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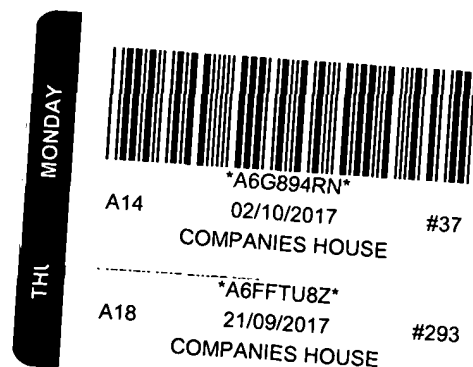
**MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN
CHURCHES INCORPORATED**

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2016

A company limited by guarantee

Company Number 1029607



**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 2016

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
Danny Crosby
Dennis Crompton
Michael Dadson
Elsie Deas
Nicola Jenkins
Kenneth James Johnson
Aled Wyn Jones
Geoffrey Levermore
Vince McCully
Andrew Parker
Ann Sonja Peart
Robert Pounder
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

Anna Jarvis, 35 Manor Park North, Knutsford, WA16 6LR

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 2016

Report of the Directors/Trustees for the year ended 31st December 2016

The directors present their report, with the financial statements of the company, for the year ended 31st December 2016.

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.

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 Newton Investment Management Limited. The company also holds a plot of land, leased for car parking purposes, on behalf of the Manchester Unitarian Congregational Fund. This land is subject to extensive litigation by the MDA to gain possession from unauthorized users.

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

Report of the Directors/Trustees - continued

for the year ended 31 December 2016

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 £7,750 to assist a church with a start up ministry. The Fund generated net outgoing resources of £10,077 (2015—outgoing Resources £2,984). After the unrealised gains in the value of investment assets of £57,181, (2015-gain- £3,394) the value of the Fund increased by £47,104 (2015 – increase - £410) in the year.
- (b) The Manchester Unitarian Congregational Fund assisted, to the extent of £21,875 (2015 - £24,375), in the provision of support for the stipends of seven ministers. General subscriptions and donations amounted to £8,015 (2015 - £8,347). Expenditure in the year exceeded income by £12,716 (2015 – excess- £16,602). After taking account of the unrealized gains on investment assets of £82,027 (2015 – gains £5,013) the Fund increased in value by £69,311 (2015 – increase £11,589) in the year .
- (c) The Manchester Domestic Mission Society Fund provided grants of £10,000 (2015 - £10,500) to charities which assist and advise persons resident in deprived parts of the City. Expenditure exceeded Income by £1,509 (2015 - excess of £2,121), this was offset by the unrealized gains in the value of investment assets of £34,998 (2015 – gains £2,141) which resulted in an increased value of the Fund of £33,490 (2015 – increase £20).
- (d) The Leech Fund did not make a grant in the year. There was a net surplus of £207 (2015 - surplus of £209). There was an unrealized gain in the value of investment assets of £6,553 (2015 -gain £53) leading to an increase in the Fund of £7,612 (2015-increase £262).
- (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 2016**

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 2016 this accumulation amounted to £1,644,207 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,

7th March 2017

**Independent Examiner's Report to the Members
for the year ended 31 December 2016**

I report on the Financial Statements of the company for the year ended 31st December 2016. The statements include the financial activities of the following funds:

General Fund
Manchester Unitarian Congregational Fund
Manchester Domestic Mission Society Fund

Charity Number 0503753
Charity Number 1032203
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 144(2) of the Charities Act 2011 (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 145 (5)(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 130 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

7th March 2017

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



HANLEYS

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

Financial Activities (Including Income and Expenditure Account)

for the year ended 31 December 2016

	Note	General Fund	MUC Fund	MDMS Fund	Leech Fund	Total 2016	Total 2015
		£	£	£	£	£	£
Incoming Resources							
Subscriptions from member churches		2,019	-	-	-	2,019	1,941
Investment Income	6	13,873	19,902	8,491	207	42,473	41,292
Total Incoming Resources		15,892	19,902	8,491	207	44,492	43,233
Resources Expended							
Grants		5,750	32,618	10,000	-	48,368	54,521
Administration		20,219	-	-	-	20,219	10,210
Total Resources Expended		25,969	32,618	10,000	-	68,587	64,731
Net Incoming Resources	7	(10,077)	(12,716)	(1,509)	207	(24,095)	(21,498)
Profit on Investment Asset		57,181	82,027	34,998	852	175,059	10,600
Net Movement in Funds		47,104	69,311	33,490	1,059	150,964	(10,898)
Funds 1st January 2016		516,213	701,176	269,301	6,553	1,493,243	1,504,141
Funds 31st December 2016		563,317	770,487	302,791	7,612	1,644,207	1,493,243

**MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN
CHURCHES INCORPORATED**
Balance Sheet
at 31 December 2016

	<u>Notes</u>	<u>2016</u> £	<u>2015</u> £
<u>Fixed Assets</u>			
Tangible fixed assets - Investment Land		70,000	70,000
Investments	2	1,512,213	1,357,154
Loans	3	37,100	41,900
		<u>1,619,313</u>	<u>1,469,054</u>
<u>Current Assets</u>			
Cash at bank		26,736	25,568
Less liabilities falling due within one year	4	(1,842)	(1,379)
<u>Net current assets</u>		<u>24,894</u>	<u>24,189</u>
<u>Total net assets</u>		<u>1,644,207</u>	<u>1,493,243</u>
<u>Unrestricted Funds</u>			
General Fund		563,317	516,213
Manchester Unitarian Congregational Fund		770,487	701,176
Manchester Domestic Mission Society Fund		302,791	269,301
Leech Fund		7,612	6,553
		<u>1,644,207</u>	<u>1,493,243</u>

For the year ended 31st December 2016 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 have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

These accounts were approved by the Directors
On 7th March 2017 and were signed on their
behalf by:

Geoffrey Levermore – President
Martin Graham West – Treasurer

G Levermore G LEVERMORE
M.G. West M WEST

MANCHESTER DISTRICT ASSOCIATION OF UNITARIAN AND FREE CHRISTIAN CHURCHES INCORPORATED

Notes forming part of the Financial Statements

for the year ended 31 December 2016

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 March 2005.

(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>2016</u>	<u>2015</u>
	<u>£</u>	<u>£</u>
Balance at 1st January 2016	1,357,154	1,346,554
Add acquisitions in the year, at cost	<u>-</u>	<u>-</u>
	1,357,154	1,346,554
Less sales	(20,000)	-
Add realised profit/ (loss) on Sales	<u>261</u>	<u>-</u>
	1,337,415	1,346,554
Add unrealised profit in the year	<u>174,797</u>	<u>10,600</u>
	<u>£1,512,212</u>	<u>£ 1,357,154</u>

3. Unsecured loans

	<u>Oldham</u>	<u>Macclesfield</u>
	<u>£</u>	<u>£</u>
Balance outstanding at 1 st January 2016	29,700	12,200
Add interest	<u>-</u>	<u>-</u>
	29,700	12,200
Less repayments	<u>1,200</u>	<u>3,600</u>
Balance outstanding at 31 st December 2016	<u>£28,500</u>	<u>£8,600</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 2016

4. Liabilities falling due within one year.	<u>2016</u>	<u>2015</u>
	<u>£</u>	<u>£</u>
Lay Preachers Association Fund	398	398
Creditor for Independent Examiner's fee	750	750
General Creditors	455	231
Chorley Chapel	<u>239</u>	<u>-</u>
	<u>£1,842</u>	<u>£1,379</u>

6. Investment Income

	<u>Income from</u> <u>Investments</u>	<u>Total</u> <u>2016</u>	<u>Total</u> <u>2015</u>
	<u>£</u>	<u>£</u>	<u>£</u>
General Fund	13,874	13,874	13,285
MUC Fund	19,902	19,902	19,420
MDMS Fund	8,491	8,491	8,379
Leech Fund	<u>207</u>	<u>207</u>	<u>208</u>
	<u>£42,474</u>	<u>£42,474</u>	<u>£41,292</u>

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

	<u>2016</u>	<u>2015</u>
	<u>£</u>	<u>£</u>
Depreciation	-	-
Management committee remuneration	-	-
Independent examiner's fee.	720	750

8. Staff costs and numbers

The secretary charged £nil for the work done in the year (2015-£1,500)

