

THE FRIEND PUBLICATIONS LIMITED
(Registered Charity No 211649)
(Company No: 00604838)
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

MYRUS SMITH
Chartered Accountants

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

THE FRIEND PUBLICATIONS LIMITED
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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Council presents its statutory report together with the accounts of The Friend Publications Limited for the year ended 30 June 2023.

Reference and administrative details of the charity, its Council's members and advisers

Council members on 30 June 2023	Janet Barlow (Trustees and Directors) Lis Burch Peter Kennedy Alastair Reid Barbara Windle
Secretary	Janet Barlow
Editor and Chief Executive Officer	Joseph Jones
Registered office	Friends House 173 Euston Road London NW1 2BJ
Website address	www.thefriend.org
Company registration number	604838 (England and Wales)
Charity registration number	211649 (Charity Commission for England & Wales)
Independent Examiners	Myrus Smith Norman House 8 Burnell Rd Sutton SM1 4BW
Bankers	Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Bindmans LLP 236 Gray's Inn Road London WC1X 8HB
Investment Managers	Rathbone Greenbank 10 Queen Square Bristol BS1 4NT

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023 cont

Report of the Council

The Council presents its statutory report together with the accounts of The Friend Publications Limited for the year ended 30 June 2023.

The report, which represents a directors' report for compliance with company legislation, has been prepared in accordance with the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 & 13 of the attached accounts and comply with the memorandum and articles of association of The Friend Publications Limited and applicable laws.

Structure, governance and management

Constitution

The Friend Publications Limited is a registered charity constituted as a company limited by guarantee in accordance with the memorandum and articles of association dated 20 May 1958 and updated on 4 March 2019, 5 March 2020 and 3 February 2023.

The Council

The Council is the meeting of trustees and directors. Members of Council constitute directors of the company for the purposes of the Companies Act 2006 and trustees of the charity for the purposes of charity law. All Council members are appointed for a three-year term of office and the retirement and appointment of members is staggered over three years. New Council members are appointed by the Council on the advice of its Nominations Committee. On appointment new members are provided with induction information consisting of a copy of the governing documents, the minutes of recent Council meetings, information on current Council members and staff, the latest Report and financial statements of the company and publications of the Charity Commission for England and Wales relating to the role and responsibilities of trustees. New members are encouraged to meet staff and familiarise themselves with the work carried out on their behalf.

The following Council members served throughout the year except where otherwise indicated.

Janet Barlow
Lis Burch
Chaundra Couch until 31 December 2022
Peter Kennedy
Colin Marsh until 26 January 2023
Alastair Reid
Barbara Windle

In accordance with the charitable company's Articles of Association, one third of the Council members retire each year by rotation and are eligible for re-election for a further period of up to three years. Barbara Windle was re-elected for one year at the AGM held on 14 April 2023 until the AGM for the year 2022/2023 and released at her request on 7 December 2023.

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The purpose of the charitable company is the production and publishing of independent Quaker publications in formats both printed and virtual for the benefit of the Religious Society of Friends (Quakers) that cover the life, work and witness of Quakers, and to provide accessible and affordable publications and information to the Quaker community including those on low incomes.

The company is independent of the Yearly Meeting of the Religious Society of Friends in Britain.

From time to time the company is in receipt of discretionary grants from the centrally managed funds of Britain Yearly Meeting (BYM) and, when received, these are disclosed in the financial statements. Some members of Council serve both the company and BYM in a personal capacity and not as representatives.

Liability of the Members

The liability of the members is limited by guarantee. In the event of the charitable company being wound up during the period of membership or within the year following, members are required to contribute an amount not exceeding £10.

Organisation

The Council has ultimate responsibility and control of The Friend Publications Limited. Committees and Groups are set up to give guidance to the Council in its policy and general decision making. Day-to-day management is the responsibility of the Editor of The Friend with financial oversight exercised by the Treasurer.

Statement of the responsibility of Council members

The Council members (who are also directors of The Friend Publications Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council members to prepare financial statements for each financial year. Under company law the Council members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Council members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible

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for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council members are responsible for the maintenance and integrity of the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Each Council member confirms that, so far as they are aware, there is no relevant accounting information of which the independent examiners of The Friend Publications Limited are unaware and the Council members have taken all the steps that they ought to have taken as Council members in order to make themselves aware of any relevant accounting information and to establish that the independent examiners of The Friend Publications Limited are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 2006.

