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

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2013

A company limited by guarantee

Company Number 1029607

SATURDAY



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MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN CHURCHES INCORPORATED

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

Legal and Administrative information

as at 31 December 2013

Status

The organization is a charitable company limited by guarantee, incorporated on 3rd November 1971. It is registered as a charity. It was granted Trust Corporation status on 18th January 1973.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed by its Articles of Association.

Directors/Trustees

Alexander Bradley
Jane Barraclough
Danny Crosby
Dennis Crompton
Michael Dadson
Elsie Deas
Geoffrey Head
Kenneth James Johnson
Penelope Frances Johnson
Aled Wyn Jones
Geoffrey Levermore
Vince McCully (appointed 28th May 2013)
Timothy John Moore
Marion Nuttall
Andrew Parker
Robert Pounder
Ann Sonja Peart
Francois Charles Melchoir VanDenBroeder
Martin Graham West

The directors are those members of the parallel unincorporated association who are also members of the company.

Secretary

Revd Penelope Frances Johnson, Fairfield, London Road, Adlington, Macclesfield, Cheshire SK10 4NA

Registered Office

Chaplain's House, West Lane, High Legh, Knutsford, Cheshire, WA16 6LR

Bankers

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

Solicitors

Weightmans LLP (previously Mace and Jones), Pall Mall Court, 61-67 King Street, Manchester, M2 4PD

Independent Examiner

Fari Minaeian of Hanleys, Chartered Accountants, Spring Court, Spring Road, Hale, Cheshire WA14 2UQ

Investment Manager

Newton Investment Management Limited,

Mellon Financial Centre, 160 Queen Victoria Street, London, EC4V 4LA

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

Report of the Directors/Trustees

for the year ended 31 December 2013

Report of the Directors/Trustees
for the year ended 31st December 2013

The directors present their report, with the financial statements of the company, for the year ended 31st December 2013.

1. Structure and objects of the company and its constituent trusts.

The company, which is limited by guarantee, whose registered number under the Companies Acts is 1029607, administers and accounts as sole trustee for four charities:

General Fund. (Charity Commission number 503753).

Manchester Unitarian Congregational Fund. (Charity Commission number 1032203)

Manchester Domestic Mission Society Fund. (Charity Commission number 253233)

Leech Fund. (Charity Commission reference L3 (E) 602094)

By virtue of its status as a Trust Corporation, it acts as sole trustee of seven churches in the Manchester District; of the Provincial Assembly of Lancashire and Cheshire; it is custodian trustee for another church, and with other trustees is a trustee of two further churches and is custodian trustee and administrator of the will of Sir C. C. Grundy dec'd.

2. Public Benefit Statement

The Trustees take into account the Charity Commission guidance on public benefit and believe that the activities of the Trusts are in line with that guidance

3. Origin and objects of the funds

(a) The General Fund is derived from legacies, sale of Unitarian properties in the Manchester District and other funds which have been vested in it.

(b) The Manchester Unitarian Congregational Fund was created by the amalgamation of seven existing charities, the assets arising on the closure of a church, a grant from the Trustees of Flagg Chapel and the consideration for the release of a covenant on land formerly belonging to Swinton Church

The clear income from both these funds is to be applied "towards the upkeep, repair and improvement of churches whose congregations are members of the Manchester District Association, and in and towards the maintenance of services and otherwise furthering the religious, educational and charitable work of the Association".

(c) The object of the Manchester Domestic Mission Society Fund is "the diffusion of religious and other elevating influences, by Ministry among the poor in Manchester". In the 19th century the Society employed a missionary and set up schools. Nowadays grants are made to charities that operate in deprived parts of Greater Manchester.

(d) The Leech Fund was set up for the benefit of Ministers in the counties of "Northumberland, Lancashire and Cheshire". In practice, it makes grants to ministers and students for the provision of books.

The company invests the financial assets of these Funds in stock exchange securities and deposits at interest. Its portfolio is managed by an investment manager, Newton Investment Management Limited, on a discretionary basis. The company also holds a plot of land, leased for car parking purposes, on behalf of the Manchester Unitarian Congregational Fund.

