



**QUAKER COUNCIL FOR EUROPEAN AFFAIRS
BRITISH COMMITTEE**

Registered Charity No. 293776

ANNUAL REPORT AND ACCOUNTS

for the year ending 31 December 2008

Principal Operating Office:

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

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Report for the year ending 31 December 2008

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.).

Friends in many countries support this work, and most of the members of the Council are representatives from European Yearly Meetings, including Britain YM.

The British Committee of QCEA (referred in the report as **BC**) was set up in 1981, and reconstituted in 1986 as a 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 invited to membership of BC as are the QCEA representatives based at Quaker House, Brussels. 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 and has three working groups. These are the Communications Group, the Events group and the Finance & Accounting group – in addition there is a Nominations Committee. Each of these groups meets as necessary.

BC works to raise awareness and understanding among British Friends about the work of QCEA, and thus encourages them to support it. BC also receives, records and invests financial contributions from British Friends for QCEA, transmits funds to Brussels and acts as sterling banker for 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. During 2008 no change was made to BC's policy of remitting £3,500 per month to QCEA, though it was recognized during the year that the weakness of sterling against the Euro would make it insufficient to reach the target of transferring €63,000 in all. The £42,000 that was transferred to QCEA during 2008 was €51,538 which was a shortfall of €11,461. It was agreed at the end of 2008 that the monthly grant to QHB in 2009 would increase to £5,100 per month and that this amount would be reviewed throughout the year

In addition to this grant, BC pays for the rent of Quaker House, Brussels - £4,079 in 2008. BC has agreed to continue these payments for 2009. Both the monthly grant and the rent payment come from the General Fund

BC acts as sterling banker for QCEA. It receives any 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. . BC also acts as agent for QCEA, making sterling payments on their behalf. Any such sterling payments are netted off the income transferred to QCEA.

The assets held by BC are detailed in the accounts. The majority of the funds are held in interest bearing accounts with a small amount in Treasury Stock. . The suitability of any particular investment for BC's purposes depends both on its performance and exchange rate fluctuations and these factors are kept under regular review. Because of the reducing interest rates on UK bank accounts, a decision was made at the end of 2008 to keep all of the cash assets in a CafBank Gold Account, which gives the highest rate of interest. When money is required for expenditure it will be drawn from the Current Account and the CafBank automatically takes the required amount from the Gold Account such that the balance in the Current Account is kept at £100.

H V Wiles fund is a designated fund set up by an unconditional legacy of £62,168.15 in March 1987. The assets of the H V Wiles fund held in the Zenith International Reserve Funds Ltd Euro Class were realized on 27 December 2007. The value was 222,164.15 Euros and was transferred in Euros to QCEA in January 2008. It is being used for the QCEA project on energy, climate change and conflict which began in 2008. This designated fund is now closed

Excluding the H V Wiles Fund mentioned above, overall incoming resources (£96,815 in 2008) were more than 2007 (£80,769) as was expenditure (£87,219 compared to £80,831 in 2007). This was primarily due to the biennial Associate Members conference which was held in Brussels. A large number of participants came from Britain Yearly Meeting and their fees were channeled through BC. Subscriptions to Around Europe only, the monthly newsletter from Quaker House Brussels continue to decline especially when individuals or meetings are Associate or Supporting Members (such members receive Around Europe as part of their subscription). Donations from meetings in 2008 (£7,596) did not match the high level in 2007 (£13,789). These donations are mainly as a result of collections after meetings for worship. Donations from individuals increased greatly (£11,542 compared to £1,814 in 2007) primarily as a result of a bequest from the estate of Lorna Paulin (£6,480). The grant to BC from Britain Yearly Meeting was uplifted by inflation (£22,765 in 2008 compared to £21,970 in 2007).

There has been a delay in the claim for Gift Aid (the £211 in the 2007 accounts related to 2006 donations). It is planned that the 2007 and 2008 claim will be made during 2009 and that in future this will be done on an annual basis. Any backdated Gift Aid claimed for 2007-8 will appear in the 2009 accounts.

Restricted Funds. The Ramallah Fund is used to support the attendance on the Study Tour of people from Friends School in Ramallah. As the result of a special appeal a new restricted fund was opened called the Brummana Fund. This is used to support the attendance of people from the Friends School in Brummana to attend the study tour. In 2008, participants came from the school in Brummana to the Study Tour and the fund was used for this purpose. No-one came from Ramallah.