Risk management

The Council critically reviews at least annually the major risks to which the charitable company is exposed and continues to develop systems to better mitigate the exposure to these risks. In assessing risks and prioritising mitigation, attention has been paid to the likelihood of occurrence, the potential impact of such an occurrence and the controllability of the risk. The direct impact of the decline in those that identify as Quaker is resulting in a decline in the number of potential core subscribers.

Public Benefit and Objectives

The Friend's charitable purpose, updated in 2022 is

- i) the production and publishing of independent Quaker publications in formats both printed and virtual for the benefit of the Religious Society of Friends (Quakers) that cover the life, work and witness of Quakers, although not official publications of the said Society and
- ii) to provide accessible and affordable publications and information to the Quaker community including those on low incomes

This is understood and put into effect in several ways.

Firstly it seeks to ensure that accurate news and information about Quakerism in Britain today is readily and regularly available to the membership of Quakers in Britain and all those associated with them though not in membership, as well as members of other faith communities in Britain.

Secondly it is an important stimulus to developing Quaker thought on matters of concern to Quakers, through printing articles and letters on topics of current concern or religious controversy; these address current thinking and action on Quaker social testimonies of peace, social justice, and equality in all its forms.

Thirdly the magazine is a significant conduit for information beyond the immediate community of Quakers in Britain. Quakers across Europe are few in number and widely separated geographically. The Friend uses material by and about European Friends and others further afield, helping to integrate the larger and very scattered Quaker community.

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The Friend takes the Charity Commission guidance on public benefit and fee charging into account in all its work. Schemes are in place, and are regularly updated, to make The Friend more widely available via reduced prices for younger Friends and to ensure the provision of free copies in some local meetings. There are also options for access via the web.

Working for The Friend Publications Limited

The company is dependent on all the people who help to ensure that The Friend and The Friends Quarterly maintain their high standard and are published regularly. This is principally the staff employed, or contracted, by the company but also those who give their time voluntarily. Trustees are immensely thankful to staff who have worked in very difficult circumstances this year, mainly working from home, to produce their usual high-quality outputs.

Staff:

CEO & Editor of The Friend	Joseph Jones
Production and Office Manager	Elinor Smallman
Sub-Editor	George Osgerby
Journalist	Rebecca Hardy
Relationships Manager	Sarah Chapman until 30 November 2022 Vitaly Yerenkov & Sarah Chapman until 13 February 2023; Vitaly Yerenkov thereafter
Subscriptions Officer	Imogen Sewell Ridley
Finance Officer	Elaine Bright
Publishing assistant (freelance)	Gabrielle Scott
Friends Quarterly Editors	Gill Sewell, Olivia Sewell Risley

Volunteers:

Arts Correspondent	Rowena Loverance
Environment Correspondent	Laurie Michaelis

Performance and Achievements

Trustees are conscious of the stewardship they exercise for a tradition of independent Quaker Journalism stretching back to 1843 and represented by the Friend and Friends Quarterly. TFPL strives to be accessible to as many Friends and possible to provide content that is relevant, radical and inspirational, building an active sense of community to deepen our sense of being a religious group, with articles and reviews of religious weight with the potential to deepen the spirit.

The special edition of the Friend for Quaker week in September provided a tool for local meetings to use in their outreach activities with contributions from Harvey Gillman, Carla Denyer (leader of the Green Party) and Judith Moran of Quaker Social Action offering a letter to the new prime minister.

Friends Quarterly in November, coinciding with COP 27, provided essays and discussion questions to support Friends in their individual witness and collective action on climate justice. The Woodbrooke conversation (freely available on line afterwards) that month provided thought provoking and moving testimonies from Paul Ingram and Paul Hodgkin.

The return of 'Eye' to the Friend in the spring, provided a welcome opportunity for readers to contribute ideas for content and a monthly "On this day" feature.

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A podcast trialled late in 2022 gained around a quarter of its audience from outside the UK. This is a resource intensive undertaking, but it is hoped to make this a regular feature at some point. FQ is hoping that digital editions once the new website is available will increase international subscriptions.

