

**MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN
CHURCHES (INCORPORATED)**

A Company limited by guarantee and not having a share capital
Registered in England No. 1029607

Registered Charity No. 234584

DIRECTORS' REPORT FOR YEAR ENDING 31 DECEMBER 1997



ANNUAL MEETING

The 106th Annual Meeting was held at Hale Chapel on 26 April 1997. Proceedings began with a devotional service conducted by Revd Penelope Johnson, Minister of the host church. There followed a talk by Dr Beverley Littlepage (Vice-President of the General Assembly). At the opening of the business meeting, those present stood in memory of Manchester Unitarians who had died during the year.

The Minutes of the last Annual Meeting were approved. The Council Report and the Treasurer's Report and Accounts were also approved and the District Minister's Report received with appreciation. Questions were asked about ethical investments and the Domestic Mission Fund. Appreciation was expressed of the help given by Sheila Jones (RE Co-ordinator) for her help in arranging courses.

In her remarks, the President mentioned the new Editor (Frank Hytch) and Business Manager (Frances Teagle) of "The Unitarian" and spoke appreciatively of the work of their predecessors, Alan Curren and Arnold Kay. The changes in the format of Council and Executive Committee, as set out in the previous year's report, had worked satisfactorily. She thanked the team from Withington Girls School, who were preparing the tea, and finally urged all present to patronise the Traidcraft stall.

Officers for the ensuing year were elected as follows:

Revd Celia Midgley (Altrincham & Urmston) - President; Mrs A.N. Harrison (Urmston) - Vice-President; Miss Jane Deacon (Hale) - President Elect; Mr K.J. Johnson (Dean Row) - Treasurer; Mr Geoffrey Head (Cross Street and Hale) - General Secretary. Members of the Executive Committee to serve for three years - Kathleen Mills (Cross Street) and Frances Teagle (Urmston). Hanley and Co., Chartered Accountants, were re-appointed auditors.

Revd Celia Midgley presented the outgoing President, Nicky Harrison, with flowers as a token of appreciation for her two-year term as President.

The following resolution was moved by Revd Ann Peart and agreed with acclamation: "That the best thanks of the meeting be given to Revd Penelope Johnson for her conduct of the devotional service, to Dr Beverley Littlepage for his address, to the organist for his music and to members of Hale Chapel and Withington Girls School concerned with the refreshments and other arrangements for the meeting.

The Benediction at the close of the meeting was given by the incoming President, Revd Celia Midgley.

Autumnal Meeting

This meeting was held at our Oldham Church on 18 October. The subject was "Removing Third World Debt". The proceedings had been excellently prepared and were most successful, although the attendance was somewhat disappointing. Afterwards the MDA Council submitted a resolution for consideration at the 1998 GA Meetings in support of the "Jubilee 2000" movement to ameliorate the problem.

Finance

There were surpluses on ordinary income and expenditure in respect of the General and Congregational Account - unlikely to be repeated in the current year owing to commitments to staff and equip the District Office in the new Cross Street Chapel. There was a major recasting of the accounts to meet the Statement of Recommended Practice (SORP) enjoined by the Charity Commission to give effect to recent legislation. The most significant change related to unrealised gains being brought in on the basis of market values at the end of the financial year.

Many grants and donations to worthy causes continued on an annual basis, but "one off" support of congregations included a further £2500 to Hale for dry rot and related work in their schoolrooms, £5000 to Macclesfield towards Phase 1 of their restoration work and £500 to Rivington towards vestry improvements. Grants were again given to offset interest payments on loans to member churches. Stipend grants were again made to Altrincham/Urmston and Monton. Major support of ministerial training was evidenced by grants of £3000 towards a placement of a UCM student with our District Minister, £500 to the Ministerial Students' Fund and £250 towards the expenses of an Indian student at UCM.

The third of four pledged instalments (£1250) was paid to the Unitarian Millennium Fund Appeal and, exceptionally, £250 was given towards the Stockton Unitarian Church Re-building Appeal. The major disbursements of the Domestic Mission Fund related to Shepley House (£1000), the Moss Side Family Advice Centre (£2000), the Boys and Girls Welfare Society (£2250), the Woodhouse Park Family Centre (£1000), Lifeshare (£1000), the Family Resource and Advice Centre (£3000) and the Broom House Centre (£4000).

The Ministry/Lay Leadership

Rev'd John Midgley was appointed Minister of Cross Street Chapel with effect from 1 August. His previous post was Development Officer to the General Assembly. He was President of the MDA from 1973 to 1975 during his ministry at Altrincham and Urmston (1968-89).

