

THE MORAVIAN UNION (INCORPORATED)

(A company limited by guarantee)

Company Number: 133708

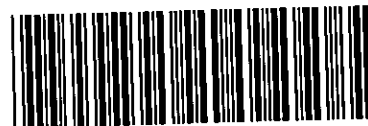
Charity Number: 251211-3

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST 2008

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COMPANIES HOUSE



KNOX CROPPER

chartered accountants

THE MORAVIAN UNION (INCORPORATED)**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31ST AUGUST 2008**

The Board presents the report and financial statements of the Moravian Union (Incorporated) for the year ended 31st August 2008. These have been prepared in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities' issued by the Charity Commission in March 2005. The report and statements also comply with the Companies Act 1985. The Moravian Union (Incorporated) was incorporated on 2nd February 1914. It is a company limited by guarantee, has no share capital and is a subsidiary of a registered charity. The guarantee of each member is limited to £1.

LEGAL AND ADMINISTRATIVE INFORMATION

The Moravian Union was incorporated on 2nd February 1914, following the resolution of Synod 1913 (Book of Order Section 33) as the holding body of the Moravian Churches' property.

The Provincial Elders' (who are the Charity's Trustees and the Company's Directors) for the period ended 31st August 2008 and to date comprise:

Mr. T.R. Cross	(Retired 6 th July 2008)
Rev. R.J. Hopcroft	
Mrs. J.K. Morten	
Rev. J. Mullin	
Mrs G. Taylor	(Appointed 6 th July 2008)

The principal officers at 31st August 2008 were :

Rev. R.J. Hopcroft	Company Secretary
Mrs. L. Hill	Administrator
Mr. P. Hammond	Accountant
Miss L. Parsons	Archivist

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

Investment Advisors: UBS Wealth Management (UK) Ltd.
1 Curzon Street,
London W1J 5UB

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

Solicitors : Cripps Harries Hall
Wallside House
12 Mt. Ephraim Road
Tunbridge Wells,
Kent TN1 1EG

Auditors : Knox Cropper
Chartered Accountants
8/9 Well Court
London EC4M 9DN

THE MORAVIAN UNION (INCORPORATED)
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:

The Charity is a company limited by Guarantee, its governing instrument being its Memorandum and Articles.

Ultimate Parent

The Charitable Company exists to support the work of the British Province of the Unitas Fratrum operating as the Moravian Church – registered charity number 251211.

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

The members of the Moravian Union are the members for the time being of the Provincial Elders' Conference (PEC) 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, the standing order of Synod was amended so that persons from time to time appointed by it to be Investment Trustees were automatically also appointed as members of the Moravian Union. By Resolution 3 of the Synod of 1998 it was made part of the standing order that the members of the Finance Committee act also as Investment Trustees.

Group Structure and Relationships

The Moravian Union, a charitable company limited by guarantee is controlled by its parent, The Moravian Church. The Moravian Church comprises a number of other charitable organisations, including two schools and thirty five congregations, four societies, one fellowship and a choir house. The Trust Society for the Furtherance of the Gospel and Unitas Estates Limited are now both dormant companies and are in the process of being wound up. This now completes the reorganisation of the Moravian Church.

Procedures for the Recruitment and Appointment of Trustees

The Book of Order, Section 3.1 states that the PEC consists of not fewer than 3 members. At present the full complement of the PEC is four. As part of its brief the PEC acts as the Board of Trustees (and Board of Directors) of the Moravian Union. Synod is the body with the power to appoint and remove members of the Board. Provincial Elders serve for a term of four years and may be appointed to serve a further two terms. Appointment is by election at the bi-ennial Moravian Church Synod. Provincial Elders must be members of the Moravian Church.

The Chair and Officers are appointed by the membership of the PEC themselves from among their number. The Board convenes at least twelve times each year.

Synod also elects members to the various standing committees which offer advice and support to the PEC. These standing committees include at least one Provincial Elder as follows :

Finance	All Elders
Social Responsibility	Mr. T.R. Cross
Renewal	Mrs. J.K. Morten
Faith and Order	Rev. R.J. Hopcroft and Rev. J. Mullin
Church Service Advisory Board	All Elders
Provincial Youth and Children	Rev. R.J. Hopcroft

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Procedures for the Induction and Training of Trustees

On appointment, each Provincial Elder signs a code of conduct and completes a register of interests. The latter is renewed annually. They are given a Trustee Handbook that includes the Memorandum and Articles of Association, risk register, policies and procedures on issues such as delegation of authority, recruitment, equal opportunities, investments, reserves, conflicts of interest and other guidance. It contains job descriptions for Trustees, officers and staff and a copy of Charity Commission leaflet CC3.

Organisational Management:

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.

The PEC act on behalf of Synod in the inter-synod period and is the ultimate decision-making body during that period. The PEC acts as the Moravian Union's board of Trustees (and board of directors for the purpose of company law) and meets at least on a monthly basis. Responsibility for the day to day management of the charitable company's affairs is delegated to two members of the PEC, Rev. R.J. Hopcroft and Mrs. J.K. Morten.

Risk Management

The PEC has reviewed during the year, an assessment of the risks to which the charity is exposed, particularly business, operational and financial risks, and is in the process of introducing procedures and a reporting regime to manage and reduce identified risks. PEC has agreed clear lines of delegation and authority to staff and have involved staff in recognition of risk in all their activities. During the current year the PEC has given further consideration to the risks arising from maintenance of the estates.

