

THE MORAVIAN UNION (INCORPORATED)
(A company limited by guarantee)

Company Number: 133708
Charity Number: 251211

**REPORT OF THE
COMMITTEE OF MANAGEMENT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2002**



The Moravian Union (Incorporated)

Report of the Trustees

For the year ended 31st December 2002

Legal and administrative details: The British Province of the Moravian Church is a registered charity, no.: 251211, governed by a Provincial Synod. The Moravian Union was incorporated on 2 February 1914 as the holding body of church property, following the resolution of Synod 1913 (*Book of Order Section 33*). The Union is governed by its Memorandum and Articles of Association and is a company limited by guarantee, no.: 133708.

The Committee of Management for the year 2002 and subsequently comprised:

Mr. T.R. Cross (appointed 1st September 2002)
Rev. R.J. Hopcroft
Mrs. J.K. Morten
Rev. D.J. Newman
Mr. D. Woods (retired 1st September 2002)

The Committee of Management, who are the directors in company law and trustees of the company's charitable activities, are elected by Synod. The Articles of Association require the Committee to act in accordance with resolutions of Synod.

The Registered Office is:

Moravian Church House
5-7 Muswell Hill
London N10 3TJ

Moravian Union's Investment Advisors are:

Laing & Cruickshank
Investment Management Limited
Broadwalk House
5 Appold Street
London EC2A 2DA

Moravian Union's Bankers are:

Barclays Bank plc
Muswell Hill
223 Muswell Hill Broadway
London N10 1DD

Moravian Union's Solicitors are:

Gregory, Rowcliffe & Milners
1 Bedford Row
London WC1R 4BZ

Moravian Union's Auditors are:

Kingston Smith
Devonshire House
60 Goswell Road
London EC1M 7AD

Objectives: The Moravian Union's general object is to administer the affairs of the Moravian Church, or Unitas Fratrum, in its work for the Kingdom of God, in accordance with the will of Synod.

Organisational Structure: The members of the Moravian Union are: the members for the time being of the Board of Management and other persons, not fewer than twelve in number, elected by the Provincial Synod (*Book of Order Section 9.1.a*). By Resolution 20 of the Synod 1929, it was made part of the standing order of Synod that persons from time to time appointed by it to be Investment Trustees are to be held to be thereby appointed by the Synod to be members of the Moravian Union.

The British Province of the Moravian Church is the registered charity for the activities of the Moravian Church operated by the British Province in the UK and beyond. The Moravian Union is the asset-holding body of the Church and the Trust Society for the Furtherance of the Gospel holds the operating funds for the British Mission Board.

The Provincial Synod is the ultimate decision-making body. Synod normally meets once every two years and its elected representatives, the Provincial Elders' Conference, act on behalf of Synod in the inter-synodal period.

Related parties and partner organisations: As explained above, the Provincial Board is elected by Synod and, as part of its brief, acts as the Committee of Management of the Moravian Union. Synod is the body with the power to appoint and remove members of the Committee of Management.

The Moravian Union (Incorporated)

Report of the Trustees

For the year ended 31st December 2002

Review of activities: The Provincial Elders' Conference has applied the funds of the Moravian Union in the following ways:

- for the payment of stipends of ministers and salaries of staff;
- for the payment and/or reimbursement of official travel costs and the provision of car loans;
- for grants and/or loans to congregations for property maintenance and upgrading;
- for subscriptions to ecumenical and Moravian bodies;
- for training ministers;
- for the payment of pensions.

Policies: As the purpose of The Moravian Union is to hold and disburse funds for the proper functioning of the British Province of the Moravian Church, the main need is to ensure that sufficient funds are held in reserve to fulfil ongoing commitments such as salaries and pensions.

Loans to congregations and other institutions that have been instituted in recent years are always for a fixed period after which the element of interest charged is reviewed. The members of the Moravian Church are assessed on a per capita basis to raise the money needed for the payment of ministers' stipends.

