

Friends World  
Committee for  
Consultation

Religious Society of Friends (Quakers)

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

**(Registered Charity No.: 211647)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

**MYRUS SMITH**  
**Chartered Accountants**

Norman House,  
8 Burnell Road,  
Sutton, Surrey.  
SM1 4BW

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. Reference and Administrative Details of the Charity, its Trustees and Advisers**

Name of charity: Friends World Committee for Consultation  
Registration number: 211647  
Registered Office  
173 Euston Road, London NW 1 2AX  
tel: 020-7663-1199  
e-mail: world@friendsworldoffice.org  
website: www.fwccworld.org

**Trustees/Members of the Central Executive Committee  
Trustees for 2015**

Rachel Bewley-Bateman (to June 2015)  
Gretchen Castle, General Secretary  
Elizabeth Cazden, Clerk, Central Executive Committee  
Ronis Chapman  
John Fitzgerald  
Sue Glover Frykman (from June 2015)  
Ramón González-Longoria, Clerk of FWCC  
Marisa Johnson  
Simon C. Lamb, Assistant Clerk of FWCC  
Joshuah Lilande  
Cristela Martinez  
Churchill Malimo  
Patricia Macgregor  
Robin Mohr  
Alastair Reid, Treasurer  
Benigno Sanchez-Eppler (from March 2015)  
Dorothy Selebwa  
Jane Snyder (to March 2015)

The chief executive officer is the Clerk of the Central Executive Committee, a volunteer position held by Elizabeth Cazden. The chief operating officer, a full-time staff position, is the General Secretary, throughout 2015, Gretchen Castle.

Bankers:  
CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Solicitors:  
Bates Wells & Braithwaite, 2-6 Cannon Street, London EC4M 6YH

Auditor:  
Myrus Smith, Norman House, 8 Burnell Road, Sutton, Surrey SM1 4BW

Investment Advisor:  
Ethical Investors Group, Montpelier House, 47 Rodney Road, Cheltenham GL50 1HX

# FRIENDS WORLD COMMITTEE FOR CONSULTATION

## TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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### 2. Structure, governance and management

Governing Document: FWCC is an association whose governing document through 2015 was a constitution adopted in 2004 and amended in 2007. A further amendment was approved in January 2016.

Trustees of FWCC: The Central Executive Committee of FWCC serves as its Trustee body. Its members are listed above.

#### Appointment of trustees

Pursuant to Section 8(f) of the FWCC Constitution (2007):

'The members of the Central Executive Committee shall serve as the "trustees" of FWCC, with the responsibilities that this role carries under the applicable laws of England and Wales, including arranging review of the annual financial reports in the format required for charities in England and Wales.'

The Clerk and Executive Secretary of each of FWCC's four independent geographical sections serve on the Central Executive Committee ex officio. The central officers of FWCC and the Central Executive Committee members-at-large are appointed by the International Representatives Meeting or, for a vacancy between meetings, by the Central Executive Committee. The central executive staff (General Secretary) is appointed by the International Representatives Meeting, or, for a vacancy between meetings, by the Central Executive Committee, after an open international search process.

Upon appointment, new trustees are inducted by the General Secretary who shares detailed information with each new trustee. In addition, at the annual meeting of trustees, experienced trustees are paired with new trustees. More than half the trustees are not UK nationals.

#### Organisational Structure

The Religious Society of Friends [Quakers] is organised at the local level with places of worship [called either churches or meetings] grouping themselves together to form yearly meetings [regional bodies]. Because there is a great variety of modes of worship and belief among Friends, some yearly meetings overlap with each other and may have little direct contact with each other. FWCC exists to keep all of these yearly meetings plus isolated individuals and groups in touch with one another. It is truly a committee whose membership is made up of yearly meeting representatives, and the committee meets every three to five years in a plenary session to conduct business [International Representatives Meeting]. In the interim, the Central Executive Committee [the CEC] is empowered to implement and conduct the business of FWCC and to serve as the trustee body.

The CEC meets once per year, primarily because of the expense of bringing its far-flung members together. It is also empowered by its Constitution to make decisions electronically. All decisions are made in the Quaker mode of 'sense of the meeting' [a broad form of consensus] or unanimously [in the case of electronic decisions]. The General Secretary, the chief staff member who also serves as a trustee with the consent of the Charity Commission, has the work of making the day-to-day decisions relating to management and staff. She is in close contact with the Treasurer and the Clerk of the CEC. For instance, all cheques above £500 require the signatures of two [designated] trustees.

FWCC is closely related to its four geographical Sections, none of which is a charity in England & Wales, although each is a separate legal entity properly registered in its locality. The four are Section of the Americas [a recognized US charitable organization incorporated in Pennsylvania USA], Europe & Middle East Section [a Scottish charity], Africa Section [registered in Kenya], and Asia-West Pacific Section [Incorporated in Australia].