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

Report of the Directors/Trustees - continued

for the year ended 31 December 2013

4. Organisational and decision-making structure.

The Executive Committee consists of the President, Vice-President, President Elect, Treasurer, General Secretary and eight other members. Members other than the officers serve for three years. They are elected at the Annual General Meeting of the Unincorporated Association and meet six times a year, to decide policy, receive reports, and authorise grants. All are unpaid.

The Company is associated with fourteen Unitarian churches in the Manchester area which send delegates, two per church plus its minister, to meetings of the parallel Unincorporated Association which also meets six times a year. That body, to which the Executive Committee reports, discusses matters of general interest and aims to support the constituent churches in their religious and social activities. The Organisation also elects a Publicity Officer, a Religious Education Co-ordinator and A Religious Education Co-ordinator for Children and Young People, and appoints members to represent it on bodies with which it is associated. It publishes a monthly magazine, The Unitarian, which is distributed to Unitarian Churches throughout the Country. The manager and editor of the magazine receive small honoraria.

5. Association with related parties, charities etc.

The charity is associated with the General Assembly of Unitarian and Free Christian Churches, which is the national body, in the United Kingdom, for Unitarians. It is not financially connected, but the company's treasurer collects, on its behalf, cash quotas that are made on a voluntary basis by Congregations in the District. The Association is also represented on Manchester Council of Christians and Jews, and the Standing Advisory Council on Religious Education (SACRE) for East Cheshire and Manchester.

6. Review of activities

- (a) The General Fund provided for the administration costs and independent examination of the Company. There was a special contribution of £12,000 to assist a church with a start up lay ministry. The Fund generated net incoming resources of £3,179 (2012 –Outgoing Resources £12,451). After the unrealised gains in the value of investment assets of £58,904, (2012-gain- £25,574) the value of the Fund increased by £62,083 (2012 – increase - £13,123) in the year.
- (b) The Manchester Unitarian Congregational Fund assisted, to the extent of £27,000 (2012 - £26,400), in the provision of support for the stipends of seven ministers. General subscriptions and donations amounted to £8,695 (2012 - £8,820). Expenditure in the year exceeded income by £4,997 (2012 – excess- £8,079). After taking account of the unrealized gains on investment assets of £74,036 (2012 – gains £26,427) the Fund increased in value by £69,039 (2012 – increase £18,348) in the year .
- (c) The Manchester Domestic Mission Society Fund provided grants of £10,000 (2012 - £10,000) to charities which assist and advise persons resident in deprived parts of the City. Expenditure exceeded Income by £1,967 (2012 - deficit of £1,572), this was offset by the unrealized gains in the value of investment assets of £30,346 (2012 – gains £13,886) which resulted in an increased value of the Fund of £28,379 (2012 – increase £12,314).
- (d) The Leech Fund made one grant of £27 in the year. There was a net surplus of £147 (2012 - surplus of £80). There was an unrealized gain in the value of investment assets of £656 (2012 -gain £298) leading to an increase in the Fund of £803 (2012 -increase £378).
- (e) The Association does not undertake fund raising activities.

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

Report of the Trustees - continued

for the year ended 31 December 2013

Policy relating to reserves

Over many years, income has accumulated which has been invested, in part, to become merged with the capital base from which the Association's income arises. At 31st December 2013 this accumulation amounted to £1,451,782, arising from income surpluses of most years.

8. Statement concerning major risks

The main risk to the assets of the charity derives from the uncertain world economic situation and any adverse effect this could have on the capital value of its investments and of the income derived from them.

9. Grant-making policy

The General Fund makes grants for building improvements, surveys of its constituent churches and support of special initiatives regarding the finance of ministry.

The Manchester Unitarian Congregational Fund makes grants in aid of the stipends of ministers and for the repair and maintenance of church buildings. Donations are made, mainly to national Unitarian bodies. Grants are considered by the executive committee on their merits, and within the income of the Fund, taking one year with another.