Volunteers

The Moravian Church has many committees covering its policy, education, congregational work etc. Without the many volunteers that serve on these committees The Church would not be able to carry out the wide variety of work that our congregations have come to rely on. No value can be placed on the many hours worked by volunteers.

Pensions

Provided sufficient funds are available, the Union provides discretionary pensions to ministers under rules established by Synod. The assets used to fund these pensions 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.

Against the backdrop of rapidly changing legislation with difficult economic conditions, charities have seen some bewildering changes in the solvency of their pension schemes and charity staff have understandably expressed concerns about the financial status of their pension schemes or in the falling value of their pension pot.

The Finance Committee's Pensions sub committee, was born out of the realisation of the nature and possible implications of the changes and shortfall in funding to provide some general guidance in these difficult areas. A revised report was laid before the Synod in 2008 and this was accepted.

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

OBJECTS AND ACTIVITIES

Principal Objects

The Moravian Union's general object is to assist in the administration of the affairs of the Moravian Church in its work for the Kingdom of God, in accordance with the will of Synod.

Activities

The Moravian Union holds the assets of the Moravian Church which consist principally of land, buildings and investments. The Moravian Union aims to maximize the return available from these assets for the benefit of the Moravian Church within the constraints imposed by the Church's Charitable work.

The Moravian Union is also responsible for administrating the relationships between the Bates Trust and the London Association in Aid of the Moravian Mission both of which are major benefactors of the Moravian Church.

Following the decision of Synod in 2002, the company has been involved in restructuring the Province and in compiling a register of all land and buildings owned by the Moravian Union.

The Moravian Union holds a number of restricted funds many of which are of some antiquity. The Moravian Union is involved in an ongoing programme to review its reporting and record keeping requirements in relation to a number of these funds and, where possible, obtaining Charity Commission consent to the merger of these funds with the charitable company.

Strategies

The Moravian Union is charged with administrating the assets of the Moravian Church, title to which vests in the Moravian Union. Up until the 1st September 2007 title to some of these properties vested in the Moravian Union's 100% owned subsidiary company Unitas Estates Limited. However, from that date, Unitas Estates Limited ceased trading and its assets and liabilities were transferred to the parent, The Moravian Union, at book values.

To ensure the efficient administration of these assets, trading in listed investments is conducted through a professional fund manager whilst the renting and maintenance of the Charity's land and buildings is conducted through the services of a Chartered Surveyor who controls the collection of rental income and overseas property maintenance. The performance of the investment portfolio is regularly monitored by the trustees.

The Moravian Church's estates are significant and title to much of these is long established. Title deeds to land and properties are frequently, by virtue of age, long and complex. Following the Synod decision, an archivist was appointed to document and categorise the Church's properties. Much of this exercise is complete and the archivist is now engaged in registering title to each property with the Land Registry, a task which it is hoped will be completed by Synod 2010.

Principal Objectives for the Year Ended 31st August 2008

The trustees set the following objectives for the year under review :

- (i) To continue to achieve acceptable rates of return on the Church's property and investment assets.
- (ii) To progress the work of registering titles to the Union's property assets; and
- (iii) To continue to simplify the Group's reporting and record keeping requirements by obtaining Charity Commission consent to the merging of a number of small subsidiary charities.

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

ACHIEVEMENTS AND PERFORMANCE

(a) Operational Performance

During the year work has continued to identify and register all of the Charitable Company's interests in land and buildings. The archivist has made real progress in this regard and is on target to complete the work by Synod 2010 as the Charity has successfully gained the support and co-operation of the Land Registry who have been most helpful and for which the Charity wishes to express its appreciation.

The Charity has also continued with the ongoing work of simplifying its record keeping and reporting requirements.

With effect from 1st September 2008, the subsidiary company Unitas Estates Limited transferred all its assets and liabilities to the Moravian Union and subsequently ceased operations. Arrangements for the collection of rents and the maintenance of the properties has however remained unchanged and continue to be satisfactory.

The trustees regard the performance of the investment portfolio as satisfactory given the constraints of the Charity's ethical investment stance and its income generation requirement.

(b) Fundraising Performance

The parent charity's major sources of income consist of :

- Voluntary income which includes income from the Bates Trust (a charity whose objects are to support the work of the Moravian Church).
- Income from Charitable activities which includes Congregation Assessments; and
- Investment Income

Other than collections from local congregations, fundraising activities in the recent past have been confined to collections to finance Summer Camps for young Church members. The summer camp appeal succeeded in raising £15,821 this year.

(c) Grant - Making

The Moravian Union also holds a number of small funds for the benefit of specific congregations and schools. The income from these funds is paid over to the beneficiaries to fund new initiatives which they wish to undertake.

Since April 2003, the funds of the Trust Society for the Furtherance of the Gospel (TSFG) have been held by the Moravian Union and applied in accordance with TSFG's objects, notably for the work of the Moravian Church in Jamaica, South Asia and Tanzania.

External Factors affecting our Achievements and Performance

Recent changes to legislation in respect of the registration of leaseholder interests have imposed additional pressures on the Land Registry and as such could delay progress with the registration of the Moravian Union's title to properties.

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

REVIEW OF FINANCIAL POSITION

The Moravian Union's role is to hold the assets of The British Province of the Moravian Church, the parent organisation, which is an unincorporated registered Charity and to manage these assets for the benefit of the Church.