Lindy Latham, a ministerial student in her final year at UCM, was placed with the District Minister, taking special responsibility for the Chorlton congregation and also being involved in many facets of activity within the District.

Representation on outside bodies

The MDA maintained its contacts with ecumenical and social work in the Greater Manchester area. It was represented on the Manchester Council of Christians and Jews by Jane Deacon. Revd Celia Midgley was a Unitarian representative on "Greater Manchester Churches Together" with Geoffrey Waywell of Stand Chapel. The District Ministry was very much involved in social responsibility work such as Lifeshare. The Minister and members of Cross Street Chapel were prominent in the City Centre Churches Forum and Revd Ann Latham had a particular involvement with ecumenical work in the Oldham area. Clarice Nuttall and the Oldham congregation continued their work with Traidcraft and Third World concerns. Clarice, together with Elsie Deas (formerly Palmer), served as MDA representatives on the Provincial Assembly Committee and Frances Teagle was our representative on the General Assembly Council.

Manchester Domestic Mission Fund

Under the guidance of its Mission Sub-Committee (Revd Ann Latham, Revd Penelope Johnson, Freda Ellis and Marion Nuttall), Council continued to make grants to specialist bodies after careful examination and research including visits "on site". The Sub-Committee is most desirous of receiving suggestions and recommendations from congregations as to worthy causes. Details of beneficiaries are to be found in the relevant accounts and the terms of the Trust are set out in the "Memoranda" section of this Report.

Cross Street Chapel

After some delay the congregation was able to enter into its imaginative new building in November. It will serve also as a District and Regional Centre and its facilities will be available to denominational bodies and organisations concerned with social responsibility, ecumenical, inter-faiths and cultural issues. It houses a Resources Centre. The MDA is funding the provision of good specification computer equipment (including colour printer and scanner) and also staffing the office on a 5-day week basis. The congregation has inevitably suffered during a period of nearly three years in temporary accommodation with deaths of senior members and the inability to recruit. The core members who have remained committed during a period of much difficulty and their newly appointed Minister have a challenging task to project their cause into the life of the City and establish outreach in the widest sense.

Meanwhile. Geoffrey Head, General Secretary of the MDA, continues as Treasurer of the Federation, and is closely involved in the projected arrangements.

Out and About

The District has been cognisant of much good activity in its member churches: where appropriate it has given advice and financial aid. Amongst much worthy activity the following are of especial note:

- (1) The year long succession of events at Altrincham to mark the 125th. Anniversary of the present church.
- (2) The Restoration work at Macclesfield and at the Hale Schoolrooms.
- (3) The sale of the Brookfield Sunday School for a housing project after many traumatic years - the commitment of Norman and Freda Ellis in the face of great difficulties has been noteworthy.
- (4) The Triennial Rivington Pilgrimage in September with Judith Crompton, the congregation's lay leader, again playing a definitive role.

The District and member congregations gave full support to an excellent Hibbert Lecture (organised by the Hibbert Trust, of which MDA Council member Eila Forrester is Chair). This took place in October at the Royal Northern College of Music with Jonathan Porritt speaking on "Bringing Religion Down to Earth".

General Assembly meetings - Chester 1998

Local organisation of these meetings is under the wing of the Provincial Assembly with a lead role being taken by the MDA and the East Cheshire Union. An Ad Hoc Committee, chaired by Rev. Celia Midgley (MDA President) was formed and useful meetings had been held at Cross Street Chapel before the end of 1997.

"The Unitarian"

Details are given elsewhere in this report, but it is appropriate to mention here a presentation for the purchase of records to Arnold Kay in appreciation of his long and valued service as Business Manager over 16 years.

Manpower and Womanpower Needs

The great weight of MDA administration is carried by the General Secretary and the Treasurer, but it is important that the Minister and two lay representatives of each congregation regularly attend Council Meetings and play their part in the management of Unitarian interests in the District - this only involves the commitment of one evening every other month. Not all congregations are pulling their weight.

Religious Education

Sheila Jones (District RE Co-ordinator) was most active. Courses were held at Macclesfield on "Trust" and Altrincham on "Parents as Resident Theologians". She formed a support group within the District and there was representation at the RE Summer School. A questionnaire was circulated to ascertain the needs of congregations. Eila Forrester continued her involvement in "SACRE" through the Cheshire Unitarian Association for RE.