The collaboration between Friends Quarterly and Woodbrooke, the Quaker College, continued to provide through its joint conversation events a source of engagement with readers and potential new readers.

The Friend covered the proceedings of Yearly Meeting in two editions in May. Friends Quarterly made relevant articles from previous editions freely available to support sessions.

Legacies, Grants and Donations

We were grateful to receive grants from the Sir James Reckitt Charity, the George Cadbury Fund, the William A Cadbury Fund Charitable Trust, the CB and HH Taylor Trust, Norfolk and Waveney Area Meeting, totalling £21,550. We acknowledge with thanks the welcome annual grant of £18,000 received from Britain Yearly Meeting (BYM), always a most helpful part of our income. This year we received generous donations of £10,990 from Meetings and interested individuals. We are most grateful for the continued generosity of all our individual and charitable supporters.

Financial Review

The combined income from sales of The Friend and The Friends Quarterly decreased compared to the past financial year. Printed subscriptions, the online Friend and Digital Archive subscriptions were all down, perhaps indicating the changing demographics and requirements of our readership during this period of pressure on cost of living (Note 3). Advertising revenue was slightly down after taking account of discounts. We are hopeful that with more events to advertise as the economy opens up these will increase in the future.

Investment income has increased since last year, from £5,537 in the previous financial year to £8,017 in 2022-23. While the current interest environment is positive, any reduction in our investments may mean that returns from investments are likely to decrease in the future. Management investment fees were £2,590 over the year (Notes 4 & 5). Rathbone Greenbank, our investment managers, follows the policy drawn up by BYM, so that we are confident our investments are managed ethically.

On the expenditure side, staff costs were less than last year due to staff changes. Although there were sickness absences and we incurred additional costs necessary to cover the gaps, changes in staffing arrangements enabled us to maintain a steady expenditure pattern by the year end. Members of staff were awarded a modest increase in salary. (Note 11).

Higher production and editorial costs, particularly for paper and postage, were incurred in order to maintain the regularity of our publications. Advertising and marketing costs were higher reflecting the changes in advertising demand. Subscription and promotion costs were higher due to changes in personnel. Other costs were relatively in line with inflation. (Notes 7 & 8).

Long term sickness absences have again delayed the full implementation of the new subscription system. This work should result in greater efficiency and transparency for staff and subscribers and allow more flexible use of staff resources. Trustees recognise that upgrading of computer and website facilities are going to be a continuing financial requirement if The Friend and Friends Quarterly are to remain 'fit for purpose' from the point of view of keeping abreast with appropriate technology and changing ways of accessing information and articles. The subscription system will also ensure we can

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benefit from a more detailed analysis and targeting of our subscriber base. Our revised website will assist efficiency and increase our subscriber base. These are priorities for The Friend.

Minor trustee expenses were incurred this year again due to our use of electronic rather than face to face meetings (Note 9). Nevertheless budgetary provision will be made in future to cover face to face meetings when they restart in subsequent years. Trustees now come from all three countries (England, Wales and Scotland), and this spread of trusteeship is deemed desirable (Note 11).

The financial results in 2022-23 are disappointing, in that the deficit of £42,699 on a budget of £436,260 indicates that we have work to do to turn our performance around. We had planned for a deficit for £13,760 but this deficit arose from a decline in subscriptions and a sharp increase in paper and postage costs. We congratulate the staff on maintaining the regular production of the magazines despite the intense pressures of the increased costs of living and a long-term sickness absence. Our publications continue to be essential to maintain morale and reduce isolation amongst the Quaker community. The staff are also to be congratulated in trying to keep costs down, whilst producing magazines which continue to generate good sales. Unfortunately, despite the increases in the value of our investments, our net assets have declined by £40,400 this year. Nevertheless thanks go to everyone who has contributed to maintaining the steadiness of our core business.

Reserves Policy

The Council has adopted the policy of ensuring that there are sufficient reserves in the event of the company ceasing to trade. The charitable company does not have a share capital and general reserves are required to provide working capital, financial development, capital expenditure and income to meet production costs as well as to provide a contingency fund for unforeseen events.