The assets consist of real property and investments. Real property was for the most part managed by the Moravian Union's wholly owned subsidiary Unitas Estates Limited but with effect from the 1st September 2007 the subsidiary company transferred all its assets and liabilities to the Moravian Union at book values and is now dormant. Investments are managed by the Moravian Union with the assistance of professional fund managers.

The Statement of Financial Activities on page 11 indicates that Net Income for the current year amounted to £541,030 as compared to £418,076 for the preceding year.

The improvement in the current year arises because total incoming resources have increased from £1,664,159 to £2,006,848 net of increased total resources expended, up from £1,295,035 to £1,383,439.

The increase in total incoming resources arises mainly from the profit on sale of properties of £727,111 compared to £346,499 for the preceding year, which is disclosed as other incoming resources. It also includes increased grants and donations income of £15,656. The increases have been partly offset by reduced rental income of £23,550 and reduced income from dividends and interest of £10,049.

The increase in total resources expended reflects increased costs of generating funds of £50,255, increased costs of charitable activities of £32,028 and increased governance costs of £6,121.

The transfer of Unitas Estates Limited's activities, assets and liabilities to the Moravian Union increased the level of support costs and reduced direct costs relating to the costs of generating funds thereby distorting the figures and making direct comparisons difficult. However, the overall increase in total resources expended of £88,404 is primarily the result of increased costs for repairs and maintenance of the estates net of reduced grants to congregations and projects.

This year losses on investments (realised and unrealised in aggregate) of £139,348 have been incurred in comparison to gains of £107,859 last year.

These factors combined give rise to an increase in the charitable company's total funds this year of £484,061 in comparison to £476,983 in the preceding year. As a result of the year's operations, the General Fund has increased by £325,367, designated funds have decreased by £5,171 and restricted funds have increased by £163,865. These movements in funds have further strengthened both the parent charity and the group's balance sheets.

The Balance Sheets indicate that the group's net current assets, the principal measure of short to medium term solvency has improved from £1,109,752 to £1,561,414 whilst the parent charity's net current assets have increased from £1,122,144 to £1,504,594 which implies an improved and satisfactory margin of solvency.

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

REVIEW OF FINANCIAL POSITION (Continued)

Tangible fixed assets have decreased as a result of the annual depreciation charge net of additions.

Debtor balances have decreased from £1,459,782 to £1,301,324 in the group and from £1,451,601 to £1,301,324 in the parent. The decreases mainly reflect decreased sums due from the parent charity (the Moravian Church) and from Congregations, Schools and other loans and decreased donations due from the Bates Trust at the end of the current year.

Creditors falling due within and outside one year have decreased in aggregate from £754,780 to £429,504 for the group and increased from £427,488 to £486,324 for the parent. This reflects the recognition, as income, of proceeds from property sales received in preceding years of £223,973, a £35,000 repayment of the Bates Trust loan and reduced other creditors and accounts as a result of the timing of payments.

The trustees are of the opinion that the financial performance for the year and financial position at the year end are generally satisfactory.

Investment Policy and Objectives

Investment policy is determined in consultation with the Finance Committee, which make its recommendations to the PEC. The present investment objective is to achieve a balanced return in the wider range and income in the narrower range of the investment portfolio. The investment portfolio is managed by professional fund managers and consists entirely of listed securities.

The movement in market value of investments this year, both realised and unrealised, amounts to a loss of £139,348 which represents some 4.9% of the brought forward market value of the portfolio. Over the same period the FTSE 100 Index decreased by 11.6% whilst the FTSE all share index decreased by 9.6%. Given the Charity's ethical investment stance and its income requirements, the Trustees consider the portfolio's performance to be satisfactory.

The parent charitable company holds one unlisted investment, its 100% holding in Unitas Estates Limited which is disclosed in the accounts at cost.

FUTURE PLANS

During the forthcoming year the Trustees aim to continue to :

- (i) Administer the charity's assets efficiently to maximise returns for the benefit of the Moravian Church subject to constraints imposed by the Church's charitable work.
- (ii) Progress the work of registering title to all the Charity's properties with the Land Registry although it is recognised that progress in this regard is dependent upon the Land Registry's ability to process the applications.
- (iii) To continue to simplify the group's reporting and record keeping requirements by undertaking a comprehensive review of the charity's trust funds.

THE MORAVIAN UNION (INCORPORATED)**REPORT OF THE TRUSTEES (Continued)****FOR THE YEAR ENDED 31ST AUGUST 2008****RESERVES POLICY**

The trustees recognise that the Charity requires reserves to allow it to continue its work in the event of unforeseen interruptions to its income streams. The trustees consider the Charitable company's reserve requirements at least annually and to be prudent are of the opinion that unrestricted reserves equivalent to at least one year's total expenditure should be held. At the current year end unrestricted reserves (excluding those earmarked for designated purposes) amounted to some £2.428m and this represented approximately 21 months total expenditure.

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are set out in Note 8.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company and Charity law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of its income and expenditure for that period. In preparing those financial statements, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue to operate.

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

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies :

- so far as each Trustee is aware there is no relevant audit information (information needed by the Group's auditors in connection with preparing their report) of which the Group's auditors are unaware; and
- each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

THE MORAVIAN UNION (INCORPORATED)

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

AUDITORS

Knox Cropper have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 1985, it is proposed they be re-appointed auditors to the company for the ensuing year.

On behalf of the Provincial Elders' Conference on 23rd April 2009

A handwritten signature in black ink, appearing to read 'R. J. Hopcroft', with a stylized flourish at the end.