Business Meetings

The arrangements instituted the previous year continued to work well and gave space for Council to hear talks by Frances Teagle on "The Internet" (March) and Martin West on "The Hucklow Holiday Centre" (September). These were much appreciated and encouraged lively question-times.

Trust Business

The arrangements for the transfer of the trusteeship of the CHORLEY congregation to the North and East Lancashire Mission are now in the hands of our sister District Association. Such matters always take time.

The small REVD JAMES CLARK MEMORIAL FUND, which passed from the Salford Bible Christian Charity to our former Pendleton Church, has now been vested in the MDA's Unitarian Congregational Fund with Charity Commission approval. The capital of £286.37 has been received.

Our Chief Rent on CHRISTCHURCH SQUARE, which also derived from a Salford Bible Christian site, was sold to the Manchester Corporation to facilitate low cost housing development for £600 plus expenses.

Trustees' and Treasurers' Responsibilities

A most useful and well attended seminar was held at our Chorlton church in March, conducted by Ken Johnson (MDA Treasurer). This is a subject that has been highlighted by recent Charity legislation and it is important that all concerned (which includes everyone on the Management Committee of a congregation) are fully informed. The MDA is very willing to arrange further seminars on request.

Northern Federation for Training in Ministry

All the constituent colleges, including the Unitarian College, are accommodated on the same site at Luther King House in Rusholme, whilst retaining their separate identities. The necessity to provide capital for development and enhance activity in the field of lay education has involved detailed discussions to provide for a new Trust, underpinning a "Partnership for Theological Education Manchester". From September 1998, there will be radical change and the nature of UCM's involvement is still to be determined.

Attendance at the Annual General Meeting and the Autumnal Meeting is also important for the health of Unitarianism in the area. The District RE Co-ordinator is very willing to assist congregations in the field of Religious Education (both adult and juvenile).

Financial Assistance

The MDA provides financial assistance to members of affiliated congregations in the following circumstances:

- 1) Council approves, from time to time, certain conferences of denominational interest. Subject to certain conditions, including prior approval, expenses are defrayed as follows: One-third conference charge plus public transport costs in full.
- 2) Expenses of attending full or part-time Courses at the Unitarian College will be subsidised, subject to certain conditions, from the Congregational Fund. A similar subsidy may be available to members taking Courses in Religious Studies or Philosophy at other local institutions. Full details on request from the General Secretary.

Survey of Churches

For many years, this valuable service has been provided by the MDA free of cost to its member churches. Regular reports on property, together with routine maintenance, avoid the necessity for major repair which can prove to be beyond the financial ability of a congregation. By resolution of Council (31st July 1987) the MDA will feel free to restrict grants in aid of building repairs where a survey has not been carried out within the last five years. Congregations may also request surveys to be carried out for special purposes, e.g. to ascertain a recommended value for insurance purposes, to confirm the development potential of land, or to locate the cause of troublesome damp.

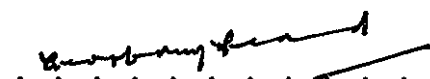
Thanks and Salutations

Under this heading, we express our sincere thanks to the Trustees and members of Cross Street Chapel for their kind permission to use their premises. For much of the year MDA meetings were held in the temporary accommodation at Cavendish House. From November, we were able to enjoy the facilities of their splendid new Chapel and associated meeting and social rooms. We are grateful for these premises being available freely for District use: its importance as a District Headquarters is now enhanced by the MDA funding of weekday attendance and computer facilities.

Our thanks are also due to Elsie Deas (formerly Palmer), who is continuing to staff the Cross Street office on Tuesdays and work on the Preaching Plan and other matters.

We congratulate her on her marriage during the year. Newcomers to the team are Stephen Haslam, who staffs the office and reception on other weekdays, and Alan Myerscough who combines the role of Chapelkeeper and Cross Street organist.

We also gratefully acknowledge the leadership and dedication of Rev. Ann Latham, the District Minister, and Rev. John Midgley, whose responsibilities inevitably involve District concerns since his appointment to the Cross Street Pulpit in August.

(signed)  GEOFFREY HEAD
Secretary and Director

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MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN
AND FREE CHRISTIAN CHURCHES

REPORT OF THE AUDITORS TO THE OFFICERS OF
MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN
AND FREE CHRISTIAN CHURCHES

We have audited the financial statements on pages 1 to 11 which have been prepared under the historical cost convention.