The major source of income is that received from the Bates Trust and this income is applied to ensure all necessary expenditure is met.

The investment policy is determined in consultation with the Finance Committee, which makes its recommendations to the Provincial Board/Board of Management. The present investment objective is to achieve a balanced return in the wider range and income in the narrower range of the investment portfolio.

During the year, whilst income was maintained, stock exchanges around the world fell sharply and the value of the Moravian Union's managed investment pool effectively fell by 12%. Although this has no immediate effect on the day to day finances, because the present policy is to reinvest sale proceeds, there could well be a long term effect on income levels. Equity markets have shown some measure of recovery since the year end.

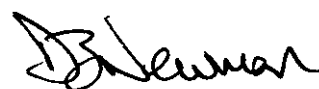
Risk: The Trustees are continuing to refine their risk assessment and management procedures. Consideration has been given to the major risks attached to the operation of Moravian Union and these are kept under periodic review. Those areas of risk over which we have any degree of control are monitored and for those beyond our control, we can endeavour to circumvent any likely problems.

Assets held as custodian: Moravian Union receives the Unity assessments payable from each Province for the funding of the Unity Synod and the expenses of the Unity Chairman and Unity Board. These funds are clearly identifiable within the accounts and are reported to the Unity Synod together with any arrears and, in the inter-synodal period, annually to the Unity Board.

Additionally, certain restricted funds are held specifically for the benefit of specific congregations and schools. The income of those funds is paid over directly to the beneficiary organisation.

Accounts: the accounts accompanying this report have been prepared in compliance with the requirements of the Companies Act 1985, the company's Articles of Association and the Statement of Recommended Practice: Accounting and Reporting by Charities. In the opinion of the Trustees, the freehold property has a market value considerably in excess of the depreciated historical cost at which it is included in the Balance Sheet.

Approved by the Committee of Management
on 23rd September 2003
and signed on its behalf.



D. J. Newman
Trustee and Company Secretary

The Moravian Union (Incorporated)

Report of the Trustees

For the year ended 31st December 2002

The Committee of Management are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the net income and expenditure of the company for that year.

In preparing those financial statements, the Committee of Management are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The Committee of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of The Moravian Union (Incorporated)

We have audited the financial statements of The Moravian Union (Incorporated) for the year ended 31st December 2002 which comprise the Statement of Financial Activities, (including the Income and Expenditure Account), the note of Historical Cost Profits and Losses, the Balance Sheet and the related notes.

These financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The responsibilities of the Committee of Management (who are also the directors of the Moravian Union (Incorporated) for the purposes of company law) for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Responsibilities of the Committee of Management.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Committee of Management's Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Report of the Trustees and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st December 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 23rd September, 2003

Kingston Smith
Kingston Smith
Chartered Accountants
and Registered Auditors

The Moravian Union (Incorporated)

Statement of Financial Activities

(Including Income & Expenditure Account)