Rev. R.J. Hopcroft
Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE MORAVIAN UNION (INCORPORATED)
FOR THE YEAR ENDED 31ST AUGUST 2008

We have audited the consolidated financial statements of The Moravian Union (Incorporated) and its Subsidiary Company, Unitas Estates Company Limited, for the year ended 31st August 2008 which comprise, the Statement of Financial Activities (including Consolidated Income and Expenditure Account), Statement of Historical Cost Surpluses and Deficits, the Balance Sheets and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of listed investments and the accounting policies set out therein.

This report is made solely to the parent charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditors' 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 parent charitable company and the parent charitable company's members as a body for our audit work, for this report or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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, and
- the information provided in the Trustees' Report is consistent with the financial statements.

We also report to you if, in our opinion, the Company or Group 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 Trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Company's and the Group'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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Charitable Company's and the Group's affairs as at 31st August 2008 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements

8-9 Well Court
London, EC4M 9DN
 23rd April 2009

Knox 60 yper
 Chartered Accountants
Registered Auditors

THE MORAVIAN UNION (INCORPORATED)**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Consolidated Income and Expenditure Account)****FOR THE YEAR ENDED 31ST AUGUST 2008**

	Note	Unrestricted Funds General £	Designated £	Restricted Funds £	Year Ended 31 st August 2008 £	Year Ended 31 st August 2007 £
INCOMING RESOURCES						
Incoming Resources from Generated Funds						
Voluntary Income	2	448,653	9,060	112,895	570,608	554,952
Activities for Generating Funds *	3	-	-	-	-	497,093
Investment Income *	4	457,176	54,666	74,878	586,720	145,509
		905,829	63,726	187,773	1,157,328	1,197,554
Incoming Resources from Charitable Activities	5	99,460	-	22,949	122,409	120,106
Other Incoming Resources – Profit on Sale of Properties		493,404	-	233,707	727,111	346,499
Total Incoming Resources		1,498,693	63,726	444,429	2,006,848	1,664,159
RESOURCES EXPENDED						
Costs of Generating Funds						
Fundraising Trading: Cost of Goods Sold and Other Costs *	3	(442,884)	(646)	(13,422)	(456,952)	(388,125)
Investment Management Costs *		(442,884)	(646)	(13,422)	(456,952)	(18,572)
		(442,884)	(646)	(13,422)	(456,952)	(406,697)
Charitable Activities		(355,412)	(225,904)	(290,971)	(872,287)	(840,259)
Governance Costs		(52,862)	(1,338)	-	(54,200)	(48,079)
Total Resources Expended	6	(851,158)	(227,888)	(304,393)	(1,383,439)	(1,295,035)
Net Incoming/(Outgoing) Resources before Transfers		647,535	(164,162)	140,036	623,409	369,124
Transfers		(296,753)	166,874	129,879	-	-
Net Incoming/(Outgoing) Resources before Other Recognised Gains and (Losses)		350,782	2,712	269,915	623,409	369,124
Realised Gains/(Losses) on Investment Assets	10	(11,025)	(4,937)	(66,417)	(82,379)	48,952
Net Income for the Year		339,757	(2,225)	203,498	541,030	418,076
Unrealised Gains/(Losses) on Investment Assets	10	(14,390)	(2,946)	(39,633)	(56,969)	58,907
NET MOVEMENT IN FUNDS		325,367	(5,171)	163,865	484,061	476,983
Total Funds Brought Forward		2,103,121	279,795	3,451,128	5,834,044	5,357,061
Total Funds Carried Forward		£2,428,488	£274,624	£3,614,993	£6,318,105	£5,834,044

All recognised gains and losses are reflected through the Statement of Financial Activities. No separate Statement of Total Recognised Gains and Losses is presented.

* In the preceding year property rentals were largely conducted through the subsidiary company, Unitas Estates Limited, and the revenues and costs associated with this activity were disclosed as "Activities for Generating Funds" and "Fundraising Trading: Cost of goods sold and other costs". At the beginning of the current year, Unitas Estates Limited became dormant, transferring its assets and liabilities at book values to The Moravian Union. Property letting assets are now controlled by The Moravian Union and the revenues and costs of this activity are disclosed as a component of "Investment Income" and "Investment Management Costs".

THE MORAVIAN UNION (INCORPORATED)
HISTORICAL COST SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31ST AUGUST 2008

	2008	2007
	£	£
Net Income for the Year	541,030	418,076
Investment gains recognised in prior periods and Realised in the current period	31,020	124,904
Surplus on the historical cost accounting basis	<u>£572,050</u>	<u>£542,980</u>