Respective Responsibilities of Officers and Auditors

Company law requires the officers 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 surplus or deficit of the company for that period. In preparing those financial statements, the officers are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The officers are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

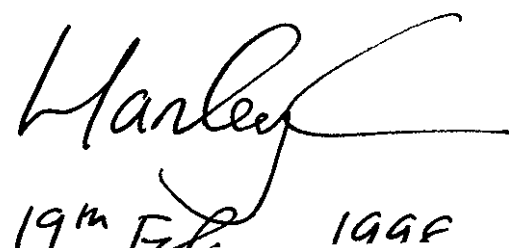
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 company's affairs as at 31 December 1997 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Hanley & Co
Registered Auditors
Chartered Accountants
Spring Court
Spring Road
Hale
Cheshire
WA14 2UQ


19th Feb 1998

Dated:

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**Manchester District Association of
Unitarian and Free Christian Churches Inc.**

Statement of Financial Activities for the year ended 31 December 1997

General Fund - Charity Commission ref. 234584

<u>Income and Expenditure</u>	£	<u>1997</u> £	£	<u>1996</u> £
<u>Incoming resources</u>				
Investment income	Note 9	25,920		23,601
Subscriptions from member churches	Note 10	863		825
Contributions for pastoral care	Note 11	4,205		4,327
<u>Total incoming resources</u>		<u>30,988</u>		<u>28,753</u>
<u>Resources expended</u>				
<u>Direct charitable expenditure:</u>				
Stipend, clerical assistance and general expenses of the District Ministry		21,928	21,494	
Depreciation of motor vehicles		1,068	917	
Structural surveys of churches		294	----	
Delegates and RECs expenses		<u>717</u>	<u>777</u>	23,188
<u>Other expenditure</u>				
Administration		1,041	1,173	
Audit fee		411	294	
Depreciation of office equipment		<u>102</u>	<u>102</u>	<u>1,569</u>
<u>Total resources expended</u>		<u>25,561</u>		<u>24,757</u>
<u>Net incoming resources</u>		5,427		3,996
Gains on investment assets:				
Realised		3,658	14,404	
Unrealised		<u>54,000</u>	<u>57,658</u>	<u>14,404</u>
<u>Net movement in the fund</u>		63,085		18,400
Fund balance brought forward at 1 January 1997		375,967		
As published			251,546	
Adjustment for changes in basis of accounting			<u>106,021</u>	<u>357,567</u>
	Note 8	<u>£439,052</u>		<u>£375,967</u>

**Manchester District Association of
Unitarian and Free Christian Churches Inc.**

Statement of Financial Activities for the year ended 31 December 1997

Manchester Unitarian Congregational Fund - Charity Commission ref. 1032203

		<u>1997</u>		<u>1996</u>
<u>Income and Expenditure</u>		£	£	£
<u>Incoming resources</u>				
Investment income	Note 9	37,330		29,510
<u>Resources expended</u>				
<u>Direct charitable expenditure:</u>				
Grants	Note 12	18,282		10,885
Subscriptions, affiliation fees, donations	Note 13	4,125		4,758
District representation at Cross Street Chapel		451		----
Book purchases		<u>78</u>	22,936	<u>----</u> 15,643
<u>Other expenditure:</u>				
Legal costs		<u>70</u>		<u>1,628</u>
<u>Total resources expended</u>		<u>23,006</u>		<u>17,271</u>
<u>Net incoming resources</u>		14,324		12,239
<u>Gains on investment assets:</u>				
Realised		3,642		14,330
Unrealised		<u>53,766</u>	57,408	<u>----</u> 14,330
Capital receipt from Clarke Memorial Fund		287		----
<u>Net movement in the fund</u>		72,019		26,569
Fund balance brought forward at 1 January 1997		469,461		
As published			267,414	
Adjustment for changes in basis of accounting		<u>-----</u>	<u>175,478</u>	<u>442,892</u>
	Note 8	<u>£541,480</u>		<u>£469,461</u>

**Manchester District Association of
Unitarian and Free Christian Churches Inc.**

Statement of Financial Activities for the year ended 31 December 1997

Manchester Domestic Mission Society Fund - Charity Commission ref. 253233

		1997	1996
		£	£
<u>Income and Expenditure</u>			
<u>Incoming resources</u>			
Investment income	Note 9	<u>16,540</u>	<u>14,947</u>
<u>Resources expended</u>			
<u>Direct charitable expenditure:</u>			
Grants	Note 14	<u>14,600</u>	<u>14,505</u>
		1,940	442
<u>Net incoming resources</u>			
Gains on investment assets:			
Realised	2,535	9,987	
Unrealised	<u>37,434</u>	<u>39969</u>	<u>9,987</u>
		41,909	10,429
<u>Net movement in the fund</u>			
Fund balance brought forward at 1 January 1997		242,320	
As published			158,386
Adjustment for changes in basis of accounting			<u>73,505</u>
			<u>231,891</u>
	Note 8	<u>£284,229</u>	<u>£242,320</u>