For the year ended 31st December 2002

	Note	Unrestricted Funds General £	Designated £	Restricted Funds £	Endowment Funds £	Total 2002 £	Total 2001 £ (As Restated)
Incoming Resources							
Donations and grants							
Bates Trust	3	398,435	239,052	21,760	-	659,247	466,206
Legacies		-	-	-	-	-	11,000
Unitas		120,000	-	-	-	120,000	-
Income from charitable activities:							
Congregation assessments		24,502	302,014	-	-	326,516	305,089
Unity income		-	-	25,155	-	25,155	18,983
Investment income	4	48,046	97,693	5,303	-	151,042	184,003
TSFG (inc) - share of expenses		18,192	380	-	-	18,572	25,645
Sundry		2,512	3,726	11,493	-	17,731	10,957
		<u>611,687</u>	<u>642,865</u>	<u>63,711</u>	<u>-</u>	<u>1,318,263</u>	<u>1,021,883</u>
Less: Investment income due to congregations and schools		-	-	-	-	-	(29,629)
Total Incoming Resources		<u>611,687</u>	<u>642,865</u>	<u>63,711</u>	<u>-</u>	<u>1,318,263</u>	<u>992,254</u>
Resources Expended							
Cost of generating funds							
Investment management		255	-	1,429	3,744	5,428	9,576
Charitable expenditure:							
Activities in furtherance of charitable objects	5	107,860	648,085	34,055	-	790,000	666,907
Grants to congregations and projects		38,595	-	-	-	38,595	22,794
Unity expenses		-	-	103,511	-	103,511	32,458
Support costs	6	259,593	4,118	363	-	264,074	178,532
Administration of the charity	6	41,241	-	-	-	41,241	9,587
Total charitable expenditure		<u>447,289</u>	<u>652,203</u>	<u>137,929</u>	<u>-</u>	<u>1,237,421</u>	<u>910,278</u>
Total Resources Expended		<u>447,544</u>	<u>652,203</u>	<u>139,358</u>	<u>3,744</u>	<u>1,242,849</u>	<u>919,854</u>
Net Incoming/(Outgoing) Resources Before Transfers		164,143	(9,338)	(75,647)	(3,744)	75,414	72,400
Transfers - reclassification		97	(1)	(15,593)	15,497	-	-
		<u>164,240</u>	<u>(9,339)</u>	<u>(91,240)</u>	<u>11,753</u>	<u>75,414</u>	<u>72,400</u>
Realised Gains/(Losses)							
Realised investment (losses)		(11,934)	-	(66,786)	(174,968)	(253,688)	(222,112)
Realised property gains		95,000	-	-	-	95,000	-
Net income/(expenditure) for the year		247,306	(9,339)	(158,026)	(163,215)	(83,274)	(149,712)
Revaluation Losses							
Unrealised investment losses		(12,587)	-	(70,441)	(184,542)	(267,570)	(204,434)
Net Movements in Funds		234,719	(9,339)	(228,467)	(347,757)	(350,844)	(354,146)
Total Funds brought forward at 1st January 2002 as restated(see page 5)							
		791,590	23,584	1,060,369	2,327,116	4,202,659	4,556,805
		<u>1,026,309</u>	<u>14,245</u>	<u>831,902</u>	<u>1,979,359</u>	<u>3,851,815</u>	<u>4,202,659</u>
Funds designated for property acquisitions							
		(411,764)	411,764	-	-	-	-
Total Funds carried forward at 31st December 2002		<u>614,545</u>	<u>426,009</u>	<u>831,902</u>	<u>1,979,359</u>	<u>3,851,815</u>	<u>4,202,659</u>

All recognised gains and losses in each of the two financial years are included in the above Statement.

The Moravian Union (Incorporated)
Historical Cost Profits and Losses
For the year ended 31st December 2002

	2002 £	2001 £ (As Restated)
Net movements in funds as disclosed in the Statement of Financial Activities	(350,844)	(354,146)
Unrealised loss on revaluation of investments	267,570	204,434
Investment gains recognised in prior periods and realised in the current period	<u>134,654</u>	<u>99,299</u>
(Deficit)/Surplus on the historical cost accounting basis	<u><u>51,380</u></u>	<u><u>(50,413)</u></u>

Change of Accounting Policy

As more fully explained in note 1, the accounting policy for recognising income from the Bates Trust has been amended. The following summary sets out the effects of this change on amounts originally included in the Statement of Financial Activities for the year to 31st December 2001.