THE MORAVIAN UNION (INCORPORATED)**BALANCE SHEET AT 31ST AUGUST 2008**

		Group		Charity	
	Note	2008 £	2007 £	2008 £	2007 £
FIXED ASSETS					
Tangible Assets	8	2,065,452	2,106,675	2,065,452	1,150,485
Investment in subsidiary	9	-	-	56,710	56,710
Other Investments	10	2,691,239	2,849,117	2,691,239	2,849,117
		<u>4,756,691</u>	<u>4,955,792</u>	<u>4,813,401</u>	<u>4,056,312</u>
CURRENT ASSETS					
Stock		14,131	12,103	14,131	12,103
Debtors	11	1,301,324	1,459,782	1,301,324	1,451,601
Bank Deposits	12	642,994	85,640	642,994	85,640
Cash and Bank	12	32,469	75,507	32,469	288
		<u>1,990,918</u>	<u>1,633,032</u>	<u>1,990,918</u>	<u>1,549,632</u>
CREDITORS : Amounts falling due within one year	13	<u>(429,504)</u>	<u>(523,280)</u>	<u>(486,324)</u>	<u>(427,488)</u>
NET CURRENT ASSETS		<u>1,561,414</u>	<u>1,109,752</u>	<u>1,504,594</u>	<u>1,122,144</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,318,105	6,065,544	6,317,995	5,178,456
CREDITORS : Amounts falling due after one year	14	<u>-</u>	<u>(231,500)</u>	<u>-</u>	<u>-</u>
TOTAL NET ASSETS		<u>£6,318,105</u>	<u>£5,834,044</u>	<u>£6,317,995</u>	<u>£5,178,456</u>
RESTRICTED FUNDS					
Restricted Funds	16	3,614,993	3,451,128	3,614,993	3,451,128
UNRESTRICTED FUNDS					
Designated Funds	17	274,624	279,795	274,624	279,795
General		<u>2,428,488</u>	<u>2,103,121</u>	<u>2,428,378</u>	<u>1,447,533</u>
TOTAL FUNDS		<u>£6,318,105</u>	<u>£5,834,044</u>	<u>£6,317,995</u>	<u>£5,178,456</u>

Approved by the Trustees on 23rd April 2009
and signed on their behalf


J. Morten
Director and Trustee


R.J. Hopcroft
Director and Trustee

THE MORAVIAN UNION (INCORPORATED)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST AUGUST 2008****1. ACCOUNTING POLICIES****Basis of Preparation**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are disclosed at market value (as described below), and in accordance with the requirements of the Companies Act 1985 and relevant accounting standards.

The Moravian Union (Incorporated) is a registered charity No. 251211-3, so the financial statements are presented in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2008. 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.

The following accounting policies, which are unchanged from the previous year, have been applied in preparing the financial statements.

Income Recognition

Income from grants and donations is generally recognised on receipt. However, income from the Bates Trust is accrued at the balance sheet date if the trustees are satisfied that the criteria of entitlement, certainty and measurement have been met on the basis of declarations and/or payments by the donating organisation after the year end. Investment income is recognised when received by the investment managers. Other 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.

Charitable activities represent the direct costs of carrying out the charity's aims, together with support costs and the costs of general administration, principally Church House, which are apportioned to the different expenditure heads on the basis of staff time.

Tangible Fixed Assets

Freehold property is shown at cost less depreciation. Office furniture and equipment is capitalised only where material and depreciated at rates of between 25% and 33% per annum. 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.

Stock

Stock which represents goods for resale is valued at the lower of cost or net realisable value.

THE MORAVIAN UNION (INCORPORATED)**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST AUGUST 2008****1. ACCOUNTING POLICIES (Continued)****Investments**

Investment in the Subsidiary on the parent company's balance sheet is shown at cost. 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 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.

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.

Funds

General unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees.

Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for a particular purpose.

Restricted funds are subject to specific restrictions imposed by the donor.

Consolidation

Following the issue of the uniting direction of the Moravian Church on 7th April 2005, the assets and liabilities of The Unitas Estates Company Limited are consolidated on a line by line basis. The income and expenditure is summarised in the SOFA and shown in detail in Note 3.

Cashflow Statement

The group has taken advantage of the exemption available for small groups under FRS1 and has not disclosed a cashflow statement.

2. VOLUNTARY INCOME

	Unrestricted Funds		Restricted Funds	Total 2008	Total 2007
	General	Designated			
	£	£	£	£	£
Bates Trust	360,000	-	-	360,000	362,485
Donations and Legacies	88,653	9,060	112,895	210,608	192,467
	£448,653	£9,060	£112,895	£570,608	£554,952

The charity is the principal beneficiary of the income of the Bates Trust, an endowed charity established for the benefit of the Moravian Church. Donations and legacies consist of income from congregations, individuals, companies and church bodies.

THE MORAVIAN UNION (INCORPORATED)**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST AUGUST 2008****3. TRADING ACTIVITIES**

Activities of Subsidiary Company	Total 2008 £	Total 2007 £
Turnover	-	427,710
Other Operating Income	-	69,383
	-	497,093
Estate Management Costs	-	267,129
Depreciation	-	19,513
Administrative Expenses	-	64,074
Donations	-	17,700
Interest Payable and Similar Charges	-	19,709
	-	388,125
Profit on Ordinary Activities	-	£108,968

The Charity has a wholly owned trading subsidiary which is incorporated in England and Wales. This company is now dormant but during the preceding year it raised funds through the management of the historic Moravian Settlements. At the year end The Unitas Estates Company Limited had net assets of £56,820 (2007: £712,298). Its activities are now undertaken directly by The Moravian Union with its income being disclosed as part of rents receivable and expenditure primarily as investment management costs.

