and most of the members of the Council are representatives from European Yearly Meetings, including Britain YM.

The British Committee of QCEA (BC) was set up in 1981, and reconstituted in 1986 as a British Registered Charity. Its objects are, in summary, to promote religion according to the principles and practices of the Religious Society of Friends (Quakers), to promote, maintain, improve and advance education, to support the work in the fields of religion and education of the Religious Society of Friends in Europe and throughout the world, in particular the work of the Quaker Council for European Affairs and to maintain links with any similar organisations in overseas Yearly Meetings. The Constitution places no restriction on BC's powers of investment, nor on the activities it may undertake in pursuit of its objects, except that it is not empowered to engage in trading.

Britain Yearly Meeting's representatives on QCEA are appointed to membership of BC.

The Clerk of BC is *ex officio* a member of QCEA's Council and the Treasurer is normally a member of its Finance Committee.

BC has no paid staff: its work is all carried out by its members. It meets as a whole three times a year. It has three working groups: the Communications Group, the Events group and the Finance & Accounting Group, as well as a Nominations Committee. Each of these meets as necessary.

BC works to raise awareness and understanding among British Friends about the work of QCEA, and thus encourage them to support it. BC also receives, records and invests financial contributions from British Friends for QCEA, transmits funds to Brussels and handles QCEA's sterling transactions. The Annual Reports and budgets of QCEA are regularly reviewed by BC to ascertain that QCEA's activities continue to be charitable in nature and consistent with its established aims, and that they are properly managed.

BC's financial policy is to act as a reservoir of funds for QCEA, receiving contributions as and when donors provide them while transmitting regular budgeted amounts to Brussels. For 2006, BC decided to transmit £3,500 per month, but not less than €63,000 in all, to Brussels for QCEA's general purposes. It intends to send a similar amount in 2007. In addition to this grant, BC pays for the rent of Quaker House, Brussels: £3,479 in 2006 BC has agreed to continue these payments also for 2007. BC also acts as a channel for additional amounts due to Quaker House in sterling, or from donors expressing the intention to support a particular project or to augment QCEA's income above that budgeted by British Committee, to be remitted directly.

The principal assets held by BC are detailed in the accounts. The total value of these decreased in 2006 by £1,855 (2005: decrease of £9,054) to £223,196 (2005: £225,051). Of this, £144,483 (2005: £145,248) is held for the **designated H. V. Wiles Fund**, which is available for project work but could also contribute to a last-resort reserve for QCEA. During the year we have been discussing the use of this fund and agreed that it will be released for the former purpose. A further £27,961 (2005: £28,271) is held in **restricted funds** for special projects and other occasional needs. About one-third of the funds are held in interest-bearing bank accounts; about two-thirds are invested. The suitability of any particular investment for BC's purposes depends both on its performance and on exchange rate fluctuations: these factors are kept under regular review. In particular, the Finance Group carried out a risk assessment during the course of 2006.

BC's General Fund income of £76,390 in 2006 was higher than in 2005 (£68,042). There were increases in contributions from Britain Yearly Meeting grant, and in contributions from individuals. Sterling receipts for Brussels rose. **BC's General Fund expenditure** of £81,890 in 2006 was, however, higher than in 2005 (£74,243). The running expenses of BC (travel, examination of accounts, postage etc.) at £2,346 was essentially unchanged from 2005. Overall, expenditure exceeded income by £780

The **Restricted Funds** were not used in 2006, other than the research project by QCEA in cooperation with QUNO, Geneva and Britain Yearly Meeting into the conditions of **Women in Prison**. Each fund spent appropriately on its purposes and ended with a surplus.

BC also administers the **Douglas W. Sanders Memorial Fund**, the income from which is to be used to support people from poorer countries to take part in QCEA activities. The fund was made a Restricted Fund at the July 1998 Meeting of BC.

The members of BC at the time of approval of this Report and Accounts (since 1.1.06 unless shown otherwise) are as follows. Membership of working groups is for the whole period unless otherwise stated.