	2001 £
Net Movements in funds:	
As previously reported	(32,382)
Adjustment arising from the change in accounting policy	<u>(321,764)</u>
As restated	(354,146)
Total Funds Brought Forward	4,844,187
Adjustment arising from the change in accounting policy	<u>(287,382)</u>
As restated	<u>4,556,805</u>
Total Funds Carried Forward As Restated	<u><u>4,202,659</u></u>

The Moravian Union (Incorporated)
Balance Sheet at 31st December 2002

	Note	2002 £	2002 £	As Restated	
				2001 £	2001 £
Fixed Assets					
Tangible	8		443,113		35,830
Investment in subsidiary	9		14,177		14,177
Other investments	10		<u>2,539,685</u>		<u>3,120,976</u>
			2,996,975		3,170,983
Current Assets					
Debtors	11	649,030		881,835	
Bank deposits		200,160		274,409	
Cash at bank and in hand		<u>163,455</u>		<u>9,786</u>	
		1,012,645		1,166,030	
Creditors: Amounts falling due within one year	12	<u>157,805</u>		<u>134,354</u>	
Net Current Assets			<u>854,840</u>		<u>1,031,676</u>
Total Net Assets			<u><u>3,851,815</u></u>		<u><u>4,202,659</u></u>
Endowment Funds	13		1,979,359		2,327,116
Restricted Funds	13		831,902		1,060,369
Unrestricted Funds:					
Designated Funds	13	426,009		23,584	
General	13	<u>614,545</u>		<u>791,590</u>	
			<u>1,040,554</u>		<u>815,174</u>
Total Funds			<u><u>3,851,815</u></u>		<u><u>4,202,659</u></u>

Approved by the Committee of Management on *23rd September 2003*
and signed on its behalf



T. R. Cross



R. J. Hopcroft

Director and Trustee

The Moravian Union (Incorporated)

Notes to the Financial Statements

For the year ended 31st December 2002

1 Status

The Union was incorporated under the Companies Acts 1908 and 1913 as a company limited by guarantee and not having a share capital. In the event of the Union being wound up, the liability of each member shall not exceed £1.

2 Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention, except investments which are shown at market value as described below, the Companies Act 1985 and in accordance with relevant accounting standards. The following accounting policies, which are unchanged from the previous year except in relation to depreciation of freehold buildings, have been applied in preparing the financial statements.

The British province of the Moravian Church is a registered charity no. 251211, so the financial statements are presented in accordance with the Statement of Recommended Practice (2000): "Accounting and Reporting by Charities". Accordingly, the presentation of income and expenditure in the financial statements has been adapted from that prescribed by the Companies Act 1985 to reflect the special nature of the company's activities.

Income Recognition

Hitherto, income included in the accounts from Bates Trust, whose trust deed requires that the majority of income be paid to the Moravian Union (Incorporated), has anticipated grants receivable after the Balance Sheet date. In the current climate, the Trustees now consider it more appropriate to recognise this income on receipt. Comparative figures have been restated accordingly and a summary of the effect of this change in accounting policy is included on page 5.

Investment income is recognised when received by the investment managers. Otherwise, income is recognised on an accruals basis. Income from congregation assessments is the amount due for the year.

Expenditure

Expenditure is charged on an accruals basis. Liabilities are recognised when a legal or constructive obligation to make a payment arises as a result of a past event. Grants are recognised when approved by the Board and notified to the congregation.

"Activities in furtherance of charitable objects" represents the direct costs of carrying out the charity's aims, whilst "support costs" are the costs of general provincial administration, principally Church House. "Administration" costs are the costs of meeting the charity's regulatory obligations.

Tangible Fixed Assets

The freehold property is shown at cost less depreciation. Office furniture and equipment is capitalised only where material. Properties in use by congregations are not included in the balance sheet, although legal title may be vested in the Union, as the congregations have the beneficial use thereof.

Depreciation is not provided on freehold land. The cost of buildings less their estimated residual value is depreciated at 2% per annum straight line.

Consolidation

The Committee of Management has taken advantage of the provisions of s248 Companies Act 1985 and have not prepared group financial statements. Further, The Committee of Management are of the opinion that the activities and objects of the subsidiary company are so different from those of the charity, that it would be misleading and unhelpful to the reader to present consolidated accounts.