BC also administers the **Douglas W. Sanders Memorial Fund**, the income from which is 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. Bursaries were given to participants from Eastern Europe to attend the 2008 QCEA Study Tour.

In 2008 the QCEA British Committee supported the work of Quaker House, Brussels by activities in Britain. A day conference was held at Leicester Meeting House in February 2008 on the subject of 'Energy, Conflict and Climate Change - The Way Forward'. This is the subject of a new major project based in QCEA Brussels principally funded by the H.V Wiles Fund (referred to above). Roger Helmer, a local MEP, gave the opening speech.

In addition to this conference a display and information table and special interest group were organised at Britain Yearly Meeting held in London in May.

The members of BC serving during the year are as follows. Membership of working groups is for the whole period unless otherwise stated.

Eleanor Barden	(Finance & Accounting Group)
John Cockcroft	(Communications Group)
Patricia Cockrell	(Nominations Committee; Assistant Clerk)
Sheila Hague	(Nominations Committee: convenor)
Tom Heydeman	(Finance & Investment Group)
Jessica Metheringham	(Events group)
Marilyn Miles	(Finance & Investment Group, Treasurer)
Mala Nathan	(Events Group)
Kate Scott	(Events Group)
Alan Vernon	(resigned during 2008)
William Waddilove	(Nominations Group; Clerk)

When this report was approved the following were also serving.

Peter Allen-Williams
Margaret Munroe
Peter Reid
Angela Sansam
Richard Seebohm

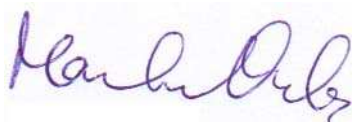
Each member of BC, for the period of her or his service, is a Trustee of the Registered Charity, and there are no other Trustees.

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. 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 appointed by BC for this report and accounts was Karen Mallik from Reading.

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 18 July 2009 and are signed on behalf of the members by



Marilyn Miles
Treasurer.



William Waddilove
Clerk.

Glossary for Statement of Financial Activities (SOFA)

BYM	Britain Yearly Meeting
EMEYF	European and Middle East Young Friends
EPLO	European Peace Liaison Office
QCEA	Quaker Council for European Affairs
QHB	Quaker House Brussels
QUNO	Quaker United Nations Office
WIP	Women in Prison Project

QUAKER COUNCIL FOR EUROPEAN AFFAIRS - BRITISH COMMITTEE

FINANCIAL STATEMENTS

Independent Examiner's report to the Trustees

Year Ended 31st December 2008

I report on the unaudited accounts of the charity for the year ended 31 December 2008 which comprise the Statements of Financial Activities, the Balance Sheet and the related notes

Respective responsibilities of the Trustees and the Independent Examiner

As the charity's Trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of Section 43(2) of the Charities Act 1993 does not apply. It is my responsibility to state, on the basis of the procedures specified in the General Directions given by the Charities Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention

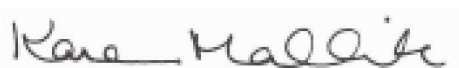
Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charities Commissioners. An independent 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 connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - a. to keep accounting records in accordance with section 41 of the Act and
 - b. to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act 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



Karen Mallik
2 Heath Road
Reading RG6 1ND
8 September 2009

See note	Unrestricted funds			Restricted funds				Total 2008
	General fund	Designated fund	3	Ramallah Bursary	Brummana Appeal		D W Sanders Endowment	
					4	4		
Income								
Gifts and donations	2	54,240	-	-	1,800	-	56,040	
Interest		2,579	-	-	-	-	3,211	
Receipts for QHB		37,564	-	-	-	-	37,564	
		0	-	-	-	-	0	
Total Incoming Resources		94,383	0	0	1,800	0	96,815	
Charitable expenditure								
Payments to QHB		76,242	161,958	-	307	-	238,814	
Payments to QUNO		-	-	-	0	-	0	
Rent QHB		4,079	-	-	-	-	4,079	
Publicity QHB			-	-	-	-	0	
Sterling paid for QHB		3,862	-	-	-	-	3,862	
Bursaries paid		-	-	-	358	-	358	
Subtotal	11	84,183	161,958	0	665	0	247,113	
Administration		2,946		-	-	-	2,946	
Total Resources Expended		87,129	161,958	0	665	0	250,059	
Net incoming resources		7,254	(161,958)	0	1,135	0	(153,244)	
Realised gains on investments		-		-	-	(121)	(121)	
Net movement in funds		7,254	(161,958)	0	1,135	(121)	(153,365)	
Brought forward at 1 January		56,053	161,958	5,422	0	14,635	240,171	
Carried forward at 31 Dec		63,307	0	5,422	1,135	14,514	86,806	