The Clerk [presiding officer] and Executive Secretary of each section are ex officio members of the CEC. There are also three at-large members of the CEC who are recruited by an international nominations process and whose appointment is approved at the one of the periodic International Representatives Meetings. The four officers are appointed in the same way. The General Secretary is appointed after a lengthy international search process which includes extensive promotion of the opening within the European Union.

# FRIENDS WORLD COMMITTEE FOR CONSULTATION

## TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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### **Risk Assessment**

The risks identified to date are financial and managerial. Because the London staff is so small, much rests upon the shoulders of the General Secretary. The organisation pays for a term life insurance policy for the General Secretary with the proceeds to come to the organisation. The organisation also carries Officers and Directors Liability coverage. The CEC has an International Finance Committee which meets by conference call at least quarterly to review the current state of finances. In recent years, an investment adviser, Ethical Investors Group, and investment managers Rathbone Greenbank have been engaged as well. FWCC is audited annually. Standard office procedures include storing data from the computer server in 'cloud-based' storage. The office complies with data protection requirements and practices.

### **3. Objectives and Activities**

From its Constitution

"The object of FWCC is the advancement of religion for the public benefit, by means of fostering the principles and practice of the Religious Society of Friends (Quakers) worldwide through consultation and cooperation.

"FWCC was established by Minute No. 27 of a World Conference of the Religious Society of Friends held at Swarthmore, Pennsylvania, USA, in 1937 and has been continued since that time by the Yearly Meetings affiliated to it as a consultative, non-profit making organization, world-wide in scope. The operations of FWCC are further guided by the following Aims and Purposes, which are subservient to the objects of FWCC:

"1. To encourage and strengthen the spiritual life within the Religious Society of Friends, and its outreach in the world, through such measures as worship, intervisitation, study, conferences and a wide sharing of experiences on the deepest level.

"2. To help Friends to gain a better understanding of the world wide character of the Religious Society of Friends and its vocation in the world.

"3. To promote consultation amongst Friends of all cultures, countries, and languages. To bring the different groups of Friends into intimate touch with one another, seeking their common Quaker heritage, sharing experiences, and coming to some measure of agreement in regard to their attitude to world issues.

"4. To promote understanding between Friends everywhere and members of other branches of the Christian Church and also of other religious faiths, and to interpret the specific Quaker message to those who seek further religious experience.

"5. To keep under review the Quaker contribution in world affairs and to the world Christian mission; to facilitate the examination and presentation of Quaker thinking and concern in these fields; and to encourage Friends to cooperate as far as possible in joint action with other groups having similar objectives."

### **Public Benefit**

The Charities Act 2011 requires charities to fit into identified charitable purposes. FWCC fits into two of the identified charitable purposes: the advancement of religion and the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity. Trustees have had regard of Charity Commission guidance in this area.

FWCC's website ([www.fwccworld.org](http://www.fwccworld.org)) provides information and links to each grouping of Friends around the world, including contact information where available. It links to websites maintained by the four Section offices. This information is available to Friends and non-Friends alike, and serves both to connect Friends around the world and to provide information about Quakers to interested seekers and the general public. In recent years, web inquiries have led to new Quaker groups and members in Eastern Europe, central and west Africa, and Asia. FWCC also makes use of other social media, such as Facebook, to provide information about the organization's activities and those of other Quaker groups around the world.

## FRIENDS WORLD COMMITTEE FOR CONSULTATION

### TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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Since its founding in 1937, FWCC has put its faith into action by promoting peace through the support of international organizations. In 1947, Quaker peace organisations were awarded the Nobel Peace Prize. Since the founding of the United Nations 1947, FWCC has held general consultative status, the highest status NGOs can obtain. Quaker United Nations Offices (QUNO) in New York and Geneva, under joint oversight by FWCC and other Quaker charitable organizations, combine recognized expertise in key areas of international policy with experience in facilitation and dialogue in a multilateral setting. QUNO work focusses on peace & disarmament, peacebuilding and prevention of violent conflict, human rights & refugees, food and sustainability, human impacts of climate change, and natural resources/conflict and cooperation.

FWCC represents Quakers in the world ecumenical circles. The General Secretary attends the annual meeting of the Secretaries of Christian World Communions. FWCC also is represented at meetings of the World Council of Churches and on the Faith and Order Commission of WCC.

FWCC also serves as a channel of information and support in emergencies. During 2015 it completed distribution of funds donated by Quakers around the world to aid two Quaker groups in the Philippines following the 2013 typhoon. The CEC has clarified guidelines for when it would be appropriate for FWCC to collect funds for this type of natural disaster.

#### **Significant Activities**

In addition to the activities listed above, during 2015 FWCC continued its ongoing work of providing information and communication about and among Friends, supporting the work of the QUNO offices, participating in ecumenical activities, and supporting the work that is done through FWCC's four Sections.