The Moravian Union (Incorporated)
Notes to the Financial Statements (continued)
For the year ended 31st December 2002

2 Accounting Policies (continued)

Congregations

The assets, liabilities and revenue accounts of individual congregations and schools are not incorporated in the financial statements, on the grounds that individual congregations and schools are functionally independent of the Moravian Union (Incorporated).

Investments

Investment in the Subsidiary is shown at market value in 1962 (see note 9). Other investments are included at their market value at the balance sheet date. Gains and losses on disposal are calculated by reference to the market value at the beginning of the year or the cost if acquired later.

Operating Leases

Payments for operating lease rentals are charged to the income and expenditure account over the period of the lease.

Pensions

Provided sufficient funds are available, The Union provides voluntary pensions to ministers under rules established by Synod. The pensions are funded from an Endowment Fund for the purpose. The assets are not held separately from other funds of the Union. No provision is made in these accounts for any liability to pay pensions in future periods.

Funds

The charity's funds are very numerous and many are of some antiquity.

Broadly, endowment funds are those funds originally settled on the company, including subsequent growth, and are expendable; restricted funds are those held subject to donor imposed restrictions on use and generally are held for the benefit of particular congregations or schools, approximately £150,000 is restricted as to capital; designated funds are those set aside for a particular purpose by the Committee of Management. General funds may be spent on any of the charity's objects.

Taxation

As a charity, the company enjoys the exemptions from corporation tax under s.505 Income and Corporation Taxes Act 1988. The company is not registered for Value Added Tax and expenditure includes irrecoverable VAT where incurred.

The Moravian Union (Incorporated)
Notes to the Financial Statements (continued)
For the year ended 31st December 2002

		As Restated			
		2002	2001		
3	Bates Trust				
	Income from the Bates Trust was applied in 2002 as follows:	£	£		
	Gracehill and its dependencies	-	500		
	Provincial administration	216,716	95,215		
	Ministry	83,993	34,701		
	Ministerial training	42,018	42,285		
	Archives	19,551	27,163		
	Pensions	101,837	87,907		
	Ministers' children	16,516	15,771		
	Youth & children's office	33,565	37,246		
	Contingencies account	145,051	125,418		
		<u>659,247</u>	<u>466,206</u>		
4	Investment Income				
		£	£		
	Quoted securities	110,805	140,894		
	Unquoted securities	1,929	1,990		
	Interest receivable	15,720	20,902		
	Rents	22,588	20,217		
		<u>151,042</u>	<u>184,003</u>		
5	Charitable expenditure - Activities in furtherance of charitable objects				
		Unrestricted Funds	Restricted Funds	Total	Total
		General	Designated	2002	2001
		£	£	£	£
	Ministry	19,853	390,318	-	410,171
	Ministerial training	-	43,828	-	43,828
	Pensions	-	170,392	-	170,392
	Education and child allowance	37,156	-	-	37,156
	Resettlement and retirement grants	1,620	-	-	1,620
	Choir houses	-	11,707	-	11,707
	Moravian Messenger	16,907	-	-	16,907
	Archives	-	-	34,055	34,055
	Youth and Children	-	31,840	-	31,840
	Other congregation costs	32,324	-	-	32,324
		<u>107,860</u>	<u>648,085</u>	<u>34,055</u>	<u>790,000</u>
					<u>666,907</u>
6	Support and administration costs			2002	2001
				£	£
	Support costs				
	Church House staff			108,648	91,419
	Premises			30,853	45,952
	Depreciation (£363 Restricted)			4,481	363
	Equipment - operating lease rentals			4,690	5,723
	- other			5,281	8,829
	Communications			10,369	13,343
	Legal fees and commission			32,778	-
	Stationery			8,490	-
	Interest paid			3,917	-
	Computer software			37,233	-
	Other office costs			17,334	12,903
				<u>264,074</u>	<u>178,532</u>
	Administration				
	Synod expenses			15,095	-
	Auditors' remuneration			10,000	9,587
	Other services and additional costs for prior years			16,146	-
				<u>41,241</u>	<u>9,587</u>