Grants from the Manchester Domestic Mission Society Fund are recommended by a sub-committee of the council. Its members actively monitor and visit the charities to which the grants are made. Grants from this Fund are intended to improve the lot of the poorer and more disadvantaged residents of Greater Manchester.

The Leech Fund makes grants to students or ministers for the purchase of books.

10. Directors' responsibility for financial statements

Company law requires the directors 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 profit or loss of the company for that period.

In preparing those financial statements, the directors 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors 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 2006. They are also responsible for safeguarding of the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

11. Independent Examiner

The Independent Examiner, Fari Minaeian of Hanleys, will be proposed for reappointment at the annual general meeting.

On behalf of the board,

28th January 2014

Renelope F. Johnson - Secretary

**Independent Examiner's Report to the Members
for the year ended 31 December 2013**

I report on the Financial Statements of the company for the year ended 31st December 2013. The statements include the financial activities of the following funds:

General Fund	Charity Number 0503753
Manchester Unitarian Congregational Fund	Charity Number 1032203
Manchester Domestic Mission Society Fund	Charity Number 0253233

Respective responsibilities of trustees and the examiner.

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43 (7)(b) of the Act, whether particular matters have come to my attention.

Basis of the independent examiner's report.

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement.

In connection with our examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - (a) to keep accounting records in accordance with section 41 of the Act; and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

28th January 2014

Fari Minaeian, BSc, FCA
Hanleys
Chartered Accountants
Spring Court
Spring Road
Hale
Cheshire



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

Financial Activities (Including Income and Expenditure Account)

for the year ended 31 December 2013

	Note	General Fund £	MUC Fund £	MDMS Fund £	Leech Fund £	Total 2013 £	Total 2012 £
Incoming Resources							
Subscriptions from member churches		1,760	0	0	0	1,760	1,613
Investment Income	6	15,593	30,698	8,033	174	54,498	51,271
Total Incoming Resources		17,353	30,698	8,033	174	56,258	52,884
Resources Expended							
Grants		12,000	35,695	10,000	27	57,722	72,320
Administration		2,174	0	0	0	2,174	2,586
Total Resources Expended		14,174	35,695	10,000	27	59,896	74,906
Net Incoming Resources	7	3,179	(4,997)	(1,967)	147	(3,638)	(22,022)
Profit on Investment Asset		58,904	74,036	30,346	656	163,942	66,185
Net Movement in Funds		62,083	69,039	28,379	803	160,304	44,163
Funds 1st January 2013		436,193	619,973	230,181	5,131	1,291,478	1,247,315
Funds 31st December 2013		498,276	689,012	258,560	5,934	1,451,782	1,291,478

**MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN
CHURCHES INCORPORATED**
Balance Sheet
at 31 December 2013

	<u>Notes</u>	<u>2013</u> £	<u>2012</u> £
<u>Fixed Assets</u>			
Tangible fixed assets - Investment Land		70,000	70,000
Investments	2	1,307,018	1,171,966
Loans	3	49,400	30,000
		<u>1,426,418</u>	<u>1,271,966</u>
<u>Current Assets</u>			
Debtors	4	12,739	1,100
Cash at bank		13,773	20,418
		<u>26,512</u>	<u>21,518</u>
Less liabilities falling due within one year	5	(1,148)	(2,006)
<u>Net current assets</u>		<u>25,364</u>	<u>19,512</u>
<u>Total net assets</u>		<u>1,451,782</u>	<u>1,291,478</u>
<u>Unrestricted Funds</u>			
General Fund		498,276	436,193
Manchester Unitarian Congregational Fund		689,012	619,973
Manchester Domestic Mission Society Fund		258,560	230,181
Leech Fund		5,934	5,131
		<u>1,451,782</u>	<u>1,291,478</u>

For the year ended 31st December 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to (1) accounting records and (2) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of and its profit and loss for the financial year and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These accounts were approved by the Directors
on 28th January 2014 and were signed on their
behalf by:

FrancoisCharlesMelchiorVanDenBroeder
- President
Martin Graham West – Treasurer

FCM VanDenBroeder
M.G. West

MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN CHURCHES INCORPORATED

Notes forming part of the Financial Statements

for the year ended 31 December 2013

1. Accounting Policies

(a) The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), the Companies Act 2006 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.