#### **Volunteers and Staff**

The General Secretary is currently the only full-time employee. The office has part-time employees responsible for administrative assistance, financial administration, and database management. Their work is supplemented by periodic office volunteers. Communications, including management of the organization's website and social media, is now handled by an independent contractor based in Leicestershire, UK.

The work of FWCC depends on volunteers who serve on its committees. In addition to the CEC, these include Nominations Committee, International Finance Committee, Investment Sub-Committee, Staff Advisory Committee, International Membership Applications Committee, International Planning Committee, and the oversight committees for both Quaker United Nations Offices. The Staff Advisory and International Membership Applications Committees are made up of volunteers from the UK, and meet periodically as needed. The QUNO committees meet at least once a year, in person, at their respective offices in New York and Geneva and they come from around the world. The remaining committees, named by the CEC, are made up of Friends from each of the four Sections. They meet by conference call as often as needed. They report to and bring recommendations to the CEC for action. It is not possible to account for the hours of volunteer work. Volunteers are entitled to claim reimbursement for their out-of-pocket expenses, including travel (upon submission of appropriate receipts) although some choose to bear their own costs as an indirect donation to FWCC.

#### **4. Achievements and Performance in 2015**

A major focus for 2015 was planning for a World Plenary Meeting (International Representatives' Meeting) in January 2016, which brought approximately 300 representatives of FWCC's member groups from all parts of the world to Pisac, Peru. The International Planning Committee (IPC) met on site in Peru in January 2015, joined by the Local Arrangements Committee of INELA-Peru Yearly Meeting.

In preparation for that meeting, during 2015 the CEC prepared proposed amendments to the organisation's Constitution to reduce the frequency of World Plenary Meetings International Representatives' Meetings and shift most decision-making to the Trustees. No changes were proposed in the organisation's purposes or objects.

## FRIENDS WORLD COMMITTEE FOR CONSULTATION

### TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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During 2015 staff and CEC members have continued a process of strategic planning to address both a drop in funding from some sources (primarily in the Section of the Americas and some UK-based trusts) and a shifting sense of the needs of Quaker meetings around the world.

The CEC met for five days in June 2015 at Woodbrooke Quaker Study Centre in Birmingham, UK, with all members present. The CEC reached unity to change our investment policy to avoid companies engaged in fossil fuel extraction, and instructed our investment managers to divest from our modest holdings in that sector. The CEC also made partial allocations from two restricted gifts, to support language interpretation and translation (primarily English-Spanish) at the World Plenary Meeting, to support the attendance there of Friends under age 35, and to engage a professional fundraising consultant to advise the organisation on how to increase fundraising capacity across the organisation. The CEC also approved funds for the Africa Section to improve its communications and Young Adult Friends' networking. The CEC also held two electronic meetings, one in March 2015 with video conferencing and one in November 2015 by telephone conference call. Minutes from electronic meetings, as well as those approved by e-mail, are ratified at the next in-person meeting.

The CEC promoted the second annual "World Quaker Day" on the first Sunday in October, timed to coincide with a preexisting event planned by Britain Yearly Meeting. Local meetings and churches around the world were invited and encouraged to plan an event that would highlight the world-wide Religious Society of Friends, such as an internationally-themed meal, a special children's lesson, or an invited speaker, and to post photographs or video clips to social media. A number of meetings did so, starting with Australia and New Zealand and adding images as the day went on. The event also provided an opportunity for grassroots fundraising, particularly within the Africa Section.

#### **5. Financial Review**

The appended accounts prepared by the auditors serve this purpose. The policy on reserves is to retain on hand an amount equal to 6 month's operating expenses. At the end of 2015 there was a significant reduction in our general fund mainly due to the revision of the Pensions Trust deficit which will be cleared over an additional two year period. Donations from sections were also less than expected. We aim to restore the general fund level over the medium term as our fundraising strategy develops.

The full effects of the International Representative Meeting in Pisac, near Cusco, Peru will not fully affect the accounts until 2016 when we expect to draw on planned reserves. We particularly appreciate the generosity of Trusts and other donors which allowed the IRM to fully reflect the range of Friends worldwide and enable large numbers of Young Adult Friends to attend.

We have continued our efforts to reduce our administration expenditure where possible while maintaining or improving our work, for instance completing a major revision of the website.

We have agreed to continue to reduce our Committee Travel endowment fund in future years at a reduced rate. Our fund balances overall this year were assisted by an increase in value of our UK investments, by a large family donation in memory of Heather Moir, and funds from the closure of the World Gathering of Young Friends charity. We continue to seek other sources of funds to close the longer term gap between our income and our expenditure and have employed a Fundraising Consultant to assist this process. Funds totalling £238,659 are held in funds that do not support war-related business or alcohol or tobacco-related businesses. Where possible they are identified as ethical investments that contribute to peace and eco-justice.