The Moravian Union (Incorporated)
Notes to the Financial Statements (continued)
For the year ended 31st December 2002

7 Employee information	2002 £	2002 No.	2001 £	2001 No.
Ministers'	282,027	19	295,200	16
Other	152,556	12	122,113	9
	<u>434,583</u>	<u>31</u>	<u>417,313</u>	<u>25</u>
Salaries	387,720		374,704	
Social security costs	<u>46,863</u>		<u>42,609</u>	
	<u>434,583</u>		<u>417,313</u>	

No employee earned £50,000 or more during the year.

Committee of Management

The Committee of Management are not remunerated for their services as such. However, the regulations and practice of Synod allows serving ministers and Church House staff to be elected to the Provincial Elders' Conference and to continue to receive their stipends/salaries. During the year the following emoluments (including benefits) were paid:

	2002 £	2001 £
Rev. R.J. Hopcroft for ministry	15,600	15,228
Mrs. J.K. Morten for administration	20,340	21,008
Rev. D.J. Newman for ministry	<u>16,640</u>	<u>16,268</u>
	<u>52,580</u>	<u>52,504</u>

In appropriate cases, the company makes car loans to ministers and staff. Amounts outstanding from members of the Committee of Management were as follows:

	At 31st December 2002	At 1st January 2002
Rev. R.J. Hopcroft	2,996	4,663
Mrs. J.K. Morten	3,083	4,083
Rev. D.J. Newman	<u>6,264</u>	<u>2,066</u>
	<u>12,343</u>	<u>10,812</u>

An amount of £13,114 (2001 - £6,877) was reimbursed to five (2001 - three) members of the Committee of Management in respect of travel expenses incurred in the year.

8 Tangible Fixed Assets

	£
Freehold property at cost	
At 1st January 2002	36,193
Additions	<u>411,764</u>
	<u>447,957</u>
Depreciation	
At 1st January 2002	363
Charge for the year	<u>4,481</u>
	<u>4,844</u>
Net book value at 31st December 2002	<u>443,113</u>
Net book value at 1st January 2002	<u>35,830</u>

The freehold property is held for charitable use.

The Union is custodian trustee of other properties occupied by congregations, which are not included in these accounts.

The Moravian Union (Incorporated)
Notes to the Financial Statements (continued)
For the year ended 31st December 2002

9 Investment in Subsidiary	2002	2001
	£	£
Shares in Unitas Estates Co. Ltd. at valuation in 1962	<u>14,177</u>	<u>14,177</u>

The investment is 5,671 shares of £10 each, representing 99% of the issued share capital. The company is incorporated in England for the purpose of Estate Management.

The aggregate capital and reserves of the company at 30th April 2002 was £794,245. The loss for the financial year ended 30th April 2002 was £(29,666). Under the equity method of valuation the investment in the subsidiary would be £786,303.

10 Other Investments

	Market Value					Cost	
	1.1.02	Additions	Disposals	Unrealised (Losses)	31.12.02	31.12.02	31.12.01
	£	£	£	£	£	£	£
Quoted securities	3,065,437	1,070,796	(1,384,518)	(256,198)	2,495,517	2,508,571	2,687,872
Unquoted	<u>55,539</u>	<u>-</u>	<u>-</u>	<u>(11,371)</u>	<u>44,168</u>	<u>7,874</u>	<u>7,640</u>
	<u>3,120,976</u>	<u>1,070,796</u>	<u>(1,384,518)</u>	<u>(267,569)</u>	<u>2,539,685</u>	<u>2,516,445</u>	<u>2,695,512</u>

Quoted securities are listed on a recognised stock exchange in the UK.