Financial Statements

Summary Balance Sheet as at 31 December 2008

	See note	Unrestricted funds		Restricted funds (see note 4)			Total 2008	Total 2007
		General	Designated	Ramallah Bursary	Brummana Appeal	D W Sanders Endowment		
Fixed Assets (Investments)			Wiles fund					
	5					6,514	6,514	168,593
CAF Bank Current Account	6	60,220		5,422	1,135		66,777	62,595
CAF Bank Gold Account	7	3,727				8,000	14,155	10,103
Debtors & prepayments	8						0	
Current Assets		63,947	0	5,422	1,135	8,000	80,932	234,656
LESS creditors due within one year	9	(640)	0				(640)	(1,121)
Net Current Assets		63,307	0	5,422	1,135	8,000	80,292	233,535
Total Net Assets	10	63,307	0	5,422	1,135	14,514	86,806	240,170

Financial statements

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

2007	INCOME	2008
	Donations received:	
21,970	Britain Yearly Meeting (BYM)	22,765
13,031	Trusts	10,242
13,789	Quaker Meetings	7,596
1,814	Individuals	11,542
212	Gift Aid reclaimed	
250	BC Conference fees	2,095
51,066	Total Donations	54,240
2,541	Bank Interest	2,579
53,607		56,819

QCEA Brussels Sterling Receipts

1,959	Associate Membership subs	2,338
1,885	Supporting Membership subs	1,657
1,315	Around Europe subscriptions	1,282
413	Study Tour - UK participants	1,713
	Brussels Conference Fees	9,619
5,061	Direct Grants for Women in Prison	
6,000	Direct Grants from Trusts	10,000
600	Direct Grants from Meetings	
	BYM for European Peacebuilding	
3,000	Liaison Office (EPLO)	3,000
4,189	BYM landlord's expenses	7,046
	European and Middle East Young	
712	Friends (EMEYF)	747
557	Miscellaneous Inc received for QCEA	162
25,691	Cash receipts	37,564
79,298	TOTAL INCOME	94,383

Financial Statements

2007	EXPENDITURE	2008
4,700	Sterling paid on behalf of Quaker House Brussels (QHB)	3,862
4,700	Received by other UK organisations	3,862
	Direct Charitable Expenditure	
63,037		76,242
565	Publicity	
3,560	Rent of QHB paid to BYM	
		4,079
	Subtotal	
71,862		84,183
	Administration and Management	
170	BC Office Expenses	112
	Conference costs	850
393	Governance - other expenses	132
671	Governance - Travel	659
641	Account Examination	648
260	Bank Charges	220
0	Miscellaneous	325
2,135		2,946
73,997	TOTAL EXPENDITURE	87,129
	Income less Expenditure	7,254
50,752	Brought forward on 1 January	56,053
56,053	Carried forward on 31 December	63,307

Note 3: Designated Fund

2007	H V Wiles Fund	2008
0	INCOME	-
0	EXPENDITURE	161,958
0	Income less Expenditure	-
17,475	Unrealised gains on investments	
144,483	Brought forward on 1 January 08	161,958
161,958	Carried forward on 31 December 2008	NIL

Financial Statements

Note 4: Restricted Funds

Ramallah Bursary Fund

2007	INCOME	2008
0	Appeal Receipts	
	EXPENDITURE	
1,494	Bursaries paid	
(1494)	Income less Expenditure	
<u>6,916</u>	Brought forward on 1 January	<u>5,422</u>
5,422	Carried forward on 31 December	5,422

Special Appeal: Brummana Bursary Fund

INCOME	2008
Appeal receipts	1,800
EXPENDITURE	
Paid to QCEA	307
Bursaries paid	358
total expenditure	665
Excess of Income over Expenditure	1,135
Brought forward on 1 January	
Carried forward on 31 December	1,135