4. INVESTMENT INCOME

	Unrestricted Funds		Restricted Funds	Total 2008	Total 2007
	General	Designated			
	£	£	£	£	£
Dividends Receivable	29,641	50,616	37,391	117,648	121,888
Interest Receivable	10,645	-	-	10,645	16,454
Rents Receivable	416,890	4,050	37,487	458,427	7,167
	£457,176	£54,666	£74,878	£586,720	£145,509

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds General	Designated	Restricted Funds	Total 2008	Total 2007
	£	£	£	£	£
Unity & Congregational Activities					
Congregation Assessments	52,405	-	-	52,405	51,882
Unity Income	-	-	19,839	19,839	20,610
	52,405	-	19,839	72,244	72,492
Book Sales	15,791	-	3,110	18,901	23,941
Synod Income	312	-	-	312	-
Sundry Income	8,355	-	-	8,355	-
Youth and Children (Summer Camp) Income	15,821	-	-	15,821	17,075
Manse Reimbursement	6,776	-	-	6,776	6,598
	<u>£99,460</u>	-	<u>£22,949</u>	<u>£122,409</u>	<u>£120,106</u>

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

6. TOTAL RESOURCES EXPENDED

	Trading Activities £	Costs of Generating Funds (Inv. Mgt) £	Charitable Activities Ministry & Congregations			Support Costs £	Total 2008 £	Total 2007 £
			Domestic £	Overseas £	Governance £			
Grants to Congregations and Projects	-	-	58,380	197,144	-	-	255,524	299,247
Trading Activities of Subsidiary	-	-	-	-	-	-	-	388,125
Estate Management Costs	-	404,906	-	-	-	-	404,906	-
Burial Ground Costs	-	36,748	-	-	-	-	36,748	-
Pensions and Tax	-	-	-	-	-	-	218,902	216,402
Staff Costs	-	-	218,902	-	19,225	-	116,552	108,584
Archive Costs	-	-	71,282	26,045	-	-	31,068	29,593
Brokers Fees	-	-	31,068	-	-	-	10,776	15,741
Honorarias	-	10,776	-	-	-	-	1,000	1,000
Ministry	-	-	1,000	-	-	-	53,036	45,280
Bad Debts	-	-	27,827	25,209	-	-	6,187	4
Youth and Children	-	-	6,187	-	-	-	20,982	19,685
Audit	-	-	20,982	-	11,898	-	11,898	16,553
Accounting	-	-	-	-	-	-	-	122
Bank Charges	-	-	2,965	-	-	-	2,965	1,873
Interest	-	-	-	-	-	-	30,810	2,699
Depreciation	-	-	-	-	-	30,810	45,722	26,507
Cost of Books Sold	-	-	-	-	-	45,722	12,500	19,004
Subscriptions & Licences	-	-	12,500	-	-	-	7,877	11,417
Messenger	-	-	7,877	-	-	-	20,161	20,557
Stationery and Postage	-	-	20,161	-	-	9,482	9,482	10,801
Premises (Cleaning, repairs, refresh, security, light, power and utilities)	-	3,166	-	-	-	28,492	31,658	20,530
Legal & Professional	-	-	-	-	-	15,159	15,159	8,593
Lease Costs	-	-	-	-	-	419	419	617
Computer Software Maintenance & Licences	-	-	-	-	-	12,813	12,813	6,699
Communications	-	-	-	-	-	4,006	4,006	3,662
Insurance	-	-	-	-	-	6,945	6,945	5,005
Synod	-	-	13,987	-	-	-	13,987	1,269
Other Office Costs	-	1,356	-	-	-	-	1,356	15,466
	-	456,952	493,118	248,398	31,123	153,848	1,383,439	1,295,035
Apportioned Support Costs (Based on staff time)	-	-	103,078	27,693	23,077	(153,848)	-	-
Total 2008	-	£456,952	£596,196	£276,091	£54,200	-	£1,383,439	-
Total 2007	£388,125	£18,572	£566,652	£273,607	£48,079	-	-	£1,295,035

All grants are made to institutions and are to help fund the ministry and congregations.

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

7. EMPLOYEE INFORMATION

	2008	2007
	£	£
Salaries – Archives	24,779	24,273
Salaries – Administrative	101,866	94,580
Social Security Costs – Archives	2,492	2,438
Social Security Costs - Administrative	10,195	9,586
Pension Costs – Archives	1,474	1,438
Pension Costs - Administrative	4,491	4,418
Staff Costs	<u>145,297</u>	<u>136,733</u>
Other Costs	<u>2,323</u>	<u>1,444</u>
	<u>£147,620</u>	<u>£138,177</u>
Split as follows:-		
Staff Costs	116,552	108,584
Archive Costs	<u>31,068</u>	<u>29,593</u>
	<u>£147,620</u>	<u>£138,177</u>

No employee earned £50,000 or more during the period. The full time equivalent number of staff was 5 (2007: 4).

Trustees

The Trustees are not remunerated for their services.

An amount of £11,381.56 (2007: £9,434) was reimbursed to four (2007: four) members of the Committee of Management in respect of travel expenses incurred during the period.