(b) Investment land is included in the balance sheet at Professional Valuer's estimate of market value at 31st December 1997. It is the Directors' opinion that there has been no material change in value since that date.

(c) Listed investments are included in the balance sheet at their middle market value at the accounting date.

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

(e) Rent from investment land is brought into account on a day to day basis as earned

(f) Dividends and interest on securities and bank deposits are brought into account when received by the charity or its investment manager.

2. Investments

(a) Quoted investments.	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>
Balance at 1st January 2013	1,171,966	1,077,697
Add acquisitions in the year, at cost	<u>201,110</u>	<u>28,084</u>
	1,373,076	1,105,781
Less sales	230,000	0
realised profit/ (loss) on Sales	<u>21,119</u>	<u>0</u>
	1,164,195	1,105,781
Add unrealised profit in the year	<u>142,823</u>	<u>66,185</u>
	<u>£1,307,018</u>	<u>£ 1,171,966</u>

The Portfolio is managed on a discretionary basis by Newton Investment Management Limited. The custodian of the stocks and shares is The Bank of New York Inc.

3. Unsecured loans

	<u>Oldham</u>	<u>Macclesfield</u>
	<u>£</u>	<u>£</u>
Balance outstanding at 1 st January 2013	0	30,000
Add New Loan	30,000	0
Add interest	<u>0</u>	<u>0</u>
	30,000	30,000
Less repayments	0	10,600
Balance outstanding at 31 st December 2013	<u>£30,000</u>	<u>£19,400</u>

4. Debtors

	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>
Rents due re King Street / Queen Street site	6,200	1,100
Dividends due from Newtons	<u>6,539</u>	<u>0</u>
	<u>12,739</u>	<u>1,100</u>

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

Notes forming part of the Financial Statements (Continued)

for the year ended 31 December 2013

5. Liabilities falling due within one year.	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>
Lay Preachers Association Fund	398	0
Creditor for Portfolio Management Fee	25	25
Creditor for Independent Examiner's fee	700	650
General Creditors	0	515
1662 Appeal	25	716
Leech Fund	0	100
	<u>£1,148</u>	<u>£2,006</u>

6. Investment Income

	<u>Income from</u>	<u>Rents etc</u>	<u>Total</u>	<u>Total</u>
	<u>Investments</u>	<u>less charges</u>	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
General Fund	15,593	-	15,593	15,522
MUC Fund	19,598	11,100	30,698	27,141
MDMS Fund	8,033	-	8,033	8,428
Leech Fund	174	-	174	180
	<u>£43,398</u>	<u>£11,100</u>	<u>£54,498</u>	<u>£51,271</u>

7. Net Incoming Resources for the year are stated after charging:

	<u>2013</u>	<u>2012</u>
	<u>£</u>	<u>£</u>
Depreciation	0	0
Management committee remuneration	0	0
Independent examiner's fee.	700	600

8. Staff costs and numbers

There were no staff costs during the year (2012-None)

9. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

10. Analysis of net assets between funds:

	<u>General</u>	<u>MUC</u>	<u>MDMS</u>	<u>Leech</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Tangible fixed assets	-	70,000	-	-	70,000
Investments	469,612	590,249	241,929	5,228	1,307,018
Loans	49,400	-	-	-	49,400
Short term deposit	0	0	0	0	0
Cash at bank	(32,237)	28,763	16,631	706	13,773
Current assets (debtors)	12,739	-	-	-	12,739
Current liabilities	(1,148)	-	-	-	(1,148)
	<u>£498,276</u>	<u>£689,012</u>	<u>£258,560</u>	<u>£5,934</u>	<u>£1,451,782</u>

