

# **BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**

(Incorporated as a Company limited by guarantee and not having a share capital)

Company Number 141130

## **TRUSTEES REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

### **Registered Office**

Essex Hall, Essex Street, London, WC2R 3HY

### **Trustees**

Alan R Ruston (Chairman)  
Dawn Buckle  
Elisabeth Dyson-Jones (from 4 Feb 2015)  
Dorothy Hewerdine  
Miles Howarth  
Derek McAuley (Hon Secretary)  
James McClelland (retired 4 Feb 2015)  
Ann Peart  
Neil Sanders  
Jeffrey Teagle (Treasurer)  
Michael Tomlin (retired 4 Feb 2015)  
Jane Williams  
David L Wykes

### **Auditors**

Shaw Gibbs Limited  
264 Banbury Road  
Oxford  
OX2 7DY

THURSDAY



A09      \*A50IE5FZ\*      11/02/2016      #362  
COMPANIES HOUSE

### **Bankers**

HSBC plc 123 Chancery Lane, London, WC2A 1QH  
CAF Bank Ltd, 25 Kings Hill Avenue West, Malling, Kent, ME19 4JQ

### **Solicitors**

Whitehead Monkton, 72 King Street, Maidstone, Kent, ME14 1BL

### **Investment Managers**

Redmayne Bentley, 9 Bond Court, Leeds LS1 2JZ

### **Charity Registration**

Registered as a Charity No: 255205

# **BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**

## **TRUSTEES REPORT**

### **Structure, Governance and Management**

The Company is limited by guarantee and has no share capital. The principal activities of the Company consist of (1) the holding of investments and the application of the income there from for the benefit of the General Assembly of Unitarian and Free Christian Churches and (2) acting as trustee of funds for religious purposes and (3) acting as a custodian trustee for Unitarian congregations.

The 101st Ordinary Meeting of the Association was held on 4th February 2015 at the registered office Essex Hall, London. The annual report and accounts were adopted and the Honorary Officers and Executive Committee members, who act as the Trustees were elected.

The Association has continued to analyse the risks associated with its operations as part of its on-going policy development.

### **Public Benefit**

The Trustees take into account the Charity Commission's guidance on public benefit and believe that the activities of the British and Foreign Unitarian Association (Incorporated) are in line with that guidance.

### **Objectives and Activities**

The objects for which the Association is established are:

- (i) The diffusion and support of the principles of Unitarian Christianity.
- (ii) The publication and circulation of biblical, theological, scientific, and literary knowledge related to Unitarian Christianity.
- (iii) To do all such other lawful things as are incidental or conducive to the attainment of the above objects, or any of them.

No grants were made from the Henry Fairy Specific Bequest this year, but a £1000 grant was made from the Wellington (New Zealand) Fund to support a visit by the GA President to Australia and New Zealand Unitarians.

### **Achievements and Performance**

The total incoming resources of the Company for the year, particulars of which are shown in the Statement of Financial Activities, amounted to £104,554 investment income.

There were no legacies during the year. Investment income and interest levels remained substantially the same. Portfolio management fees increased from £3,652 to £10,901.

£71,189 was distributed to the restricted funds. The net balance payable to the General Assembly of Unitarian and Free Christian churches was £24,878. The unrealized gain in the market value of investments was £79,664 and the realized gains amounted to £31,995.

The rise in portfolio management fees from £3,652 to £10,901 represents a more transparent disclosure, rather than an increase. Previously the fees from the former Newton collectives were deducted before payment of the dividends.

# BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)

## TRUSTEES REPORT (Continued)

### Financial Review

The Reserves Policy states:

The Association needs reserves to ensure the continuity of the long-term functioning of the Charity. The Association does not have any additional source of income other than the occasional legacy. The Association relies upon the income generated by its unexpended reserves to undertake its service of custodian trusteeship to Unitarian and Free Christian Churches and to administer various small trusts for the benefit of the Unitarian movement within the United Kingdom and at certain overseas locations. The Association donates its annual surplus to the General Assembly of Unitarian and Free Christian Churches, a course permitted by its Memorandum and Articles of Association.

The range of reserves needed to maintain the continuity of function of the Charity at present levels of activity is judged by the Managing Trustees to be around 30% of annual income. The present level of reserves is deemed to be sufficient. The Managing Trustees plan to conserve the present level of reserves by ensuring that the investments are well managed and the expenditures are carefully controlled. The level of reserves and the policy itself will be reviewed at succeeding Ordinary General Meetings held annually in February.

### Investment Policy

The Investment Manager is instructed and has agreed to follow a balanced investment strategy which will maintain an adequate degree of diversification within an acceptable level of risk, whilst seeking to maximize the overall return. The Executive Committee is anxious to invest in companies and trusts with good ethical standards and avoid companies with significant involvement in alcohol, armaments, tobacco and gambling.