It is necessary to have sufficient reserves to safeguard deferred income (prepaid subscriptions), pension, tax and social security costs and potential redundancy costs in case of cessation (up to 6 months staff costs); these are estimated to total £180,000. As the accounts indicate, unrestricted reserves at 30 June 2023 stand at £299,255. The Trustees assess that the charity's assets would cover its liabilities in the event of a winding up and are aware of their continuing responsibility to keep the reserves under review.

Investments Policy

The Council's investment policy has the primary object of achieving sufficient capital growth to ensure that reserves can be maintained at the required level. Where possible, investments are also used to generate income to supplement that from trading sources. Rathbone Greenbank has been appointed to manage our investments with the overall investment policy being to follow the ethical guidelines issued by the Religious Society of Friends. Oversight and review of our investments and investment policy is delegated to the Finance Committee which reports to the Council regularly. Rathbone Greenbank provides quarterly returns of their performance. Our investment policy is reviewed annually.

Assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

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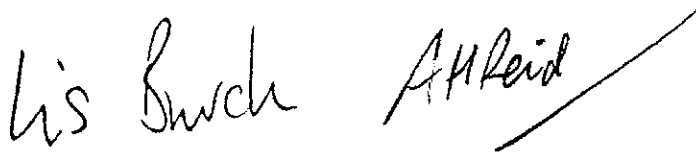
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Independent Examiners

The Council has taken advantage of the provision in the 2006 Companies Act that accounts with a turnover of less than £1,000,000 do not need to be subjected to a full audit. Myrus Smith were appointed independent examiners for the year ended 30 June 2022 and reappointed for the current year.

Signed on behalf of the Council:

Handwritten signatures of Lis Burch and Alastair Reid. Lis Burch's signature is on the left, and Alastair Reid's signature is on the right, with a diagonal line extending from the end of his signature.

Lis Burch (Clerk)

Alastair Reid (Treasurer)

Approved by the Council on 20 March 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FRIEND PUBLICATIONS LIMITED
(A company limited by guarantee)

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 June 2023 which are set out on pages 10 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



K.C. Fisher FCA
C/o Myrus Smith
Chartered Accountants

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

21st March 2024

THE FRIEND PUBLICATIONS LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	2	50,540	-	50,540	60,929
Charitable activities	3	339,223	-	339,223	346,419
Investments	4	8,017	-	8,017	5,537
Total		<u>397,780</u>	<u>-</u>	<u>397,780</u>	<u>412,885</u>
Expenditure on:					
Raising funds	5	2,590	-	2,590	3,108
Charitable activities	6	435,377	2,512	437,889	388,400
Total		<u>437,967</u>	<u>2,512</u>	<u>440,479</u>	<u>391,508</u>
Net income/(expenditure) before investment gains					
		(40,187)	(2,512)	(42,699)	21,377
(Loss)/gains on investments	14	2,299	-	2,299	(47,203)
Net income/(expenditure)	10	<u>(37,888)</u>	<u>(2,512)</u>	<u>(40,400)</u>	<u>(25,826)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>(37,888)</u>	<u>(2,512)</u>	<u>(40,400)</u>	<u>(25,826)</u>
Reconciliation of funds:					
Total funds brought forward		337,143	4,819	341,962	367,788
Total funds carried forward		<u>£299,255</u>	<u>£2,307</u>	<u>£301,562</u>	<u>£341,962</u>

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all recognised gains and losses

The notes form part of the financial statements.

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BALANCE SHEET

AS AT 30 JUNE 2023

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	13		-		-
Investments	14		310,501		302,299
			310,501		302,299
CURRENT ASSETS					
Debtors	15	45,624		44,773	
Cash at bank and in hand	16	104,373		158,403	
			149,997		203,176
CREDITORS: Amounts falling due within one year	17	146,904		145,747	
NET CURRENT ASSETS			3,093		57,429
TOTAL ASSETS LESS CURRENT LIABILITIES			313,594		359,728
CREDITORS: Amounts falling due after more than one year	18		12,032		17,766
NET ASSETS	20		£301,562		£341,962
REPRESENTED BY:					
Unrestricted funds	19		299,255		337,143
Restricted funds	19		2,307		4,819
			£301,562		£341,962

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2023.

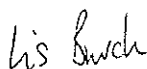
The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

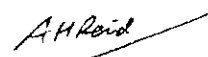
- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit for loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act.