Leech Fund - Charity Commission ref. L3(E) 602094

		£	£	£	£
<u>Income and Expenditure</u>					
<u>Incoming resources</u>					
Investment income	Note 8		277		250
<u>Resources expended</u>					
<u>Direct charitable expenditure:</u>					
Grants for purchase of books			<u>102</u>		<u>64</u>
			175		186
<u>Net incoming resources</u>					
Gains on investment assets:					
Realised	42		167		
Unrealised	<u>627</u>	<u>669</u>			<u>167</u>
			844		353
<u>Net movement in the fund</u>					
Fund balance brought forward at 1 January 1997			4,331		
As published				2,747	
Adjustment for changes in basis of accounting				<u>1,231</u>	<u>3,978</u>
	Note 8		<u>£5,175</u>		<u>£4,331</u>

**Manchester District Association of
Unitarian and Free Christian Churches Inc.**

Balance Sheet for the year ended 31 December 1997

		<u>1997</u>	<u>1996</u>
		£	£
<u>Fixed Assets</u>			
Tangible fixed assets	- Land held as an investment	Note 3 70,000	70,000
	- Held for use by the charity	Note 4 7,847	2,204
Investments		Note 5 <u>1,143,534</u>	<u>844,169</u>
		<u>1,221,381</u>	<u>916,373</u>
<u>Current Assets</u>			
Debtors		Note 6 9,892	9,237
Short term deposits		32,703	156,387
Cash at bank		<u>9,839</u>	<u>14,212</u>
		52,434	179,836
Liabilities falling due within one year		Note 7 <u>3,879</u>	<u>4,130</u>
Net Current Assets		48,555	175,706
<u>Total Net Assets</u>		<u>£1,269,936</u>	<u>£1,092,079</u>
<u>Funds</u>			
Unrestricted Funds		Note 8 <u>£1,269,936</u>	<u>£1,092,079</u>

These accounts were approved by the Directors
on 27 January 1998 and are signed on their behalf by:

Celia Midgley

President

K.J. Johnson

Treasurer

[Signature]

Secretary and directors

Manchester District Association of Unitarian and Free Christian Churches Inc.

Notes to the Accounts for the year ended 31 December 1997

1 Basis of accounting

The accounts are prepared in accordance with the Statement of Accounting Practice for Accounting by Charities, issued October 1995.

2 Accounting Policies

(a) Tangible Fixed Assets

- (i) Investment land is included in the Balance Sheet at Professional Valuer's estimate of market value at the accounting date.
- (ii) Motor vehicles and office computers are valued at cost less depreciation.

(b) Investments

- (i) Listed investments are included in the Balance Sheet at their middle market value at the accounting date.
- (ii) Unsecured interest bearing loans to churches are expected to be repaid in full over time, though there are no specific agreements as to repayment.

(c) Grants and donations receivable and payable are accounted for where received or paid by the charity.

(d) Income from investment land is brought into account on an accruals basis.

(e) Dividends and interest are brought into account when received by the charity.

(f) Fixed Assets are depreciated: motor vehicles 25% reducing balance:
office equipment 33 $\frac{1}{3}$ straight line.

3 Tangible Fixed Assets

	<u>Freehold Land</u>	<u>Total</u>
	£	£
Balance as at 31 December 1996	----	
Valuation at that date at market value	<u>70,000</u>	
1996 comparative figures in these accounts	70,000	
There was no change during 1997		<u>£70,000</u>

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	<u>Motor Vehicles</u>	<u>Office Equipment</u>	
	£	£	
<u>Cost</u> at January 1997	5,550	1,737	
Additions	<u>6,813</u>	-----	
	<u>12,363</u>	<u>1,737</u>	
 <u>Depreciation</u> at January 1997	3,550	1,533	
Charge for the year	<u>1,068</u>	<u>102</u>	
	<u>4,618</u>	<u>1,635</u>	
Net value at 31 December 1997	<u>7,745</u>	<u>102</u>	<u>£7,847</u>

5 Investments

(i) Quoted investments

It is not practicable to show comparative figures at market values: they are stated at cost.