#### **6. Plans for Future Periods**

As noted above, the major focus for 2015 was planning for a World Plenary Meeting (International Representatives' Meeting) held in January 2016 in Pisac, Peru. The decisions taken at that meeting will significantly inform the organisation's work and policies going forward. No substantial changes are anticipated in the organisation's central office, staffing, or manner of working. The Trustees will meet for several days in conjunction with the Plenary Meeting, as well as conducting additional meetings by telephonic or video conferencing.

FRIENDS WORLD COMMITTEE FOR CONSULTATION

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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**7. Funds Held as Custodian Trustee on Behalf of Others**

As the accounts show, FWCC collects and passes along annually funds for Quaker UN work, the Sections, and other emergency work. These funds are passed along at least annually and usually more frequently especially in the case of emergency support.

**8. Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Circulated and approved by the Trustees, 21 July 2016

  
Elizabeth Cazden, Trustee

## **Independent Auditor's Report to the Trustees of:**

### **FRIENDS WORLD COMMITTEE FOR CONSULTATION**

We have audited the financial statements of Friends World Committee for Consultation for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities);
- have been prepared in accordance with the requirements of the Charities Act 2011.

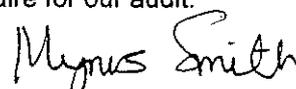
#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Norman House,  
8 Burnell Road,  
Sutton, Surrey.  
SM1 4BW  
30 September 2016

Myrus Smith is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.



**MYRUS SMITH**  
Chartered Accountants  
and Statutory Auditor

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

(Registered Charity No.: 211647)

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2015**

		Unrestricted	Restricted	Endowment	Total Funds	
	Notes	Funds	Funds	Funds	2015	2014
		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies	2	256,852	207,151	-	464,003	201,526
Investments	3	3,393	-	4,096	7,489	5,874
Other	4	<u>6,212</u>	-	<u>2,200</u>	<u>8,412</u>	<u>9,329</u>
<b>Total</b>		<u>266,457</u>	<u>207,151</u>	<u>6,296</u>	<u>479,904</u>	<u>216,729</u>
<b>Expenditure on:</b>						
Raising funds		8,253	-	-	8,253	7,999
Charitable activities		<u>213,712</u>	<u>26,635</u>	-	<u>240,347</u>	<u>182,715</u>
<b>Total</b>	5	<u>221,965</u>	<u>26,635</u>	-	<u>248,600</u>	<u>190,714</u>
<b>Net income before transfers</b>		44,492	180,516	6,296	231,304	26,015
Transfers between funds	13	<u>32,571</u>	<u>(10,534)</u>	<u>(22,037)</u>	-	-
<b>Net income/(expenditure) after transfers</b>		77,063	169,982	(15,741)	231,304	26,015
<b>Other recognised gains:</b>						
Gains on investment assets		<u>1,700</u>	-	<u>2,052</u>	<u>3,752</u>	<u>11,066</u>
<b>Net movement in funds</b>		78,763	169,982	(13,689)	235,056	37,081
<b>Total funds at 1 January 2015</b>		<u>160,238</u>	<u>51,435</u>	<u>193,390</u>	<u>405,063</u>	<u>367,982</u>
<b>Total funds at 31 December 2015</b>		<u>£239,001</u>	<u>£221,417</u>	<u>£179,701</u>	<u>£640,119</u>	<u>£405,063</u>

The notes form part of these Financial Statements

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

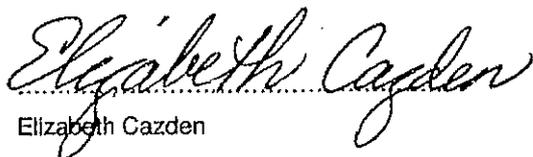
(Registered Charity No.: 211647)

**BALANCE SHEET**

**AS AT 31 DECEMBER 2015**

	Notes	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments	7		295,297		335,794
<b>CURRENT ASSETS</b>					
Debtors	8	285,870		70,378	
Cash at bank and in hand		<u>186,384</u>		<u>110,125</u>	
		472,254		180,503	
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>31,521</u>		<u>27,607</u>	
<b>NET CURRENT ASSETS</b>			<u>440,733</u>		<u>152,896</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			736,030		488,690
<b>CREDITORS: Amounts falling due after more than one year</b>	9		<u>95,911</u>		<u>83,627</u>
<b>NET ASSETS</b>	10		<u>£640,119</u>		<u>£405,063</u>
<b>FUNDS</b>					
Unrestricted : General	11	51,386		83,574	
Unrestricted : Designated	11	<u>187,615</u>		<u>76,664</u>	
			239,001		160,238
Restricted Funds	11		221,417		51,435
Endowment Funds	11		<u>179,701</u>		<u>193,390</u>
<b>TOTAL FUNDS</b>			<u>£640,119</u>		<u>£405,063</u>

Approved by the Trustees on *21 July* 2016 signed on their behalf by

  
Elizabeth Cazden

The notes form part of these Financial Statements

## FRIENDS WORLD COMMITTEE FOR CONSULTATION

(Registered Charity No.: 211647)

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

#### 1. ACCOUNTING POLICIES

##### a. Basis of Accounting

The Financial Statements 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 for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost unless otherwise stated.