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>Fund</u>	<u>MUC</u> <u>Fund</u>	<u>MDMS</u> <u>Fund</u>	<u>Leech</u> <u>Fund</u>	<u>Total</u> <u>Funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Tangible fixed assets	-	70,000	-	-	70,000
Investments	540,465	673,388	291,101	7,259	1,512,213
Loans	37,100	-	-	-	37,100
Cash at bank	(12,405)	27,099	11,689	353	26,736
Current assets (debtors)	(239)	-	-	-	(239)
Current liabilities	(1,205)	-	-	-	(1,205)
Lay Preachers Association	<u>(398)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(398)</u>
	<u>£563,318</u>	<u>£770,487</u>	<u>£302,790</u>	<u>£7,612</u>	<u>£1,644,207</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 2016

Portfolio Movements in the twelve months to 31st December 2016

<u>Stock</u>	Quantity 31.12.16	Cost Value	Market Value 31.12.15	Market Value 31.12.16	Realised/ Unrealised Profit
<u>Equities</u>					
Newton Global Higher Income	100,834	<u>150,000</u>	<u>169,642</u>	<u>212,789</u>	<u>43,147</u>
		<u>150,000</u>	<u>169,642</u>	<u>212,789</u>	<u>43,147</u>
<u>Fixed Interest</u>					
Newton Global Bond	30,228	<u>50,000</u>	<u>49,218</u>	<u>30,010</u>	<u>532</u>
<u>Overseas</u>					
Global Growth and Income	712,769	560,233	774,708	855,465	80,757
SRI Fund for Charities	295,550	<u>287,237</u>	<u>363,586</u>	<u>413,948</u>	<u>50,362</u>
		<u>847,470</u>	<u>1,138,294</u>	<u>1,269,413</u>	<u>131,119</u>
Total Investments		<u>1,047,470</u>	<u>1,357,154</u>	<u>1,512,212</u>	<u>174,798</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 2016

Manchester Domestic Mission Grants

	<u>2016</u>	<u>2015</u>
Barlow Moor Community Assoc.	2,000	2,000
Befrienders Project	1,000	1,000
Oldham Destitution Centre	1,500	3,000
River Manchester	1,500	2,000
Wythenshawe Community Initiative	2,000	2,000
Tree of Life	0	500
Oldham Cafe	2,000	0
	<u>10,000</u>	<u>10,500</u>

Subscriptions from Member Churches

Altrincham	400	375
Brookfield	60	60
Chorlton	60	60
ross Street	158	160
Dean Row	120	120
Dob Lane	80	75
Hale	105	100
Knutsford	160	150
Macclesfield	121	115
Monton	140	130
Oldham	135	126
Rivington	100	100
Styal	200	200
Urmston	180	170
	<u>2,019</u>	<u>1,941</u>

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

Stipend and Other Grants

for the year ended 31 December 2016

Manchester Unitarian Congregational Fund

	<u>2016</u>	<u>2015</u>
<u>Stipend Grants</u>		
Knutsford	1,875	2,500
Monton	5,000	5,000
Macclesfield	5,000	5,000
Dob Lane	5,000	5,000
Queens Road	2,500	2,500
Oldham	2,500	4,375
	<u>21,875</u>	<u>24,375</u>
<u>Other Grants</u>		
IARF British Chapter	-	-
Unitarian College Manchester	3,250	3,250
GA Ministry Students Fund	1,000	1,000
Manchester Academy Fund	300	600
The Inquirer	1,000	1,000
Send a Child to Hucklow	1,000	1,000
Gaskell's House	100	100
Provincial Assembly	25	25
Council for Christians and Jews	60	60
Faith and Freedom	30	30
Gay Pride Parade	0	72
Five Days Away and Unikids	1,250	1,250
Miscellaneous	0	-40
	<u>8,015</u>	<u>8,347</u>
<u>Total Congregational Fund Grants</u>	<u>29,890</u>	<u>32,722</u>
<u>General Fund: Stipend Support</u>		
Chorlton Special Contribution	<u>7,750</u>	<u>8,000</u>
<u>General Fund: Building Improvements</u>		
Knutsford Dry Rot	-	1,300
Hale Survey	728	0
Macclesfield Refurb	-	2,000
	<u>728</u>	<u>3,300</u>
<u>Leech Fund Grants</u>		
Anna Jarvis	-	-1
	-	-1
<u>Total Grants</u>	<u>38,368</u>	<u>44,021</u>