Eleanor Barden	(Communications Group)
John Cockcroft	(Communications Group)
Patricia Cockrell	(Communications Group; Clerk until 31.12.06)
Barbara Forbes	(Events Group)
Ann Gimpel	(Events Group)
John Green	(Treasurer; Finance & Accounting Group)
Sheila Hague	(Assistant Clerk; Nominations Committee: convener from 1.1.07)
Tom Heydeman	(Finance & Accounting Group)
Arthur Hughes	(Finance & Accounting Group)
Marilyn Miles	(from 1.1.07; Finance & Accounting Group)
Mala Nathan	(from 15.7.06; Events Group)
Elizabeth Pallister	(from 15.7.06; Events Group)
Joanna Rowlands	(from 15.7.06; Events Group)
Kate Scott	(from 15.7.06; Events Group)
Gregory Valatin	(Events Group)
William Waddilove	(Events Group; Clerk from 1.1.07)

Paul Ingram was also a member throughout 2006 and Anne Slip until 18.3.06.

Each member of BC, for the period of her or his service, is a Trustee of the Registered Charity, and there are no other Trustees.

Members are appointed for a three year period which may be renewed. Appointments are made by BC itself with the advice of its Nominations Committee. This committee normally includes a

member who is not a member of BC (currently Susan Seymour) and it has access to the offers of service made to Britain Yearly Meeting.

The Clerk, Deputy Clerk and Treasurer are appointed for an annual period, which may be renewed, by BC with the advice of its Nominations Committee.

The independent examiner of BC's accounts, appointed by BC for an annual period which may be renewed, is Richard Platt, Chartered Certified Accountant, 3 Fisher Street, Carlisle CA3 8RR

This Report and the attached accounts were approved by the Members of the British Committee of the Quaker Council for European Affairs at its meeting held on 21 July 2007 and is signed on behalf of the members by

John Green
Treasurer

William Waddilove
Clerk.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/MEMBERS OF
THE BRITISH COMMITTEE OF THE QUAKER COUNCIL FOR EUROPEAN AFFAIRS**

I report on the accounts of the trust for the year ended 31st December 2006.

Respective Responsibilities of Trustees and Examiner

The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to

- Examine the accounts (under section 43 of the Act),
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) 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 the General Directions given by the Charity Commissioners. 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 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. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
 - Proper accounting records are kept (in accordance with section 41 of the Act); and
 - Accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

21ST NOVEMBER 2007
R D PLATT
GRAINGER & PLATT
CHARTERED CERTIFIED ACCOUNTANTS
CARLISLE

QUAKER COUNCIL FOR EUROPEAN AFFAIRS-BRITISH COMMITTEE

(Registered charity No 293776)

Financial statements 2006

Statement of Financial Activities for the year ended 31 December 2006

	See note	Unrestricted funds		Restricted funds			Total 2006	Total 2005	
		General	Designated	Ramallah Bursary	W.I.P. Project	D W Sanders Endowment			Income
		2	3						
Income									
Gifts and donations	2	47,278.73			3,800.00		51,078.73	51876	
Interest		2,065.09				578.46	2,643.55	2653	
Receipts for QHB		27,046.26					27,046.26	21654	
Other		0.00					0.00	15	
Total Incoming Resources		76,390.08	0.00	0.00	3,800.00	0.00	80,768.54	76198	
Charitable expenditure									
Payments to QHB	11	67,355.04			4,720.34		72,075.38	61071	
Payments to QUNO							0.00	7000	
Rent QHB		3,478.77					3,478.77	3304	
Sterling paid for QHB		3,990.62					3,990.62	6117	
							0.00	3500	
Subtotal		74,824.43	0.00	0.00	4,720.34	0.00	79,544.77	80992	
Administration		2,345.69					2,345.69	2355	
Total Resources Expended		77,170.12	0.00	0.00	4,720.34	0.00	81,890.46	83347	
Net incoming resources		(780.04)	0.00	0.00	(920.34)	0.00	(1,121.92)	(7149)	
Unrealised gains on investments			(764.95)			31.94	(733.01)	(1905)	
Net movement in funds		(780.04)	(764.95)	0.00	(920.34)	31.94	(1,854.93)	(9054)	
Brought forward at 1 January		51,532.13	145,247.58	6,915.65	4,228.10	14,234.72	225,050.85	234105	
Carried forward at 31 Dec		50,752.09	144,482.63	6,915.65	3,307.76	14,266.66	223,195.92	225051	

QUAKER COUNCIL FOR EUROPEAN AFFAIRS-BRITISH COMMITTEE

(Registered charity No 293776)