The financial statements were approved and authorised for issue by the Council on 20th March 2024 and signed on its behalf by:



Lis Burch (Clerk)



Alistair Reid (Treasurer)

The notes form part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1. ACCOUNTING POLICIES

1.1 General information and basis of accounting

The Friend Publications Limited is registered charity (no. 211649) and a private company (no. 00604838) limited by guarantee, registered in England and Wales. Each member is liable to contribute an amount not exceeding £10 in the event of the charitable company being wound up. The registered office is given in the reference and administrative details on page 1.

The charity constitutes a public benefit entity as defined by FRS 102. 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 applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis and under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Legacies are included in the Statement of Financial Activities when the charity is advised by the personal representative of the estate that payment will be made or property transferred and the amount involved can be quantified with reasonable accuracy.

The company received government support through the Coronavirus Job Retention Scheme which is accounted for on the accruals basis.

1.3 Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support those activities. Support costs are apportioned to each activity on the basis of staff time.

1.4 Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Depreciation is charged at 33.3% on a straight line basis on the value of the furniture and office equipment in order to write the assets off over their useful economic lives.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023 contd

1. ACCOUNTING POLICIES/contd...

1.5 Investments

Listed investments in are initially recognised at transaction price and subsequent measured at fair value at the end of each financial reporting period. Fair value is based on the quoted market value on a recognised stock exchange. Gains and losses on revaluation and / or disposal of listed investments are recognised in the Statement of Financial Activities in the year in which they arise.

1.6 Fund accounting

Unrestricted general funds are freely available for use in furtherance of the objects of the charity and which have not been designated for particular purposes.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.

Restricted funds are those funds which can only be used in accordance with the wishes of the donor or which have been raised for a specific purpose.

1.7 Pensions

The charity operates a defined contribution pension scheme. Contributions payable under the scheme are charged to the Statement of Financial Activities in the year to which they relate.

1.8 Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2023	Total 2022 £
Donations	10,990	-	10,990	11,534
Legacies	-	-	-	9,802
Grant from Religious Society of Friends, Britain Yearly Meeting	18,000	-	18,000	17,493
Grants from trusts	21,550	-	21,550	22,100
	<u>£50,540</u>	<u>-</u>	<u>£50,540</u>	<u>£60,929</u>

Of the £60,929 recognised in 2022, £60,929 related to unrestricted funds and £Nil related to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023 contd

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Publishing – The Friend and Friends Quarterly	191,371	-	191,371	220,086
Advertising and book sales	134,988	-	134,988	110,517
Online Friend and Digital Archive	12,864	-	12,864	15,816
	<u>£339,223</u>	<u>-</u>	<u>£339,223</u>	<u>£346,419</u>

All of the £346,419 recognised in 2022 related to unrestricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Dividends and interest from listed investments	<u>£8,017</u>	<u>-</u>	<u>£8,017</u>	<u>£5,537</u>

All of the £5,537 recognised in 2022 related to unrestricted funds.

5. COST OF RAISING FUNDS

	Direct costs	Support costs	Total 2023	Total 2022
Investment management fees	<u>£2,590</u>	<u>-</u>	<u>£2,590</u>	<u>£3,108</u>

6. COST OF CHARITABLE ACTIVITIES

	Direct costs (note 7)	Support costs (note 8)	Total 2023	Total 2022
Production of printed and online educational publications	<u>£366,936</u>	<u>£70,953</u>	<u>£437,889</u>	<u>£388,400</u>

Of the £388,400 expenditure recognised in 2022, £387,451 was charged to unrestricted funds and £949 was charged to restricted funds.