### Responsibilities of the Trustees

The trustees (who are also directors of the British & Foreign Unitarian Association for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

### Auditors

A resolution to reappoint Shaw Gibbs Limited as examiners for the ensuing year will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 3rd February 2016 and signed on their behalf by Alan Ruston (Chairman)



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH AND FOREIGN UNITARIAN ASSOCIATION INCORPORATED**

We have audited the financial statements of the British and Foreign Unitarian Association Incorporated for the year ended 30 September 2015, which comprise the Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also the directors of the British and Foreign Unitarian Association Incorporated for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2015, and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit ; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report.

*S. J. Wetherall*

Stephen John Wetherall (Senior Statutory Auditor)  
For and on behalf of Shaw Gibbs Limited  
Chartered Certified Accountants and Statutory Auditor

*8 February 2016*

264 Banbury Road  
Oxford OX2 7DY

**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
(Incorporated as a Company limited by guarantee and not having a share capital)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Unrestricted Funds	Restricted Funds	Totals 2015	Totals 2014
	£	£	£	£
Incoming Resources				
Investment Income and Interest	30,089	74,465	104,554	104,954
Capital Introduced to Funds	0	0	0	1,200
<b>Total Incoming Resources</b>	<b>30,089</b>	<b>74,465</b>	<b>104,554</b>	<b>106,154</b>
Resources Expended				
Portfolio Management Fees	2,592	8,309	10,901	3,652
Allocations and Interest paid to funds	0	71,189	71,189	68,994
Administration	2,417	0	2,417	1,830
Audit Fees	0	3,276	3,276	3,276
Professional Fees - Accounting	2,800	0	2,800	2,450
Grants to General Assembly	24,878	0	24,878	28,404
<b>Total Resources Expended</b>	<b>32,687</b>	<b>82,774</b>	<b>115,461</b>	<b>108,606</b>
Net Resources expended	(2,598)	(8,309)	(10,907)	(2,452)
Realized Gains	7,608	24,387	31,995	98,696
<b>Net Income for the Year</b>	<b>5,010</b>	<b>16,078</b>	<b>21,088</b>	<b>96,244</b>
Unrealized Gain on Investments	18,943	60,721	79,664	29,856
<b>Net Movement in Funds</b>	<b>23,953</b>	<b>76,799</b>	<b>100,752</b>	<b>126,100</b>
Balances brought forward at 1st Oct	665,852	2,134,767	2,800,619	2,674,519
Net Movement	23,953	76,799	100,752	126,100
<b>Balance carried forward at 30th September 2015</b>	<b>689,805</b>	<b>2,211,566</b>	<b>2,901,371</b>	<b>2,800,619</b>

The notes on pages 7 to 10 form part of these accounts

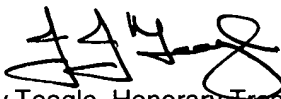
**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
(Incorporated as a Company limited by guarantee and not having a share capital)

**BALANCE SHEET AT 30 SEPTEMBER 2015**


	2015 £	2015 £	2014 £	2014 £
<b>Fixed Assets</b>				
Chief Rents at Valuation (secured on properties)	1,932		1,932	
Listed Investments (Notes 4 and 9)	<u>2,825,485</u>		<u>1,879,510</u>	
		2,827,417		1,881,442
<b>Current Assets</b>				
Redmayne Bentley Dealing accounts	42,259		877,611	
COIF	19,639		19,551	
CAF bank Accounts	56,876		47,420	
HSBC former current account	<u>20,161</u>		<u>18,180</u>	
Cash subtotal	138,935		962,762	
Sundry Debtors	<u>13,766</u>		<u>0</u>	
		152,701		962,762
<b>Creditors</b>				
Sundry Creditors (Note 5)	11,266		5,750	
General Assembly	53,281		28,404	
Miscellaneous contras	7,496		2,209	
Other Restricted funds (Note 11)	<u>6,704</u>		<u>7,222</u>	
Creditors		78,747		43,585
Net Current Assets		<u>73,954</u>		<u>919,177</u>
Total Assets less current liabilities		<u>2,901,371</u>		<u>2,800,619</u>
<b>Capital and Reserves</b>				
Accumulated Funds - General	689,805		665,852	
Accumulated Funds - Restricted	<u>2,211,566</u>		<u>2,134,767</u>	
		<u>2,901,371</u>		<u>2,800,619</u>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Executive Committee on 3rd February 2016 and signed on its behalf by:

  
Jeffrey Teagle, Honorary Treasurer

The notes on pages 7 to 10 form part of these accounts

  
Alan Ruston, Chairman

Company Number 141130

**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
**(Incorporated as a Company limited by guarantee and not having a share capital)**

**NOTES TO THE ACCOUNTS**

**1. Accounting Policies**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005, applicable accounting standards, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are as follows:

**a. Investment Income**

Investment income is accounted for in the period in which the charity is entitled to receipt of the income.