Financial statements 2006

Summary Balance Sheet as at 31 December 2006

See note	Unrestricted funds		Restricted funds				Total 2006	Total 2005	
	General	Designated	Ramallah Bursary	W.I.P. Project	D W Sanders Endowment Income				
Fixed Assets (Investments	5		144,482.63	6,266.66				150,749.29	151482
CAF Bank Current Account	6	51,270.09		6,915.65	3,307.76			61,493.50	66131
CAF Bank Gold Account	7					8,000.00	3,471.13	11,471.13	10893
Debtors & prepayments	8	32.00						32.00	576
Current Assets		51,302.09	0.00	6,915.65	3,307.76	8,000.00	3,471.13	72,996.63	77600
LESS creditors due within c	9	(550.00)	-					(550.00)	(4031)
Net Current Assets		50,752.09	0.00	6,915.65	3,307.76	8,000.00	3,471.13	72,446.63	73569
Total Net Assets	10	50,752.09	144,482.63	6,915.65	3,307.76	14,266.66	3,471.13	223,195.92	225051

Financial statements 2006**Note 1: ACCOUNTING POLICIES**a) Basis of Accounting

The accounts have been prepared:-

(1) on the accruals basis, with all known debtors and creditors at the year end included in the figures for the year to which they relate.

(2) Under the historic cost convention, but with investments shown at market value

b) Foreign Currencies

Transactions denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the date of the transaction.

Assets and liabilities in foreign currencies are converted into sterling at the rate of exchange ruling at the end of the Financial Year.

Note 2: General Fund

2005	INCOME	2006
	Donations received	
20700	Britain Yearly Meeting	24,330.00
10887	Trusts	13,028.00
9357	Quaker Meetings	7,592.77
3364	Individuals	1,902.12
18	by Gift Aid	425.84
	Other	
44326	Total Donations	47,278.73
2047	Interest	2,065.09
46,373		49,343.82
	QCEA Brussels Sterling Receipts	
2272	Associate Membership Fees	2,112.00
2015	Supporting Membership Fees	2,080.00
1552	Around Europe	1,182.00
1663	Study Tour	10,453.40
		11,118.86
8700	Direct Grants from Trusts	
5451	Direct Grants from Meetings	
	Economic Justice Conference	
	Miscellaneous	100.00
21,654	Cash receipts	27,046.26
15	other receipts(w/o creditor + rounding)	
68,042	TOTAL INCOME	76,390.08

QUAKER COUNCIL FOR EUROPEAN AFFAIRS-BRITISH COMMITTEE

(Registered charity No 293776)

Financial statements 2006

2005	EXPENDITURE	2006
6,117	QCEA Brussels Sterling payments	3990.62
6117		3,990.62
	Direct Charitable Expenditure	
3500	discharge debtor 2004	
58967	Net Transfer to QCEA	67,355.04 72,075.38
3304	Rent of QHB	3,478.77 70,833.81
71889	Subtotal	74,824.43
	Administration and Management	
37.48	Postage	47.39
10.84	Telephone	19.91
98.10	Printing & Stationery	19.46
1257.95	Travel	1,271.98
430.20	Account Examination	678.75
283.10	Bank Charges	241.40
237.43	Miscellaneous	66.80
2,355		2,345.69
74,244	TOTAL EXPENDITURE	77,170.12
(1,130)	Transfer from restricted	
(7,332)	Income less Expenditure	(780.04)
58,864	Brought forward on 1 January	51,532.13
51532	Carried forward on 31 December	50,752.09

Note 3: Designated Fund

	H V Wiles Fund	2006
2005		
0	INCOME (nil this year)	0.00
0	EXPENDITURE (nil this year)	0.00
0	Income less Expenditure	0.00
(2,480)	Unrealised gains on investments	(764.95)
147,727	Brought forward on 1 January	145,248
145,248	Carried forward on 31 December	144,482.63

Financial statements 2006**Note 4: Restricted Funds****Ramallah Bursary Fund**

2005	INCOME	2006
1130	Transfer from General fund Re2004	
	Appeal Receipts	0.00
	EXPENDITURE	
571	Bursaries paid	0.00
559	Income less Expenditure	0.00
6,357	Brought forward on 1 January	6,915.65
6,916	Carried forward on 31 December	6,915.65

Women In Prison Projects

2005	INCOME	2006
7,550	Appeal receipts	3,800.00
	EXPENDITURE	
50	Paid to QCEA	4,720.34
7,000	Transfer to QUNO	
500	Excess of Income over Expenditure	(920.34)
3,728	Brought forward on 1 January	4,228.10
4,228	Carried forward on 31 December	3,307.76