##### b. Scope

The accounts reflect the activities of the World Office of the Committee. They exclude the accounts of the four individual FWCC Sections, except for direct transactions between them and the World Office. They also exclude the accounts of the QUNO Offices in Geneva and New York which are administered on behalf of FWCC by Quaker Peace and Social Witness (London) and the American Friends Service Committee (Philadelphia) respectively.

##### c. Incoming Resources

Income is taken into account when the charity is entitled to the income, receipt of the income is considered probable and the amount can be measured reliably.

##### d. Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and includes all irrecoverable VAT.

##### e. Tangible Fixed Assets

Assets costing £500 or more are capitalised and depreciation is provided at rates estimated to write off the cost of each asset over its expected useful life as follows:

Furniture and Fittings	- 4 years straight line
Office Equipment	- 4 years straight line

##### f. Taxation

As FWCC is a registered charity, the results of its normal activities are not liable to income tax or corporation tax.

##### g. Investments

Investments held as fixed assets are re-valued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

##### h. Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

Restricted funds are to be used for specific purposes as laid down by the donor or which have been raised by the charity for particular purposes.

Endowment funds are to be retained permanently by the charity or in the case of expendable endowments, the Trustees have powers to use the capital if they consider it appropriate.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

(Registered Charity No.: 211647)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1. ACCOUNTING POLICIES (Continued)**

i. Foreign Currency

Foreign currency transactions are recorded at the average exchange rate for the particular month. Balance Sheet valuations are made as at 31 December each year.

j. Pension Costs

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Accounts. The assets of the scheme are administered by trustees in a fund independent from those of the charity.

**2. DONATIONS AND LEGACIES**

	2015		2014	
	£	£	£	£
<b>Unrestricted</b>				
Section of the Americas:				
Operating Fund	46,067		50,116	
Individual Friends	<u>84,302</u>		<u>5,514</u>	
		130,369		55,630
Africa Section		190		50
Asia-West Pacific Section		3,018		7,329
Europe and Middle East Section:				
Britain Yearly Meeting	48,050		47,140	
World Gathering of Young Friends	30,000		-	
Friends and Meetings	24,201		22,436	
Trust Funds (Great Britain)	13,100		15,045	
Other Yearly Meetings	<u>7,924</u>		<u>9,697</u>	
		<u>123,275</u>		<u>94,318</u>
		<u>256,852</u>		<u>157,327</u>
<b>Restricted</b>				
World Plenary Meeting (Peru)		206,960		5,000
Relief Funds		191		35,341
Quaker United Nations offices		-		<u>3,858</u>
		<u>207,151</u>		<u>44,199</u>
<b>TOTAL</b>		<u>£464,003</u>		<u>£201,526</u>

The contributions for unrestricted funds received from the Operating Fund of the Section of the Americas were \$69,585 in 2015 and \$80,928 in 2014. The sterling equivalents are included above.

Section of the Americas Individual Friends unrestricted donations includes £83,139 from the Moir family in memory of Heather Moir.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**2. DONATIONS AND LEGACIES/contd...**

Included within donations and legacies are the following grants received from charitable organisations in 2015:

	<b>FWCC General Funds £</b>	<b>World Plenary Meeting £</b>
Britain Yearly Meeting	48,050	5,000
The Joseph Rowntree Charitable Trust	-	15,000
W.F. Southall Trust	8,000	3,000
Francis Camfield's Trust	-	3,000
C.B. & H.H. Taylor 1984 Trust	-	3,000
The Edward Cadbury Charitable Trust	1,000	1,000
The Westcroft Trust	1,600	-
The Roger and Sarah Bancroft Clark Charitable Trust	1,000	-
Radley Charitable Trust	-	1,000
William P Bancroft Charitable Trust	1,000	-
William Adlington Cadbury Charitable Trust	<u>500</u>	<u>-</u>
Historical Cost at 31 December 2015	<u>£61,150</u>	<u>£31,000</u>

**3. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Dividends and interest	<u>£3,393</u>	<u>£Nil</u>	<u>£4,096</u>	<u>£7,489</u>	<u>£5,874</u>

Of the £5,874 received in 2014, £2,643 was unrestricted funds and £3,231 was endowment funds.