WIP Special Appeal: Women in Prison

2007	INCOME	
3,800	Appeal receipts	
		Fund now closed
	EXPENDITURE	
1,654	Paid to QCEA	
1,654	Transfer to QUNO	
(3308)	Excess of Income over Expenditure	
<u>3,308</u>	Brought forward on 1 January	
0	Carried forward on 31 December	

DW Sanders Memorial Fund

INCOME FUND

2007	INCOME	2008
134	Interest treasury stock	139
530	Interest CAF Gold account	493
664		632
	EXPENDITURE	
<u>2,032</u>	Bursaries, Transfer to QHB	307
(1368)	Income less expenditure	325
<u>3,471</u>	Brought forward on 1 January	<u>2,103</u>
2,103	Carried forward on 31 December	2,428

Financial Statements

ENDOWMENT FUND

2007	2008
INCOME (nil this year)	-
EXPENDITURE (nil this year)	-
0 Income less expenditure	-
368 Unrealised gain/loss on investments	(121)
368 Net movement in funds	(121)
14,267 Brought forward on 1 January	14,635
14,635 Carried forward on 31 December	14,514

Note 5: Fixed Assets (Investments)

a. Designated Fund

H V Wiles Fund. This Designated Fund was set up by an unconditional

2007	2008
legacy of £62,168.15 in March 1987	
Holding of 18465.975 units in Insight Investments International Reserves Ltd, Euro Class	

	In Euro	In Sterling
144,483 Brought forward on 1 January	222,164	161,958
Transferred to QCEA	(222,164)	(161,958)
17,475 Unrealised appreciation		
161,958 Carried forward on 31 December	-	-

b. Restricted Fund

D W Sanders Memorial fund

Endowment (part)

Holding of 2.5% Index Linked Treasury Stock 2024

6,267 Brought forward on 1 January	6,635
368 Unrealised appreciation/(depreciation)	(121)
6,635 Carried forward on 31 December	6,514

168,591 Total Investments	6,514
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Note 6: CAF Bank Current Account

2007

2008

a. Unrestricted Fund

57,173 General Fund	Balances 31/12/08 60,220
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b. Restricted Funds

5,422 Ramallah Bursary Appeal	5,422
Brummana Appeal	1,135
- D W Sanders Memorial fund	

5,422	66,777
62,595 Balance held on 31 December	66,777

Financial Statements

Note 7: CAF Bank Gold Account 2007

2008

	General Fund		3,727	
	Restricted Fund			
	D W Sanders Memorial fund			
8,000		Endowment	8,000	
2,103		Income	2,428	
<hr/>				
10,103	Balance held on 31 December			14,155

Note 8: Debtors and prepayments 2007

2008

161,958	Sundry debtors			
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161,958	Total on 31 December 2008	nil		-

Note 9: Creditors 2007

142	BYM Landlord's refund			
339	Payments owed to QHB			
640	Account examination		640	
<hr/>				
1,121				640

Note 10: Analysis of net assets between funds at 31 Dec 2008 2007

		General	Designated	Restricted	Total
6,635	Investments	-	-	6,514	6,514
72,698	Bank Balances	63,947	6,557	10,428	80,932
	Debtors and prepayments	-	-	-	-
	Less creditors	(640)	-	-	(640)
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79,333	TOTAL	63,307	6,557	16,942	86,806

Financial Statements

Note 11: Transfers to QCEA Brussels

2007	2008
42,000 Basic Grant	42,000
(95) Additional grants/(Refunds)	
4,189 QHB Landlords expenses	7,046
413 Study Tour	1,923
1,885 Supporting Meeting	1,750
1,959 Associate Member	1,506
1,315 Around Europe	1,654
3,000 European Peacebuilding Liaison Office (EPLO)	3,000
712 European and Middle East Young Friends (EMEYF)	747
Associate Members (AM) Conference	10,014
320 Miscellaneous	223
11,787 Trusts and Direct Grants for Women in Prison (WIP)	10,000
67,485 Total from General	79,863
3,308 Paid from Appeal Fund	
Paid from Brummana(incl bursary to QUIET)	665
1,494 Paid from Ramallah Fund	
2,032 Paid from DW Sanders fund	307
Expenses paid in sterling on behalf of QHB	4,102
3,560 Rent for Quaker House, Brussels	4,079
Paid from H W Wiles	161,958
<hr/> 77,879	250,974
(4448) Less Sterling Payments deducted from payment	(3,861)
73,431 Net Transfer	247,113