DW Sanders Memorial Funds**INCOME FUND**

2005	INCOME	2006
125.80	Interest treasury stock	129.19
480.42	Interest CAF Gold account	449.27
606		578.46
	EXPENDITURE	
1,482	Bursaries, Transfer to QHB	
(876)	Income less expenditure	578.46
3,769	Brought forward on 1 January	2,892.67
2,893	Carried forward on 31 December	3,471.13

ENDOWMENT FUND

2005		2006
	INCOME (nil this year)	0.00
	EXPENDITURE (nil this year)	0.00
0	Income less expenditure	0.00
575	Unrealised gains on investments	31.94
575	Net movement in funds	31.94
13,660	Brought forward on 1 January	14,234.72
14,235	Carried forward on 31 December	14,266.66

(Registered charity No 293776)

Financial statements 2006**Note 5: Fixed Assets (Investments)****a. Designated Fund****H V Wiles Fund.** This Designated Fund was set up by an unconditional2005 legacy of £62,168.15 in March 1987 **2006**Holding of 18465.975 units in Insight Investments International
Reserves Ltd, Euro Class

	In Euro	%	In Sterling	%
147,727 Brought forward on 1 January	211,343.08		145,247.58	
(2,480) Unrealised appreciation	4,080.98		(764.95)	
145,248 Carried forward on 31 December	215,424.06		144,482.63	
Percentage change over Year		1.93		(0.53)
2005 Percentage		1.03		(1.68)

b. Restricted Fund**D W Sanders Memorial fund****Endowment (part)**

Holding of 2.5% Index Linked Treasury Stock 2024

5,660 Brought forward on 1 January 6,234.72

575 Unrealised appreciation 31.94

6,235 **Carried forward on 31 December** **6266.66**151,482 **Total Investments** **150749.29****Note 6: CAF Bank Current Account**2005 **2006****a. Unrestricted Fund**

54,988 General Fund 51270.09

b. Restricted Funds

6,916 Ramallah Bursary Appeal 6,915.65

4,228 Women in Prison Project Appeal 3,307.76

D W Sanders Memorial fund 0.00

11,144 10223.41

66,131 **Balance held on 31 December** **61493.50****Note 7: CAF Bank Gold Account**2005 **2006****Restricted Fund**

D W Sanders Memorial fund

8,000 Endowment 8,000.00

2,893 Income 3,471.13

10,893 **Balance held on 31 December** **11471.13**

QUAKER COUNCIL FOR EUROPEAN AFFAIRS-BRITISH COMMITTEE

(Registered charity No 293776)

Financial statements 2006

Note 8: Debtors and prepayments

2005

2006

576 Sundry debtors	32.00	
576 Total on 31 December		32.00

Note 9: Creditors

2005

14 Chq 823 P Cockrell		
115 Chq 832 S Barnett		
3,482 Dec Transfer		
20 Bank Charges		
400 Account examination	550.00	
4,031		550.00

Note 10: Analysis of net assets between funds at 31 Dec 2005

2005

	General	Designated	Restricted	Total
151,482 Investments		144482.63	6266.66	150,749.29
77,024 Bank Balances	51270.09		21694.54	72,964.63
576 Debtors and prepayments	32.00			32.00
(4,031) Less creditors	(550.00)			(550.00)
225,051 TOTAL	50752.09	144482.63	27961.20	223195.92

Note 11: Transfers to QCEA Brussels

2005

2006

42,000 Basic Grant	42000.00	
(3,500) Additional grants/(Refunds)	2000.00	
5,476 QHB Sterling	11118.86	
2,063 Study Tour	10453.40	
2,015 Supporting Member	2080.00	
2,336 Associate Member	2112.00	
1,552 Around Europe	1182.00	
8,700 Trusts	100.00	
5,135 transfer from General		
65,778 Total from General		71046.26
50 Paid from WiP fund		4720.34
171 Paid from Ramallah fund		0.00
1,482 Paid from DWS fund		0.00
3,304 Rent for Quaker House, Brussels		3478.77
Additional grants/(Refunds)		
Payment in advance		440.00
70,786		79685.37
(9,715) Less Sterling Payments		(7,609.99)
61,071 Net Transfer		72075.38