7. ANALYSIS OF DIRECT COSTS

	Total 2023 £	Total 2022 £
Publication costs	154,037	117,357
Editorial costs	151,270	145,923
Printing and advertising costs	32,617	59,572
Discounts	29,012	-
	<u>£366,936</u>	<u>£322,852</u>

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FOR THE YEAR ENDED 30 JUNE 2023 contd

8. ANALYSIS OF SUPPORT COSTS

	Total 2023 £	Total 2022 £
Website maintenance	4,385	4,077
Office costs	15,609	13,847
Premises costs	15,000	15,000
Marketing	4,387	6,349
Subscription and promotion costs	29,162	24,229
Finance cost	655	546
Governance costs (note 9)	1,755	1,500
	<u>£70,953</u>	<u>£65,548</u>

9. GOVERNANCE COSTS

	Total 2023 £	Total 2022 £
Examination fees	1,660	1,500
Council and trustee meetings	95	-
	<u>£1,755</u>	<u>£1,500</u>

10. NET INCOME / (EXPENDITURE)

	2023 £	2022 £
This is stated after charging:		
Depreciation	-	-
Independent examiners' remuneration	£1,660	£1,500
Operating lease rentals	£14,000	£15,000
Pension costs (defined contribution scheme)	<u>£11,867</u>	<u>£13,383</u>

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FOR THE YEAR ENDED 30 JUNE 2023 contd

11. STAFF COSTS	2023	2022
	£	£
Wages and salaries	156,953	172,258
Social security costs	10,454	12,078
Employer pension costs	11,867	13,383
Other related employment costs	1,413	1,529
Freelance fees	11,419	9,115
	<u>192,106</u>	<u>208,363</u>
Pension deficit contributions	-	-
	<u>£192,106</u>	<u>£208,363</u>
Staff costs analysed by function:		
Production and editorial	138,216	133,504
Advertising	27,883	54,203
Subscriptions	25,533	20,029
Friends Quarterly	474	627
	<u>£192,106</u>	<u>£208,363</u>

No employee received total employee benefits (excluding employer pension costs) of more than £60,000 per annum during the year (2022 – none).

The average number of full and part-time staff, analysed by function was:	2023	2022
	No.	No.
Production and editorial	3.8	3.8
Advertising	1.0	1.0
Subscriptions	1.0	1.0
Management and administration	0.2	0.2
	<u>6.0</u>	<u>6.0</u>

The average number of full-time equivalent staff, analysed by function was:

Production and editorial	3.0	3.0
Advertising	1.0	1.0
Subscriptions	1.0	1.0
Management and administration	0.2	0.2
	<u>5.2</u>	<u>5.2</u>

No member of the Council received any remuneration in respect of their services as a member of the Council during the year.

Travel and subsistence expenses were reimbursed to, or paid directly on behalf of 1 (2022 : Nil) members of the Council amounting to £95 (2022 : £Nil).

Total employee benefits received by key management amounted to £64,165 (2022 : £60,952). Under FRS 102, employee benefits include gross salary, employer's national insurance and employer's pension contribution.

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FOR THE YEAR ENDED 30 JUNE 2023 contd

12. TAXATION

The Friend Publications Limited is a registered charity and therefore is not liable to Income Tax or Corporation Tax on income or gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

13. TANGIBLE FIXED ASSETS	2023	2022
Furniture and office equipment	£	£
Cost		
At 1 July	27,682	27,682
Additions	-	-
	<u>27,682</u>	<u>27,682</u>
At 30 June	27,682	27,682
Depreciation		
At 1 July	27,682	27,682
Charge for the year	-	-
	<u>27,682</u>	<u>27,682</u>
At 30 June	27,682	27,682
Net Book Value		
30 June	<u>£Nil</u>	<u>£Nil</u>

All tangible fixed assets are held by the charity for use in meeting its charitable objects.

14. INVESTMENTS	2023	2022
	£	£
<u>Listed investments:</u>		
Fair value at 1 July	302,299	353,387
Acquisitions at cost	59,032	40,178
Disposals at opening market value	(50,945)	(42,618)
Unrealised (losses) / gains on revaluation	115	(48,648)
	<u>£310,501</u>	<u>£302,299</u>
Fair value at 30 June	£310,501	£302,299
	<u>£284,266</u>	<u>£257,381</u>
Historic cost at 30 June	£284,266	£257,381
	2023	2022
	£	£
Analysis of investment gains:		
Unrealised gains / (losses) on revaluation	115	(48,648)
Realised gains on disposal	2,184	1,445
	<u>£2,299</u>	<u>£(47,203)</u>

All of the £47,203 losses recognised in 2022 related to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023 contd