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures, Fittings & Equipment £	Total £
Group			
Cost			
At 1st September 2007	2,285,560	19,388	2,304,948
Additions at Cost	-	4,499	4,499
At 31st August 2008	<u>2,285,560</u>	<u>23,887</u>	<u>2,309,447</u>
Depreciation			
At 1st September 2007	180,851	17,422	198,273
Depreciation for the period	43,096	2,626	45,722
At 31st August 2008	<u>223,947</u>	<u>20,048</u>	<u>243,995</u>
Net Book Value			
At 31st August 2008	<u>£2,061,613</u>	<u>£3,839</u>	<u>£2,065,452</u>
At 31st August 2007	<u>£2,104,709</u>	<u>£1,966</u>	<u>£2,106,675</u>
 Charity			
Cost			
At 1 st September 2007	1,198,632	19,388	1,218,020
Additions at Cost	-	4,499	4,499
Transfer from Subsidiary Company	1,086,928	-	1,086,928
At 31 st August 2008	<u>2,285,560</u>	<u>23,887</u>	<u>2,309,447</u>
Depreciation			
At 1 st September 2007	50,113	17,422	67,535
Depreciation for the period	43,096	2,626	45,722
Transfer from Subsidiary Company	130,738	-	130,738
At 31 st August 2008	<u>223,947</u>	<u>20,048</u>	<u>243,995</u>
Net Book Value			
At 31 st August 2008	<u>£2,061,613</u>	<u>£3,839</u>	<u>£2,065,452</u>
At 31 st August 2007	<u>£1,148,519</u>	<u>£1,966</u>	<u>£1,150,485</u>

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 AUGUST 2008****9. INVESTMENTS IN SUBSIDIARY - CHARITY**

	2008	2007
	£	£
Shares in Unitas Estates Co Ltd;		
At Valuation in 1962/Cost	56,710	14,177
Provision for permanent diminution in value	-	-
Release of provision for permanent diminution in value	-	42,533
At Cost/Valuation in 1962	<u>£56,710</u>	<u>£56,710</u>

The investment is 5,671 shares of £10 each, representing 99% of the issued share capital.

10. OTHER INVESTMENTS – GROUP AND CHARITY
Listed Investments at Market Value

At 1 st September 2007	2,849,117	2,804,169
Additions	1,660,365	479,767
Disposal Proceeds	(1,678,895)	(542,678)
Realised (Losses)/Gains	(82,379)	48,952
Unrealised (Losses)/Gains	(56,969)	58,907
	<u>£2,691,239</u>	<u>£2,849,117</u>
At 31 st August 2008		
	<u>£2,424,514</u>	<u>£2,494,403</u>

Listed Investments at Cost - At 31st August
Quoted securities are listed on a recognised stock exchange in the UK.

The following holdings represented more than 5% of the total portfolio at 31st August 2008.

	Market Value	
	£	£
Royal Dutch Shell 'B' ord Euro 0.7	£147,537	£150,891
5% Treasury Stock 2012	<u>£1,088,701</u>	<u>£1,068,550</u>

11. DEBTORS

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
Due from congregations, schools and				
Other loans	217,926	253,969	217,926	253,969
Due from parent organisation	732,065	741,032	732,065	845,795
Other Debtors	60,857	108,589	60,857	108,589
Prepayments and accrued income	220,099	262,110	220,099	243,248
Agents Balances	59,854	67,937	59,854	-
Rent Due	10,523	26,145	10,523	-
	<u>£1,301,324</u>	<u>£1,459,782</u>	<u>£1,301,324</u>	<u>£1,451,601</u>

Included above are debtors amounting to £88,739 (2007: £102,197) receivable after more than one year representing loans to Ockbrook School.

Loans to congregations and other related parties carry interest at 2% above bank base rate.

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

12. **BANK AND CASH**

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
<i>Deposits</i>				
Euro Account	1,107	3,515	1,107	3,515
Dollar Account	-	-	-	-
Laing & Cruickshank	141,887	82,125	141,887	82,125
Treasury Deposits	500,000	-	500,000	-
Premium Account	-	-	-	-
	<u>£642,994</u>	<u>£85,640</u>	<u>£642,994</u>	<u>£85,640</u>
<i>Cash at bank and in hand</i>				
Current Account	31,875	75,219	31,875	-
Cash in hand	594	288	594	288
	<u>£32,469</u>	<u>£75,507</u>	<u>£32,469</u>	<u>£288</u>

13. **CREDITORS : Amounts falling due within one year**

	Group		Charity	
	2008	2007	2008	2007
	£	£	£	£
Bank Loans and Overdrafts	835	17,643	835	17,643
Due to Subsidiary Undertaking	-	-	56,820	-
Congregations, schools and related Organisations	59,228	298,883	59,228	298,883
Social Security and other taxes	-	-	-	-
Other Creditors	61,136	107,577	61,136	89,519
Accruals and Deferred Income	68,577	53,087	68,577	21,443
Rent received in advance	12,228	11,090	12,228	-
Bates Trust loans *	227,500	35,000	227,500	-
	<u>£429,504</u>	<u>£523,280</u>	<u>£486,324</u>	<u>£427,488</u>

14. **CREDITORS : Amounts falling due after more than one year**

Group	2008	2007
	£	£
Bates Trust – Loans *		
Repayable over 10 years at 2% above base rate per year – secured on 49 Creighton Avenue		
Due within : 1 - 2 years	-	35,000
2 - 5 years	-	105,000
More than 5 years	-	87,500
	-	<u>227,500</u>
Mortgage at 3.75% per annum with no fixed date of repayment – secured on part of the Fulneck Estate	-	4,000
	-	<u>£231,500</u>

* The Bates Trust loan was originally extended to the subsidiary company Unitas Estates Limited. On 1st September 2007 the balance outstanding on the loan was transferred, with the consent of the Bates Trust, to The Moravian Union. Technically, the loan is repayable on demand but the Bates Trust have indicated their willingness to accept repayment in accordance with a schedule of repayments over ten years.