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

Notes forming part of the financial statements (Continued)

for the year ended 31 December 2013

Portfolio Movements in the twelve months to 31st December 2013

<u>Stock</u>	Quantity 31.12.13	Cost Value	Market Value 31.12.12	Market Value 31.12.13	Unrealised Profit	Income
<u>Equities</u>						
COIF Charities Ethical Fund	17,078	28,084	29,010	32,224	3,204	1,509
Newton Global Higher Income	100,834	150,000	-	151,039	1,039	1,321
		<u>178,084</u>	<u>29,010</u>	<u>183,253</u>	<u>4,243</u>	<u>2,830</u>
<u>Fixed Interest</u>						
Newton Global Bond		<u>50,000</u>	<u>-</u>	<u>50,081</u>	<u>81</u>	<u>367</u>
<u>Overseas</u>						
Global Growth and Income	472,836	560,233	646,621	717,102	97,714	26,390
SRI Fund for Charities	295,550	287,237	496,335	356,582	40,785	13,784
		<u>847,470</u>	<u>1,142,956</u>	<u>1,073,684</u>	<u>138,499</u>	<u>40,174</u>
Total Investments		<u>1,075,553</u>	<u>1,171,966</u>	<u>1,307,018</u>	<u>142,823</u>	<u>43,371</u>
Cash		<u>0</u>	<u>152</u>	<u>0</u>	<u>0</u>	<u>27</u>
Total Investments and Cash		<u>1,075,553</u>	<u>1,172,118</u>	<u>1,307,018</u>	<u>142,823</u>	<u>43,398</u>

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

Manchester Domestic Mission Grants and Subscriptions from member churches

for the year ended 31 December 2013

Manchester Domestic Mission Grants

	<u>2013</u>	<u>2012</u>
Barlow Moor Community Assoc.	2,000	2,000
Lifeshare	500	500
Befrienders Project	500	500
Oldham Destitution Centre	3,000	3,000
Mustard Tree	2,000	2,000
Wythenshawe Community Initiative	1,500	1,500
Tree of Life	500	500
	<u>10,000</u>	<u>10,000</u>

Subscriptions from Member Churches

Altrincham	300	300
Brookfield	55	53
Chorlton	50	55
Cross Street	130	130
Dean Row	120	120
Dob Lane	60	55
Hale	100	55
Knutsford	135	130
Macclesfield	105	100
Monton	100	55
Oldham	125	120
Rivington	100	100
Styal	230	210
Urmston	150	130
	<u>1,760</u>	<u>1,613</u>

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

Stipend and Other Grants

for the year ended 31 December 2013

Manchester Unitarian Congregational Fund

	<u>2013</u>	<u>20112</u>
<u>Stipend Grants</u>		
Knutsford	2,500	2,500
Monton	5,000	5,000
Macclesfield	5,000	4,400
Dob Lane	5,000	5,000
Queens Road	2,000	2,000
Styal	2,500	2,500
Oldham	<u>5,000</u>	<u>5,000</u>
	<u>27,000</u>	<u>26,400</u>

Other Grants

IARF British Chapter	0	15
Unitarian College Manchester	3,250	1,750
GA Ministry Students Fund	1,000	2,500
Manchester Academy Fund	600	600
The Inquirer	1,000	1,000
Send a Child to Hucklow	1,000	1,000
Gaskell's House	100	100
Provincial Assembly	0	25
Council for Christians and Jews	110	60
Faith and Freedom	30	15
Gay Pride Parade	66	55
Five Days Away and Unikids	1,250	1,000
Miscellaneous	<u>289</u>	<u>100</u>
	<u>8,695</u>	<u>8,820</u>

Total Congregational Fund Grants

35,695 **35,220**

General Fund: Stipend Support

Chorlton Special Contribution	<u>12,000</u>	<u>12,000</u>
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General Fund: Building Improvements

Hale Chapel	0	10,000
Altrincham Windows	<u>0</u>	<u>5,000</u>
	<u>0</u>	<u>15,000</u>

Leech Fund Grants

Shammy Webster	<u>27</u>	<u>100</u>
	<u>27</u>	<u>100</u>

Total Grants

47,722 **62,320**