	<u>1997</u> <u>Market values</u> £	<u>1996</u> <u>Cost</u> £
Balance as at 1 January 1997	518,588	546,544
Unrealised gain upon change in basis	<u>286,235</u>	<u>----</u>
	804,823	546,544
Add acquisitions in the year, at cost	<u>255,984</u>	<u>52,604</u>
	1,060,807	599,148
Less sales at both values (market value or cost)	<u>101,696</u>	<u>80,560</u>
	959,111	518,588
Unrealised gain for the year	<u>145,827</u>	<u>----</u>
	1,104,938	518,588
Unrealised gain at 31 December 1996 upon change of basis	<u>----</u>	<u>286,235</u>
Balance at 31 December 1997 at market value (cost value £696,292 (£518,588))	<u>£1,104,938</u>	<u>£804,823</u>

The investments are held by A.E.S. Nominees Ltd. on behalf of the Trustees.

(ii) Loans to Churches

	Wilbraham Rd Chorlton	Queens Rd Urmston	
Balance at 1 January 1997	33,846	5,500	<u>39,346</u>
Repaid in the year	<u>750</u>	<u>----</u>	
Balance at 31 December 1997	33,096	5,500	<u>38,596</u>
Investments per Balance Sheet		<u>£1,143,534</u>	<u>£844,169</u>

6 Debtors

	<u>1997</u>	<u>1996</u>
Income tax recoverable	8,982	7,746
Due by Queens Road Church, Urmston	275	1,325
Rent and compensation for loss of Chief Rent	635	<u>----</u>
Interest and dividends receivable	<u>£9,892</u>	<u>166</u>
		<u>£9,237</u>

7 Liabilities falling due within one year

	<u>1997</u>	<u>1996</u>
Rent received in advance	3,300	3,125
Creditors	419	1,005
Prepayments	<u>160</u>	<u>----</u>
	<u>£3,879</u>	<u>£4,130</u>

8 Unrestricted Funds

	<u>Balance at 1 Jan. 1997</u>		<u>Incoming</u>	<u>Balance</u>
	<u>Previous</u>	<u>Revised</u>	<u>resources</u>	<u>31/12/97</u>
	<u>basis</u>	<u>basis</u>		
General Fund	269,946	375,967	63,085	439,052
Manchester Unitarian				
Congregational Fund	293,983	469,461	72,019	541,480
Manchester Domestic				
Mission Society Fund	168,815	242,320	41,909	284,229
Leech Trust Fund	3,100	4,331	844	5,175
	<u>£735,844</u>	<u>£1,092,079</u>	<u>£177,857</u>	<u>£1,269,936</u>

9 Investment Income

	<u>Income from</u>	<u>Interest</u>	<u>Rents etc.</u>	<u>Total</u>	<u>1996</u>
	<u>listed investments</u>	<u>on loans</u>			
	£	£	£	£	£
General Fund	23,858	2,062 *	----	25,920	23,601
M.U.C. Fund	23,755	----	13,575 †	37,330	29,510
M.D.M.S. Fund	16,540	----	----	16,540	14,947
Leech Fund	277	----	----	277	250
	<u>£64,430</u>	<u>£2,062</u>	<u>£13,575</u>	<u>£80,067</u>	<u>£68,308</u>

* Interest is charged on loans to Churches at 5% p.a.

† Rents receivable include £600 received for the extinguishment of Chief Rent on land at Christchurch Square.

10 Subscriptions from Member Churches

	<u>1997</u>	<u>1996</u>
	£	£
Altrincham	75	60
Chorlton	100	100
Cross Street	60	55
Dean Row	100	100
Dob Lane	25	20
Flagg	10	20
Gorton	50	50
Hale	30	30
Knutsford	100	100
Macclesfield	25	25
Monton	50	50
Oldham	25	25
Rivington	25	25
Styal	100	100
Urmston	88	65
	<u>£863</u>	<u>£825</u>

11 Contributions for pastoral care

	<u>1997</u>	<u>1996</u>
Dob Lane	1,553	1,500
Chorlton	1,250	1,250
Oldham	1,240	1,472
Sundry preaching fees	162	105
	<u>£4,205</u>	<u>£4,327</u>