14. INVESTMENTS/contd

	£	% of portfolio market value
At 30 June 2023 the portfolio comprised the following investments:		
Ishares II Plc UK Gilts UCITS ETF	2,701	0.9%
Treasury 7/8% Green Gilt 31/07/2033	8,644	2.8%
Treasury 1/8% I/L Stock 22/03/2024	12,367	4.0%
Aberdeen Standard Fund Managers Gbl Index Lkd Bond S Instl Inc	5,562	1.8%
Kreditanst Fur Wie 0.875% Gtd Snr 15/09/2026	7,859	2.5%
Places for People 4.25% Bonds 15/12/2023	1,976	0.6%
Liontrust Investments LTD - Corporate Bond 2	7,429	2.4%
Rathbone Unit Trust Mgmt Ethical Bond S Inc (GBP)	7,478	2.4%
Royal London Unit Trust MGRS Ethical Bond Z Inc	7,759	2.5%
Lombard Odier Funds	6,248	2.0%
Keller Group PLC	1,750	0.6%
Marshalls Group PLC	1,877	0.6%
Coats Group PLC 5p Ordinary	3,132	1.0%
Genuit Group PLC/(previous name Polypipe Group) PLC 0.1p Ordinary	2,348	0.8%
Smith (DS) PLC	4,868	1.6%
Halma PLC	6,376	2.1%
Spirax-Sarco Engineering	7,981	2.6%
Experian PLC USD 0.10 Ordinary	3,622	1.2%
Intertek Group PLC 1p Ordinary	4,094	1.3%
Bellway PLC	2,386	0.8%
Smith & Nephew PLC	5,452	1.8%
Dechra Pharmaceuticals PLC	7,741	2.5%
Hikma Pharmaceuticals PLC	2,269	0.7%
Relx PLC	4,980	1.6%
Vodafone Group PLC	1,036	0.3%
SSE PLC 50p Ordinary	5,523	1.8%
National Grid PLC	3,642	1.2%
Legal & General Group PLC	2,159	0.7%
Prudential PLC	3,713	1.2%
Home REIT PLC	1,838	0.6%
LondonMetric Property Ltd	2,481	0.8%
Impax Asset MGMT Group 1p Ordinary	2,390	0.8%
FDM Group Holdings PLC 1p Ordinary	2,244	0.7%
Kainos Group Ltd	1,971	0.6%
Brown Advisory Funds US Sustainable Growth C Inc	24,887	8.0%
LEGG MASON GLOBAL FUNDS	13,648	4.4%
ASML Holdings NV	3,983	1.3%
ASSA ABLOY	3,772	1.2%
Liontrust Investments LTD SF European Growth 2	6,559	2.1%
Stewart Investors Asia Sustainability B Acc	1,540	0.5%

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FOR THE YEAR ENDED 30 JUNE 2023 contd

14. INVESTMENTS/contd	£	% of portfolio market value
Baillie Gifford & Co	6,314	2.0%
BMO INV Funds (LUX) Responsible Gbl EM R Acc	5,360	1.7%
Fund Partners LTD IM WHEB Sustainability B Acc	7,520	2.4%
Impax Environmental Markets PLC	6,150	2.0%
Janus Henderson Investments Gbl Sustainable Equity I Inc	9,180	3.0%
Schroder investmnet MGMT Global energy	4,776	1.5%
Digital 9 Infrastructure PLC	2,020	0.7%
Foresight Sustainable Forestry	1,400	0.5%
Greencoat UK Wind PLC	2,944	0.9%
Harmony Energy Income TST PLC	2,940	0.9%
Octopus Renewables Infrastructure Trust PLC	1,943	0.6%
Renewables Infrastructure	3,265	1.1%
Mayfair Capital Invest Mgmt Property Inc Trust for Charity	3,163	1.0%
Mirova Global Green Bond	6,133	2.0%
Brown Advisory US Sustainable	15,194	4.9%
Ishares USD TIPS 0.5	4,421	1.4%
European Investment Bank	5,485	1.8%
Jo Hambro Regional Gbl Eqty	5,330	1.7%
Treasury ¼ Gilt 2031	8,678	2.8%
	<u>£310,501</u>	<u>£100.0%</u>

15. DEBTORS	2023 £	2022 £
Publications debtors	37,986	28,178
Prepayments	969	2,347
VAT recoverable	(367)	3,046
Cash held by investment manager	2,896	11,202
	<u>£41,484</u>	<u>£44,773</u>