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

15. ANALYSIS OF NET ASSETS BETWEEN THE FUND BALANCES

	General £	Designated £	Restricted £	Total as at 31 st August 2008 £
Group				
Fixed Assets	1,059,266	69,610	936,576	2,065,452
Cash and Investments	483,271	205,014	2,678,417	3,366,702
Other Net Assets	885,951	-	-	885,951
	<u>£2,428,488</u>	<u>£274,624</u>	<u>£3,614,993</u>	<u>£6,318,105</u>
Unrealised Gains included above	<u>£80,787</u>	<u>£12,864</u>	<u>£173,074</u>	<u>£266,725</u>
Charity				
Fixed Assets	1,059,266	69,610	936,576	2,065,452
Subsidiary	56,710	-	-	56,710
Cash and Investments	483,271	205,014	2,678,417	3,366,702
Other Net Assets	829,131	-	-	829,131
	<u>£2,428,378</u>	<u>£274,624</u>	<u>£3,614,993</u>	<u>£6,317,995</u>
Unrealised Gains included above	<u>£80,787</u>	<u>£12,864</u>	<u>£173,074</u>	<u>£266,725</u>

16. DESIGNATED FUNDS

See Page 24.

17. RESTRICTED FUNDS

See page 24.

THE MORAVIAN UNION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2008

16. RESTRICTED FUNDS – GROUP AND CHARITY

	Opening Balance £	Incoming Resources £	Resources Expended £	Realised Inv. Losses £	Unrealised Inv. Losses £	Transfers £	Closing Balances £
Evangelical	64,295	5,175	(23,730)	(1,295)	(773)	18,054	61,726
Ministers Emoluments	2,159,566	37,456	(12,916)	(43,893)	(26,192)	-	2,114,021
Education	301,843	24,668	(51,080)	(4,969)	(2,965)	29,214	296,711
Overseas	416,562	124,058	(185,925)	(5,029)	(3,001)	82,611	429,276
Property	461,297	252,311	(30,373)	(10,359)	(6,182)	-	666,694
Relief of poverty	4,126	141	(186)	(84)	(50)	-	3,947
Other	43,439	620	(183)	(788)	(470)	-	42,618
	£3,451,128	£444,429	£(304,393)	£(66,417)	£(39,633)	£129,879	£3,614,993

Each broad category consists of numerous individual funds which address a wide variety of issues. They are represented by a proportion of the Charity's fixed assets, cash and investments.

17. DESIGNATED FUNDS – GROUP AND CHARITY

Designated Funds have been set up for the following broad categories of purposes.

	Opening Balance £	Incoming Resources £	Resources Expended £	Realised Inv. Losses £	Unrealised Inv. Losses £	Transfers £	Closing Balances £
Ministers Emoluments	31,693	59,460	(224,986)	(622)	(371)	165,874	31,048
Overseas	16,330	-	(1,000)	-	-	1,000	16,330
Property	230,319	4,246	(1,898)	(4,285)	(2,557)	-	225,825
Other	1,453	20	(4)	(30)	(18)	-	1,421
	£279,795	£63,726	£(227,888)	£(4,937)	£(2,946)	£166,874	£274,624

Each category consists of numerous designated funds which are represented by a proportion of the Charity's fixed assets, cash and investments and which relate to a variety of purposes identified by the trustees.

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

18. FUTURE FINANCIAL COMMITMENTS

Operating Leases

At 31st August 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31st August 2008 in respect of office equipment.

	2008	2007
	£	£
Operating Leases which expire within		
Less than one year		-
Two to five years	559	559
	<u>£559</u>	<u>£559</u>

Pensions

Provided sufficient funds are available, the Company provides discretionary pensions to ministers under rules established by Synod. The assets used to pay these pensions are not held separately from other funds of the Moravian Union. No provision is made in these accounts for any liability to pay pensions in future periods.

19 SURPLUS ATTRIBUTABLE TO THE MORAVIAN UNION (INCORPORATED)

The parent company, The Moravian Union (Incorporated), generated a surplus of £1,196,508 (as measured for Companies Act purposes) in the year to 31st March 2008 and this is reflected within the Statement of Financial Activities.

The parent company is exempt from the requirement to present its own profit and loss account under Section 230 of the Companies Act 1985.

20. CONTINGENT LIABILITIES

At the Balance Sheet date there were no contingent liabilities (2007: NIL).

THE MORAVIAN UNION (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST AUGUST 2008

21. 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 Church
 Fulneck School
 Ockbrook School
 Congregations in Great Britain and Northern Ireland
 Unitas Estates Company Limited

One of the Trustees of the Moravian Union is also a trustee of the Bates Trust.

The company received the following amounts from related parties during the period :

	2008	2007
	£	£
Donation from TSFG	21,803	-
Assessments received from Fulneck School	5,000	5,000
Assessments received from Ockbrook School	5,000	5,000
Interest on loan to Ockbrook School	4,712	5,385
Assessments received from Congregations	42,406	51,882
Bates Trust	<u>360,000</u>	<u>362,485</u>

At 31st August 2008, the following balances were outstanding

	2008	2007
	£	£
Due to Bates Trust	(223,500)	(266,500)
Due to TSFG	-	(21,701)
Due from Moravian Church	732,065	741,032
Due from Ockbrook School	102,197	115,654
Due from Congregations	59,260	86,596
Due to Congregations	(40,510)	(218,508)
Due from Fulneck Choir House	<u>10,000</u>	<u>5,000</u>

22. ULTIMATE PARENT ORGANISATION

The Ultimate Parent is The British Province of the Unitas Fratrum operating as The Moravian Church, registered charity number 251211.