12 <u>Grants</u>		<u>1997</u>		<u>1996</u>
<u>Stipend Grants:</u>		£	£	£
Altrincham/Urmston Churches	3,000		2,888	
Monton Church	1,500		1,875	
Hale Chapel	<u>----</u>	4,500	<u>375</u>	5,138
<u>For Building repairs etc.:</u>				
Urmston Church	<u>----</u>		1,105	
Hale Chapel	2,500		2,000	
Macclesfield Church	5,000		<u>----</u>	
Rivington Chapel	<u>500</u>	8,000	<u>----</u>	3,105
<u>Miscellaneous:</u>				
To assist an Indian Student at UCM	250			
To assist in funding a UCM Student training in the District	3,000		500	
G.A. Ministerial/Students Fund	500		<u>100</u>	600
Eight grants each £50 or less	<u>340</u>	4,090		<u>2,042</u>
<u>Interest grants to Churches</u>		<u>1,692</u>		<u>£10,885</u>
		<u>£18,282</u>		

13 <u>Subscriptions, affiliation fees and donations</u>	<u>1997</u>	<u>1996</u>
	£	£
The General Assembly	500	500
World Development Committee	50	50
Unitarian Millennium Fund		
(third of four pledged contributions)	1,250	1,250
Manchester Academy Fund	400	400
I.A.R.F.	15	15
Unitarian Holiday and Conference Centre	200	200
The "Inquirer"	500	500
Unitarian College Manchester	700	700
Greater Manchester County Ecumenical Council	190	190
Provincial Assembly	20	20
J. Hewerdine - photographic record in India	-	300
Manchester Council of Christians and Jews	25	25
NELECUMDA	-	50
Romanian Link (provision of medical supplies)	-	400
Aberdare Church appeal	-	20
J.R. Beard Memorial Lecture	-	50
Subsidy for Pastoral Counselling course	-	151
Stockton Church building fund	250	-
G.A. Romania Fund	<u>25</u>	<u>----</u>
	£4,125	4,821
Less Contribution by NELUM to GMCEC	<u>£4,125</u>	<u>63</u>
		<u>£4,758</u>

14 <u>MDMS Grants</u>	<u>1997</u>	<u>1996</u>
	£	£
Decade for Women	100	50
Manchester & Salford Methodist Mission - re City Centre Night Shelter		1,000
Threshold Housing Project	-	1,800
Benchill Group - Holiday at Hucklow		2,455
Shepley House Amenities Fund	1,000	200
Family Advice Centre, Moss Side	2,000	5,000
Family Service Unit, Miles Platting	-	1,000
Francis House and Rainbow Trust	-	1,000
Boys and Girls Welfare Society	2,250	2,000
The Woodhouse Park Farm Centre	1,000	-
Lifeshare Resettlement Amenities Fund	1,000	-
Family Advice and Resource Centre	3,000	-
Broom House Centre	4,000	-
Cheetham Women's Group	250	-
	<u>£14,600</u>	<u>£14,505</u>

**Manchester District Association of
Unitarian and Free Christian Churches (Incorporated)**

Schedule of Investments at 31 December 1997

<u>British Government/Fixed Interest</u>	Number of Shares	Market Value £	
Bradford & Bingley B.Soc. 13% PIBs	10,000	17,250	
Bristol & West plc 13.375% Uns Perp Sub bds	12,000	21,180	
Halifax plc 8.75% Perp sub ord bds	50,000	58,750	
Manchester Corp. 4% Consolidated Irr. Stock	7,660.17	4,520	
Nat. West. Bank 9% SNR "A" non Cum. Pref £1	15,900	22,777	
9.75% Exchequer Stock 1998	3,587.42	3,591	
10.5% Treasury Stock 1999	20,619.64	21,573	
9.0% Conversion Stock 2000	5,000	5,220	
10.0% Treasury Stock 2001	79,250	86,407	
8.0% Treasury Loan 2002/06	10,700	11,279	
10.0% Treasury Stock 2003	15,000	<u>17,442</u>	269,989
<u>Convertible Stocks</u>			
Blue Circle Industries 7.625% CCRP £1	9,150	16,150	
Land Securities plc 7.0% Conv. Bonds 9/2008 Reg	14,000	<u>21,770</u>	37,920
<u>Oil, Integrated</u>			
Burmah Castrol plc Ordinary £1	2,200	23,254	
Shell Transport and Trading plc Ord. 25p	7,500	<u>33,113</u>	<u>56,367</u>
	Carried forward		364,276