**4. OTHER INCOME**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Foreign exchange gains	<u>£6,212</u>	<u>£Nil</u>	<u>£2,200</u>	<u>£8,412</u>	<u>£9,329</u>

Of the £9,329 exchange gains made in 2014, £6,358 was unrestricted funds and £2,971 was endowment funds.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**5. TOTAL RESOURCES EXPENDED**

	Raising Funds	Charitable Activities	Governance Costs	2015 Total	2014 Total
	£	£	£	£	£
Salaries and Related Costs	5,284	108,783	2,642	116,709	90,854
Office Management	-	23,726	-	23,726	19,614
Information Technology and Communications	-	2,178	-	2,178	2,557
Website	-	3,199	-	3,199	324
Travel in the Ministry	-	5,571	619	6,190	6,161
International Membership Committee	-	649	-	649	746
Literature and Publications	-	3,280	-	3,280	8,221
Quaker United Nations Committees	-	9,288	-	9,288	7,255
Africa Section Support	-	8,500	-	8,500	8,500
Central Executive Committee	-	14,461	1,607	16,068	10,035
International Planning Committee	-	8,261	-	8,261	12,134
World Plenary Meeting (Peru)					
Travel, Accommodation and Expenses	-	10,900	-	10,900	-
Salaries and Related Costs	-	12,608	-	12,608	-
Relief Fund Expenditure	-	19,315	-	19,315	18,235
Investment Management Charges	2,969	-	-	2,969	2,838
Auditors' Remuneration	-	-	3,560	3,560	3,240
Legal Fees	-	1,200	-	1,200	-
<b>Total 2015</b>	<b>£8,253</b>	<b>£231,919</b>	<b>£8,428</b>	<b>£248,600</b>	<b>£190,714</b>
<b>Total 2014</b>	<b>£7,999</b>	<b>£175,275</b>	<b>£7,440</b>	<b>£190,714</b>	

All of the £7,999 cost of raising funds and £7,440 governance costs in 2014 were unrestricted funds. Of the £175,275 cost of charitable activities in 2014, £145,603 was unrestricted funds, £29,531 was restricted funds and £141 was endowment funds.

**6. STAFF COSTS AND NUMBERS**

	2015	2014
	£	£
Salaries and Wages	70,597	59,224
Social Security Costs	2,708	5,696
Pension Contributions	1,256	1,238
Pension Deficit Contributions (see Note 14)	22,079	-
Fixed Contract Staff	<u>26,837</u>	<u>24,545</u>
	<b>£123,477</b>	<b>£90,703</b>

The General Secretary, Gretchen Castle, who is also a trustee, received remuneration of £47,411 (2014: £46,308).

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was 2.7 (2014: 2.1)

£12,608 of salaries and fixed contract staff costs were expended in preparation for the World Plenary.

FRIENDS WORLD COMMITTEE FOR CONSULTATION

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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<b>7. INVESTMENTS</b>	2015	2014
	£	£
Listed and Unlisted Investments:		
Market value at 1 January 2015	335,794	323,480
Additions	<u>18,054</u>	<u>14,650</u>
	353,848	338,130
Less: Disposal at opening market value	<u>(68,593)</u>	<u>(20,314)</u>
	285,255	317,816
Add: Unrealised gain on revaluation at 31 December 2015	6,023	12,576
Add: Foreign exchange gain on revaluation at 31 December 2015	<u>4,019</u>	<u>5,402</u>
Market value at 31 December 2015	<u>£295,297</u>	<u>£335,794</u>
Historical Cost at 31 December 2015	<u>£197,499</u>	<u>£234,461</u>
<b>8. DEBTORS</b>	2015	2014
	£	£
<u>Amounts falling due within one year:</u>		
Section accounts	63,087	11,770
Other debtors	<u>178,921</u>	<u>10,556</u>
	242,008	22,326
<u>Amounts falling due after more than one year:</u>		
Section of the Americas	<u>43,862</u>	<u>48,052</u>
	<u>£285,870</u>	<u>£70,378</u>
<b>9. CREDITORS</b>	2015	2014
	£	£
<u>Amounts falling due within one year:</u>		
Taxation and social security	7,714	14,633
Other creditors and accruals	<u>23,807</u>	<u>12,974</u>
	<u>£31,521</u>	<u>£27,607</u>
<u>Amounts falling due after more than one year:</u>		
Pension liability	<u>£95,911</u>	<u>£83,627</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**  
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**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Investments	168,970	-	126,327	295,297
Net current assets	165,942	221,417	53,374	440,733
Non-current liabilities	<u>(95,911)</u>	-	-	<u>(95,911)</u>
Net assets at 31 December 2015	<u>£239,001</u>	<u>£221,417</u>	<u>£179,701</u>	<u>£640,119</u>