16. CASH AT BANK AND IN HAND	2023 £	2022 £
Current accounts	61,338	87,923
Deposit accounts	38,008	66,299
Cash	749	749
Paypal/Stripe	4,278	3,432
	<u>£104,373</u>	<u>£158,403</u>

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FOR THE YEAR ENDED 30 JUNE 2023 contd

17. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
	£	£
Trade creditors	20,504	17,930
Social security costs and taxation	3,153	2,817
Deferred income - Subscriptions	94,626	99,374
- BYM Grant	10,000	8,000
Accruals	12,160	10,500
Credit card	71	736
Bounce back loan	6,390	6,390
	<u>£146,904</u>	<u>£145,747</u>
18. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2023	2022
	£	£
Bounce back loan	12,032	17,766
	<u>£12,032</u>	<u>£17,766</u>
	2023	2022
	£	£
Amounts falling due within:		
1 – 2 years	6,390	6,390
2 – 5 years	5,642	11,376
More than 5 years	-	-
	<u>£12,032</u>	<u>£17,766</u>

We took advantage of the Government Bounce Back Loan facility to borrow £30,000 which is payable over 5 years or earlier at 2% per annum.

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FOR THE YEAR ENDED 30 JUNE 2023 contd

19. MOVEMENT IN FUNDS	Balance Brought forward £	Income (inc gains) £	Expenditure £	Transfers £	Balance Carried forward £
2023					
Unrestricted Funds					
General funds	337,143	400,079	437,967	-	299,255
Restricted Funds					
Website development	2,150	-	2,150	-	-
Subscription system	1,000	-	-	-	1,000
Yearly Meeting					
- Warwick University	1,307	-	-	-	1,307
Office equipment	362	-	362	-	-
	<u>4,819</u>	<u>-</u>	<u>2,512</u>	<u>-</u>	<u>2,307</u>
Total Funds	<u>£341,962</u>	<u>£400,079</u>	<u>£440,479</u>	<u>£Nil</u>	<u>£301,562</u>

Comparative information for the net movement in funds in the previous year is as follows:

2022	Balance Brought forward £	Income (inc losses) £	Expenditure £	Transfers £	Balance Carried forward £
Unrestricted Funds					
General funds	362,020	365,682	390,559	-	337,143
Restricted Funds					
Website development	2,150	-	-	-	2,150
Subscription system	1,000	-	-	-	1,000
Yearly Meeting					
- Warwick University	1,307	-	-	-	1,307
Office equipment	1,311	-	949	-	362
	<u>5,768</u>	<u>-</u>	<u>949</u>	<u>-</u>	<u>4,819</u>
Total Funds	<u>£367,788</u>	<u>£365,682</u>	<u>£391,508</u>	<u>£Nil</u>	<u>£341,962</u>

Purposes of Funds -Restricted Funds

Website Development

This to enable the improvement of The Friend's website and associated systems.

Subscription system

This to enable the planning, introduction and maintenance of a new subscription system for The Friend and the Friends Quarterly

Yearly Meeting – Warwick University

This to enable the promotion of The Friend and the Friends Quarterly at the Yearly Meeting in Warwick.

Office Equipment

This to enable the upgrading of IT and computer equipment.

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FOR THE YEAR ENDED 30 JUNE 2023 contd

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	310,501	-	310,501
Current assets	147,690	2,307	149,997
Current liabilities	(146,904)	-	(146,904)
Long term liabilities	(12,032)	-	(12,032)
As at 30 June 2023	<u>£299,255</u>	<u>£2,307</u>	<u>£301,562</u>

Comparative information for the analysis of net assets between funds in the previous year is as follows:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	302,299	-	302,299
Current assets	198,357	4,819	203,176
Current liabilities	(145,747)	-	(145,747)
Long term liabilities	(17,766)	-	(17,766)
As at 30 June 2022	<u>£337,143</u>	<u>£4,819</u>	<u>£341,962</u>

21. OPERATING LEASE COMMITMENTS

At 30 June 2023 the total minimum payments due under non-cancellable operating leases were as follows:

	2023	2022
Within one year	<u>£15,000</u>	<u>£15,000</u>