	Brought forward		364,276
<u>Chemicals</u>			
British Vita plc Ord. 25p	3,750	<u>8,906</u>	8,906
<u>Diversified Industrials</u>			
B.T.R. plc Ord. 25p	3,740	6,900	
Tomkins plc Ord. 5p	5,400	<u>15,741</u>	22,641
<u>Food Producers</u>			
Unilever plc Ord. 1.25p	5,600	<u>29,204</u>	29,204
<u>Pharmaceuticals</u>			
Glaxo Wellcome plc Ord. 25p	2,300	33,074	
Smith Kline Beecham plc Ord 6.25p	3,400	21,267	
Zeneca Group plc Ord. 25p	1200	<u>25,692</u>	80,033
<u>Leisure and Hotels</u>			
Granada Group plc Ord. 25p	3,500	32,673	
Queens Moat Houses plc Ord. 5p (post re-org.)	1,449	180	
Trust Motor Group plc Ord 25p	4,000	<u>6,500</u>	39,353
<u>Media</u>			
EMI Group plc Ord. 14p	2,160	<u>11,075</u>	11,075
<u>Retailers, Food</u>			
Tesco plc Ord. 5p	5,700	<u>28,415</u>	28,415
<u>Retailers, General</u>			
Boots Co. plc Ord. 25p	2,500	22,025	
Marks & Spencer plc Ord. 25p	4,200	<u>25,200</u>	47,225
<u>Telecommunications</u>			
British Telecommunications plc Ord. 25p	5,750	<u>27,528</u>	27,528
<u>Banks, Retail</u>			
Barclays Bank plc Ord. £1	2,500	40,375	
HSBC Holdings plc Ord 75p UK reg	1,500	<u>23,565</u>	63,940
<u>Insurance</u>			
Commercial Union plc Ord. 25p	2,025	<u>17,162</u>	17,162
<u>Life Assurance</u>			
Prudential Corporation plc Ord. 5p	6,000	<u>44,310</u>	44,310
<u>Investment Trusts</u>			
Henderson Far Eastern Trust Ord. 25p	7,700	9,471	
Law Debenture Corp. plc Ord. 25p	2,000	22,200	
Murray International Trust plc Ord. 25p	3,700	<u>16,465</u>	48,136
<u>Unit Trusts</u>			
M&G Securities Charifund income	28,000	<u>272,734</u>	<u>272,734</u>
			<u><u>£1,104,938</u></u>

"The Unitarian Magazine"

Statement of Financial Activities for the year ended 31 December 1997

	1997	1996
	£	£
Income		
Magazine sales	5,517.15	4,422.22
Donations	224.90	253.11
Interest	252.53	235.61
Advertising	----	330.00
	<u>5,994.58</u>	<u>5,240.94</u>
Less Expenditure		
Printing	3,444.00	3,404.00
Carriage and postage	1,164.64	1,112.32
Honoraria	687.50	750.00
Magazine sales	<u>115.07</u>	<u>243.28</u>
	<u>5,411.21</u>	<u>5,509.60</u>
Excess income over Expenditure (Expenditure over Income)	583.37	(268.66)
Movement on investments		
Unrealised gain	<u>509.30</u>	<u>883.00</u>
Net movement in the Fund	1,392.67	614.34
Balance at 1 January 1997 - brought forward	<u>8,286.57</u>	<u>7,672.23</u>
Balance at 31 December 1997	<u>£9,679.24</u>	<u>£8,286.57</u>

Balance Sheet at 31 December 1997

Fixed Assets		
Investment in COIF Income Shares (cost £4,000)	5,692.30	4,883.00
Current Assets		
Magazine debtors	759.06	434.57
Halifax Building Society	1,062.58	1,025.93
Balance at Bank	<u>3,317.88</u>	<u>1,943.07</u>
	5,139.52	3,403.57
Less Creditors	<u>1,152.58</u>	<u>3,986.94</u>
	<u>£9,679.24</u>	<u>£8,286.57</u>
Unrestricted Fund	<u>£9,679.24</u>	<u>£8,286.57</u>

Signed: *Frances Teagle* (Manager)

Examined: *Ken Johnson*

Report of the auditors to the officers of
Manchester District Association of
Unitarian and Free Christian Churches

We have audited the financial statements on pages 28 to 38 which have been prepared under the historical cost convention.

Respective Responsibilities of Officers and Auditors

Company law requires the officers 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 surplus or deficit of the company for that period. In preparing those financial statements, the officers are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The officers are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 company's affairs as at 31 December 1997 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Hanley & Co
Registered Auditors
Chartered Accountants
Spring Court, Spring Road
Hale, Cheshire WA14 2UQ

Signed: Hanley & Co

Dated: 19th February 1998