**11. STATEMENT OF FUNDS**

	At 1.1.15 £	Incoming Resources (inc. gains) £	Outgoing Resources (inc. losses) £	Transfers £	At 31.12.15 £
<b>Unrestricted Funds</b>					
General Funds	83,574	153,476	211,057	25,393	51,386
<b>Designated Funds (unrestricted)</b>					
International Representatives Meeting Fund	24,000	-	-	8,000	32,000
International Membership Ministry Fund	1,096	-	-	-	1,096
UN Conferences Attendance Fund	5,446	500	1,464	-	4,482
Moir Legacy	-	83,139	-	(8,000)	75,139
Conference and Travel Fund	39,122	-	-	(5,000)	34,122
Young Adult Friends Fund	-	30,000	-	6,933	36,933
IT and Office Refurbishment Fund	3,000	1,042	3,199	1,000	1,843
Senior Staff Leave and Replacement Fund	<u>4,000</u>	-	<u>6,245</u>	<u>4,245</u>	<u>2,000</u>
<b>Total Designated Funds</b>	<u>76,664</u>	<u>114,681</u>	<u>10,908</u>	<u>7,178</u>	<u>187,615</u>
<b>Restricted Funds</b>					
Quaker United Nations Work-Geneva International Rep Meetings Travel & Accommodation Fund	4,632	-	330	-	4,302
World Plenary - Peru	10,000	-	-	-	10,000
Relief and Peace Making Fund	-	206,960	6,990	-	199,970
Future WGYF Fund	21,081	191	19,315	-	1,957
Young Adults Friends Fund	6,190	-	-	(1,190)	5,000
Work with WCC	9,344	-	-	(9,344)	-
	<u>188</u>	-	-	-	<u>188</u>
<b>Total Restricted Funds</b>	<u>51,435</u>	<u>207,151</u>	<u>26,635</u>	<u>(10,534)</u>	<u>221,417</u>
<b>Endowment Funds</b>					
Expendable Endowments:					
C.B. Taylor Travel Bursary	96,146	4,151	-	(2,037)	98,260
Committee Travel	<u>97,244</u>	<u>4,197</u>	-	<u>(20,000)</u>	<u>81,441</u>
<b>Total Endowment Funds</b>	<u>193,390</u>	<u>8,348</u>	-	<u>(22,037)</u>	<u>179,701</u>
<b>Total Funds</b>	<u>£405,063</u>	<u>£483,656</u>	<u>£248,600</u>	<u>£Nil</u>	<u>£640,119</u>

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**12. PURPOSES OF FUNDS (MAJOR FUNDS ONLY)**

**Designated Funds**

International Representatives Meeting Fund

These meetings for representatives from Friends around the World occur normally at three to five yearly intervals and this fund is to even out the financial impact of organising the same. This fund contains any surplus (or deficit) from International Representatives Meetings. It is used to meet expenses for the following International Representatives Meeting (previously known as Triennials).

UN Conferences Attendance Fund

This is to fund Quaker representatives to selected United Nations conferences.

IT and Office Refurbishment Fund

This fund is used to meet the costs of renewing information technology and the costs of major office refurbishment as agreed by the Treasurer and/or Central Executive Committee (Trustees).

Senior Staff Leave and Replacement Fund

This fund is used to meet the search and appointment costs for staff, and periodic home leave for senior staff as agreed by the Treasurer and/or Central Executive Committee (Trustees).

Young Adult Friends Fund

This fund is made of funds from the dissolution of the World Gathering of Young Friends charity, plus authorisation from their governing body to release restricted funds FWCC was holding on their behalf. This fund is used as directed by the Central Executive Committee (Trustees), with preference for activities with and for Young Adult Friends worldwide.

Conference and Travel Fund

This fund is used to assist in the planning of, and travel to, international Conferences of Friends, particularly to assist in the participation of economically deprived Friends. It is also used for travel in the ministry between Sections.

Moir Legacy

This fund is established as of 2015 with funds received from the family of a long-time active participant in and supporter of FWCC. This fund is used to support the work of the World Office looking towards activities to support the long-term development and capacity-building for the organisation as a whole as agreed by the Central Executive Committee (Trustees).

**Restricted Funds**

International Representative Meetings Travel and Accommodation Fund

This is to enable the attendance at International Representative Meetings (Triennials) of appointed representatives from financially poorer Yearly Meetings and groups.

Relief and Peace Making Fund

Money collected by Friends for transmission by FWCC to support Quaker work in areas of conflict or distress.

Future World Gathering of Young Friends Fund

Seed funds to be used to meet the costs of a future World Gathering of Young Friends.

Quaker United Nations Work

Funds received towards the work of the Quaker United Nations office in Geneva.

World Plenary – Peru

Donations and contributions received specifically for the World Plenary Meeting in Peru which took place in January 2016. The vast majority of the associated costs will be recognised in the 2016 accounts. Hotel, travel and equipment hire costs paid in 2015 have been carried forward as prepayments in these accounts.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**12. PURPOSES OF FUNDS (MAJOR FUNDS ONLY)/contd...**

**Endowment Funds**

Expendable Endowments:

C B Taylor Endowment Fund

This provides resources for Friends' travel in the ministry, primarily in economically deprived areas of the world with a focus on Africa and Asia.