	Market Value	
	2002	2001
	£	£
The following holdings each represent more than 5% of the total portfolio:		
8.0% Treasury Stock 2002/2006	-	482,090
7.75% Treasury Stock 2006	224,056	220,936
6.75% Treasury Stock 2004	265,307	264,032
5% Treasury Stock 2012	861,260	243,332
British Petroleum Amoco plc ordinary 25p shares	126,392	158,064

11 Debtors	2002	2001
	£	£
Loans to congregations and schools and car loans	309,598	494,622
Receivable from a related organisation	169,175	49,909
Other debtors	139,262	284,912
Prepayments and accrued income	<u>30,997</u>	<u>52,392</u>
	<u>649,032</u>	<u>881,835</u>

Included above are debtors amounting to £241,447(2001 - £411,928) receivable after more than one year.

12 Creditors: Amounts falling due within one year	2002	2001
	£	£
Congregations, schools and related organisations	42,323	39,327
Social security and other taxes	16,047	12,575
Other creditors	54,062	58,952
Accruals and deferred income	<u>45,373</u>	<u>23,500</u>
	<u>157,805</u>	<u>134,354</u>

The Moravian Union (Incorporated)
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For the year ended 31st December 2002

13 Analysis of Net Assets between the Fund Balances

	Endowment £	Restricted £	Designated £	General £	Total £
Fixed assets	-	35,467	407,646	-	443,113
Subsidiary	14,177	-	-	-	14,177
Investment pool	1,935,900	559,617	-	-	2,495,517
Other investments	-	44,168	-	-	44,168
Bank deposits	29,282	152,515	18,363	-	200,160
Other net assets	-	40,135	-	614,545	654,680
	<u>1,979,359</u>	<u>831,902</u>	<u>426,009</u>	<u>614,545</u>	<u>3,851,815</u>
Unrealised gains included above	<u>(10,127)</u>	<u>33,367</u>	<u>-</u>	<u>-</u>	<u>23,240</u>

Sufficient resources are held in an appropriate form to allow the restricted funds to be applied to their intended purposes.

14 Future Financial Commitments

At 31st December 2002 the company was committed to making the following payments under non-cancellable operating leases in the year to 31st December 2003 in respect of office equipment.

	2002 £	2001 £
Operating leases which expire within two to five years	<u>5,225</u>	<u>5,668</u>

Pensions

Provided sufficient funds are available, The Union provides voluntary pensions to ministers under rules established by Synod. The pensions are funded from an Endowment Fund for the purpose. The assets are not held separately from other funds of the Union. No provision is made in these accounts for any liability to pay pensions in future

The trustees best estimate in 2001 of funds available to provide ministers' pensions in the future amounted to approximately £1,900,000.

Capital Expenditure

As at 31st December 2002, capital expenditure had been approved by the Trustees for the refurbishment of Church House at an estimated cost of £180,000.

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15 Related Organisations

The Moravian Union (Incorporated), as part of the British Province of the Moravian Church, is related to the following organisations:

Trust Society for the Furtherance of the Gospel (Incorporated): ('TSFG')
 Moravian Mission Agency Limited
 Fulneck School
 Ockbrook School
 Congregations in Great Britain and Northern Ireland
 Unitas Estates Company Limited

The company received the following amounts during the year:

	2002	2001
	£	£
Administration costs paid by TSFG	9,013	39,524
Grant to pension fund from TSFG	-	2,750
Assessments received from Fulneck School	2,550	2,550
Assessments received from Ockbrook School	2,550	2,550
Interest on loan to Ockbrook School	7,498	9,583
Assessments received from Congregations	<u>321,416</u>	<u>299,989</u>

At 31st December 2002, the following balances were outstanding:

	2002	2001
	£	£
Due from TSFG	169,175	37,994
Due from Fulneck School	17,472	387
Due from Ockbrook School	147,609	170,477
Due from Congregations	<u>28,271</u>	<u>36,866</u>
Due to Congregations	<u>22,962</u>	<u>35,380</u>