**b. Fixed Asset Investments**

Investments are included at closing mid-market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

**c. Resources Expended**

The General Assembly grant comprises the Unrestricted Fund proportion of income and the 5% administration charge.

**d. Fund Accounting**

A summary of Restricted Fund activity is shown on page 10. Capital funds represent the member churches share of the net assets held by the B&FUA as trustee. Income is allocated in proportion to the capital balances as at 1 October each year.

**2. Company Status**

The Company is registered as a Charity and is, therefore, exempt from taxation.

**3. Properties**

The Company holds, as a Trustee, Freehold and Leasehold Properties and Investments.

**4. Listed Investments**

	2015	2014
	£	£
Market value 1 Oct	1,879,510	2,632,008
Additions	1,288,296	1,238,852
Disposals	(453,974)	(2,119,903)
Realized Gains/(losses)	31,993	98,698
Unrealized Gains/(losses)	79,660	29,855
Market Value at 30 Sept	<u>2,825,485</u>	<u>1,879,510</u>
Historical cost as at 30 Sept	<u>2,669,033</u>	<u>1,683,625</u>

See also Note 9 for the detailed investments

**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
(Incorporated as a Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS (Continued)

5. Sundry Creditors

	2015 £	2014 £
Audit Fee	3,300	3,300
Accounting Services	2,800	2,450
	<hr/>	<hr/>
	6,100	5,750
	=====	=====

6. Accumulated Funds

	Unrestricted £	Restricted £
1 October 2014	665,852	2,134,767
Gains on investments	26,545	85,108
Portfolio Management Fees	(2,592)	(8,309)
	<hr/>	<hr/>
30 September 2015	689,805	2,211,566

The net assets at 30<sup>th</sup> September 2015 are held for the benefit of the Unrestricted and Restricted Funds respectively in proportion to the fund balances shown above.

7. Liability of Members

In the event of the Association being wound up during the period of membership or within one year afterwards, every member undertakes to contribute to the assets of the Association an amount not exceeding one pound for the payment of debts contracted up to the date of cessation of membership together with the costs of winding up. The number of members at 30 September 2015 was 32 (2014: 34).

8. Trustees' Remuneration

The trustees neither received nor waived any emoluments during the year (2014: £nil).  
Travel and subsistence expenses totaling £843 were reimbursed to 10 trustees.  
(2014: 10 trustees totaling £1,588)



**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
(Incorporated as a Company limited by guarantee and not having a share capital)

**NOTES TO THE ACCOUNTS (Continued)**

**9. Listed Investments**

<b>New Portfolio with Redmayne Bentley</b>		<b>Additions or</b>		<b>Gains</b>	<b>Proceeds</b>	<b>Market</b>
<b>Equities</b>	<b>Book Cost</b>	<b>Mkt Value 2015</b>	<b>Real or unreal</b>	<b>on Disposal</b>	<b>Value 30 Sept 2015</b>	
126,700	A2D Funding II plc	126,700	127,992	3,143	0	131,135
120,000	Retail Charity Bonds (Hightown) plc	120,580	121,060	(1,060)		120,000
20,000	M&G Charifund Income Units	206,568	710,470	25,960	(453,974)	282,456
<b>Real Estate and unclassified</b>						
20,000	Primary Health Properties plc	70,261	66,300	13,100	0	79,400
107,000	Tritax Big Box Reit plc	163,196	163,893	26,757	0	190,650
100,000	Medicx Fund Ld Ord 1p	84,422	83,500	(6,000)	0	77,500
<b>Equity Inv Instruments</b>						
100,000	GCP Infrastructure Inv Ltd Ord 1p	117,357	118,000	3,600	0	121,600
100,000	GCP Student Living plc Ord 1p	107,686	107,875	26,625	0	134,500
100,000	NB Global Floating Rate Inc Fd Ltd Pref	98,111	96,900	(2,250)	0	94,650
100,000	Polar Capital Global Fin Tst plc Ord 5p	94,261	94,261	7,489	0	101,750
<b>Unit Trusts OEIC</b>						
140,056	Edentree Inve Mgmt Amity Bal for Charities	150,017	149,720	(2,241)	0	147,479
51,500	Edentree Invesmt Mgmt Amity UK Fund B	99,559	99,560	8,746	0	108,305
150,000	Edentree Investmt Mgmt Amity Sterling	174,670	174,670	(4,570)	0	170,100
100,000	FiL Investmt Svcs (UK) Ltd Global Div	127,820	127,820	1,580	0	129,400
78,000	Henderson Global Investors Global Care	148,210	148,210	7,790	0	156,000
150,000	Kames Capital plc Ethical Cautious	160,259	160,260	11,161	0	171,420
200,000	Rathbone Unit Trust Mgmt Ethical	187,950	186,630	(210)	0	186,420
100,000	Royal London Asset Mgmt Irl Ex Yield	117,550	116,830	(5,160)	0	111,670
100,000	Royal London Asset Mgmt Ethical Bond	107,410	107,410	(110)	0	107,300
100,000	John Laing Environ Asset Grp Ltd	105,511	105,511	1,489	0	107,000
100,000	Twentyfour Select Monthly Inc Fd Ords 1p	100,935	100,935	(4,185)	0	96,750
		2,669,033	3,167,806	111,653	(453,974)	2,825,485

**BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)**  
**(Incorporated as a Company limited by guarantee and not having a share capital)**

**NOTES TO THE ACCOUNTS (Continued)**

**10. Restricted Funds – Fund Activity for the year ended 30 September 2015**

	Capital			Income			
	Balance	Net Cap	Balance	Balance	Allocation	Distrib'n	Balance
	Oct 14	Movement	Sept 15	Oct 14	of Div/int	& Grants	Sep 15
Banbury Chapel Charity	67,937	2,444	70,381	-3	2,265	2,300	-37
Banbury Relief in Need Charity	3,972	143	4,115	-0	132	135	-3
Philip Barker Chapel Fund	12,152	437	12,589	-1	405	411	-6
Bath Fund	60,496	2,176	62,672	-3	2,017	2,048	-33
Bicentenary Fund	750	28	778	97	25	100	22
Bickerton Fund	25,842	930	26,772	2	862	850	14
Bowie Fund	21,123	760	21,883	-1	704	536	167
Bournemouth Fund	282,439	10,160	292,599	193	9,418	9,563	49
Dr CA Greaves Bequest	12,417	447	12,864	1,223	414	0	1,637
Carlisle Unitarian Church Fund	21,793	784	22,577	-1	727	738	-12
Carmarthen Fund	55,016	1,979	56,995	179	1,835	1,863	151
Congleton Unitarian Church Fund	23,890	860	24,750	-1	797	808	-12
TB Craig Fund	29,743	1,070	30,813	-1	992	1,007	-16
Croft Unitarian Chapel Fund	1,580	57	1,637	6	53	101	-42
Douglas (Isle of Man) Fund	16,327	588	16,915	-1	544	553	-9
Exeter Fund	130,369	4,690	135,059	-6	4,347	4,414	-72
Henry Walter Fairey Specific Bequest	24,591	884	25,475	1,725	820	0	2,545
Filby Old Meeting House Fund	113,650	4,088	117,738	-5	3,790	4,951	-1,166
Fitzalan St Unit'n Church Glossop Fund	90,164	3,243	93,407	-4	3,007	3,053	-50
AR Stock Trust (Hastings Fund)	17,010	612	17,622	37	567	576	29
Huddersfield Fund	19,584	705	20,289	-1	653	664	-12
Ilford Unitarian Church Fund	156,574	5,633	162,207	-7	5,221	5,301	-87
Lawrence House Fund	21,398	770	22,168	2,758	714	0	3,471
Maidstone Unitarian Church Hall Fund	125,207	4,504	129,711	-5	4,175	4,239	-69
McQuaker Trust (Scotland)	44,975	1,618	46,593	-240	1,500	2,000	-740
Moretonhampstead (Smethurst Hall) Fund	6,876	248	7,124	-0	229	233	-4
Newbury Fund	6,581	237	6,818	-0	219	223	-4
Northiam Chapel Fund	69,000	2,483	71,483	-3	2,301	2,336	-38
Putney Unitarian Church Fund	187,891	6,760	194,651	-8	6,266	6,362	-105
Presbyterian Fund	66,123	2,378	68,501	-95	2,205	2,000	110
Richmond Hill Church Parsonage Fund	27,571	992	28,563	-1	919	934	-16
Ringwood Fund	19,748	711	20,459	-101	659	669	-112
Sunderland Fund	14,865	535	15,400	-1	496	503	-8
Stockport Fund	246,421	8,865	255,286	-11	8,217	8,343	-136
Tenterden Old Meeting House Fund	6,033	217	6,250	-0	201	204	-3
Wareham Fund	21,314	767	22,081	-106	711	722	-118
Wellington (New Zealand) Fund	25,285	907	26,192	1,569	843	1,000	1,413
Welsh Uni Mins Educ/ Social Fund	58,060	2,089	60,149	38	1,936	1,966	8
	2,134,767	76,799	2,211,566	7,221	71,188	71,706	6,704