Committee Travel Endowment Fund

This fund enables committee members to participate in committee meetings wherever they are located.

**13. TRANSFERS BETWEEN FUNDS**

Transfers out of Endowment Funds

£20,000 from the expendable Committee Travel Fund to General Funds to support the general activities of FWCC.

£2,037 from the C B Taylor Travel Bursary to General Funds, representing the income earned from investments during the year.

Transfers out of Restricted Funds

During the year the World Gathering of Young Friends (WGYF) organisation transferred its remaining funds to FWCC, with an agreement made that £5,000 would be retained as seed funding for a future WGYF. WGYF also agreed to unrestrict existing funds and as a result £1,190 and £9,344 has been transferred out of restricted funds to a new Young Adult Friends designated fund.

Transfers out of Designated Funds

£5,000 from the Conference and Travel Fund to General Funds to support the general activities of FWCC.

£8,000 from the Moir Legacy to General Funds to cover the costs of additional staff time and overheads relating to planning for the World Plenary.

£3,601 from the Young Adult Friends Fund to General Funds to meet the costs of attendance at the Central Executive Committee Meeting.

Transfers out of General Funds

£8,000 to the IRM designated fund towards the cost of the World Plenary.

£4,245 to the Senior Staff Leave and Replacement designated fund to cover the costs incurred during the year and replenish the balance of this fund.

£1,000 to the IT and Office Refurbishment designated fund to increase the amount set aside for such costs.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**14. CONTINGENT LIABILITIES**

**The Pension Trust – The Growth Plan**

The charity participates in the above multi-employer pension scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out at 30 September 2014. This actuarial valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the trustees and the participating employers agreed that additional contributions will be paid to the scheme commencing 1 April 2013.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

The charity's share of the recovery plan contributions amounts to £9,681 per annum, increasing by 3% each year for ten years. The full amount of these contributions totalling £110,983 was recognised in the Statement of Financial Activities in the year ended 31 December 2012.

Following the last actuarial valuation it was determined that the period of contributions under the recovery plan needed to be extended to twelve years. The full amount of the additional two years contributions totalling £22,079 is recognised in the 2015 financial statements.

The estimated debt on withdrawal from the scheme is £113,961 (2014: £128,053) and it is anticipated that this will reduce over time as a result of the recovery plan contributions and investment returns.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**15. OPERATING LEASE COMMITMENTS**

The Charity has annual commitments under operating leases as follows:

	2015		2014	
	Land and Buildings £	Other £	Land and Buildings £	Other £
<u>Expiring within:</u>				
2 - 5 years	-	1,436	-	1,436
More than 5 years	<u>13,628</u>	<u>-</u>	<u>13,628</u>	<u>-</u>
	<u>£13,628</u>	<u>£1,436</u>	<u>£13,628</u>	<u>£1,436</u>

The office premises lease has an annual break clause requiring one year's notice.

**16. RELATED PARTY TRANSACTIONS**

**Gretchen Castle (General Secretary and Trustee)**

	2015 £	2014 £
Advance from charity brought forward	1,500	-
Advance on account of expenses	-	1,500
Expenses incurred	(1,189)	-
Loan to charity	(4,000)	-
Loan to charity repaid	<u>4,000</u>	<u>-</u>
Advance from charity carried forward	<u>£311</u>	<u>£1,500</u>

Travel and accommodation costs amounting to £17,335 (2014: £15,689) were reimbursed to 11 (2014:11) trustees.

**FRIENDS WORLD COMMITTEE FOR CONSULTATION**

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**UNRESTRICTED FUNDS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

	General Funds	Designated Funds	Total Unrestricted Funds
	£	£	2015 £
<b>Income and endowments from:</b>			
Donations and legacies	142,171	114,681	256,852
Investments	3,393	-	3,393
Other – foreign exchange gains	6,212	-	6,212
<b>Total</b>	<u>151,776</u>	<u>114,681</u>	<u>266,457</u>
<b>Expenditure on:</b>			
Raising funds	8,253	-	8,253
Charitable activities	202,804	10,908	213,712
<b>Total</b>	<u>211,057</u>	<u>10,908</u>	<u>221,965</u>
<b>Net income/(expenditure) before transfers</b>	(59,281)	103,773	44,492
Transfers between funds	25,393	7,178	32,571
<b>Net income/(expenditure) after transfers</b>	(33,888)	110,951	77,063
Net gain on investments	1,700	-	1,700
<b>Net movement in funds</b>	(32,188)	110,951	78,763
<b>Total Funds at 1 January 2015</b>	83,574	76,664	160,238
<b>Total Funds at 31 December 2015</b>	<u>£51,386</u>	<u>£187,615</u>	<u>£239,001</u>

This page does not form part of the statutory Financial Statements.