

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 2016

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered Office

Essex Hall, Essex Street, London, WC2R 3HY

Trustees

Alan R Ruston (Chairman)
Dawn Buckle
Elisabeth Dyson-Jones
Dorothy Hewardine
Miles Howarth
Derek McAuley (Hon Secretary)
Ann Peart
Neil Sanders
Jeffrey Teagle (Treasurer)
Jane Williams
David L Wykes

Auditors

Shaw Gibbs Limited
264 Banbury Road
Oxford
OX2 7DY



Bankers

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.

The 102nd Ordinary Meeting of the Association was held on 3rd February 2016 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.

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 £129,918 of which £126,918 was investment income. There were no legacies during the year. Investment income and interest levels remained substantially the same. Portfolio management fees decreased from £10,901 (2015) to £10,745.

£87,040 was distributed to the restricted funds. The net balance payable to the General Assembly of Unitarian and Free Christian churches was £32,631. The unrealized gain in the market value of investments was £224,763.

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 current 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 1st February 2017 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 2016, 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 January 2015) (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 2016, 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

13 February 2017

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 2016

	Unrestricted Funds	Restricted Funds	Totals 2016	Totals 2015
	£	£	£	£
Incoming Resources				
Investment Income and Interest	36,490	90,428	126,918	104,554
Capital Introduced to Funds	0	3,000	3,000	0
Total Incoming Resources	36,490	93,428	129,918	104,554
Resources Expended				
Portfolio Management Fees	2,552	8,193	10,745	10,901
Allocations and Interest paid to funds	0	87,040	87,040	71,189
Administration	1,058	0	1,058	2,417
Audit Fees	0	3,388	3,388	3,276
Professional Fees - Accounting	2,800	0	2,800	2,800
Grants to General Assembly	32,631		32,631	24,878
Total Resources Expended	39,041	98,621	137,662	115,461
Net Resources expended	(2,551)	(5,193)	(7,744)	(10,907)
Realized Gains	0	0	0	31,995
Net Income for the Year	(2,551)	(5,193)	(7,744)	21,088
Unrealized Gain on Investments	53,383	171,380	224,763	79,664
Net Movement in Funds	50,832	166,187	217,019	100,752
Balances brought forward at 1st Oct	689,805	2,211,566	2,901,371	2,800,619
Net Movement	50,832	166,187	217,019	100,752
Balance carried forward at 30th September 2016	740,637	2,377,753	3,118,390	2,901,371

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

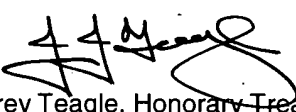
BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)
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BALANCE SHEET AT 30 SEPTEMBER 2016

	2016 £	2016 £	2015 £	2015 £
Fixed Assets				
Chief Rents at Valuation (secured on properties)	1,932		1,932	
Listed Investments (Notes 4 and 9)	<u>3,075,258</u>		<u>2,825,485</u>	
		3,077,190		2,827,417
Current Assets				
Redmayne Bentley Dealing accounts	6,890		42,259	
COIF	19,639		19,639	
CAF bank Accounts	83,664		56,876	
HSBC former current account			<u>20,161</u>	
Cash subtotal	<u>110,193</u>		<u>138,935</u>	
Sundry Debtors	<u>13,780</u>		<u>13,766</u>	
		123,973		152,701
Creditors				
Sundry Creditors (Note 5)	15,326		11,266	
General Assembly	35,690		53,281	
Miscellaneous contras	193		7,496	
Other Restricted funds (Note 11)	<u>31,564</u>		<u>6,704</u>	
Creditors		82,773		78,747
Net Current Assets		<u>41,200</u>		<u>73,954</u>
Total Assets less current liabilities		<u><u>3,118,390</u></u>		<u><u>2,901,371</u></u>
Capital and Reserves				
Accumulated Funds - General	740,637		689,805	
Accumulated Funds - Restricted	<u>2,377,753</u>		<u>2,211,566</u>	
		<u><u>3,118,390</u></u>		<u><u>2,901,371</u></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 January 2015).

Approved by the Executive Committee on 1st February 2017 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)
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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 2015) issued in January 2015, applicable accounting standards, the Financial Reporting Standard for Smaller Entities (effective January 2015) 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

	2016	2015
	£	£
Market value 1 Oct	2,825,485	1,879,510
Additions	25,010	1,288,296
Disposals	0	(453,974)
Realized Gains/(losses)	0	31,993
Unrealized Gains/(losses)	224,763	79,660
Market Value at 30 Sept	<u>3,075,258</u>	<u>2,825,485</u>
Historical cost as at 30 Sept	<u>2,694,043</u>	<u>2,669,033</u>

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NOTES TO THE ACCOUNTS (Continued)

5. Sundry Creditors

	2016 £	2015 £
Audit Fee	3,300	3,300
Accounting Services	2,800	2,800
Portfolio Management Fees (2 nd Oct)	5,552	5,166
East Cheshire Union Dividends	1,596	-
Unallocated dividends	2,078	-
	<hr/>	<hr/>
	15,326	11,266
	=====	=====

6. Accumulated Funds

	Unrestricted £	Restricted £
1 October 2015	689,805	2,214,566
Gains on investments	53,383	171,380
Portfolio Management Fees	(2,552)	(8,193)
30 September 2016	<hr/> 740,637	<hr/> 2,377,753

The net assets at 30th September 2016 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 2016 was 30 (2015: 32).

8. Trustees' Remuneration

The trustees neither received nor waived any emoluments during the year (2015: £nil).
Travel and subsistence expenses totaling £1,058 were reimbursed to 10 trustees.
(2015: 10 trustees totaling £843)

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NOTES TO THE ACCOUNTS (Continued)

9. Investments

Investment Portfolio					
Equities	Book Cost	Additions or Mkt Value 2015	Gains Real or unreal	Proceeds on Disposal	Market Value 30 Sept 2016
A2D Funding II plc	126,700	131,135	13,145	0	144,280
Retail Charity Bonds (Hightown) plc	120,580	120,000	11,100	0	131,100
M&G Charifund Income Units	206,568	282,456	21,678	0	304,134
			0		
Real Estate and unclassified			0		
Primary Health Properties plc	70,261	79,400	10,200	0	89,600
Tritax Big Box Reit plc	163,196	190,650	17,700	0	208,350
Medicx Fund Ld Ord 1p	84,422	77,500	11,250	0	88,750
Equity Inv Instruments					
GCP Infrastructure Inv Ltd Ord 1p	117,357	121,600	10,000	0	131,600
GCP Student Living plc Ord 1p	107,686	134,500	11,125	0	145,625
NB Global Floating Rate Inc Fd Ltd Pref	98,111	94,650	550	0	95,200
Polar Capital Global Fin Tst plc Ord 5p	94,261	101,750	500	0	102,250
Unit Trusts OEIC					
Edentree Inve Mgmt Amity Bal for Charities	150,017	147,479	9,664	0	157,143
Edentree Invesmt Mgmt Amity UK Fund B	99,559	108,305	4,017	0	112,322
Edentree Investmt Mgmt Amity Sterling	174,670	170,100	6,750	0	176,850
FIL Investmt Svcs (UK) Ltd Global Div	127,820	129,400	34,400	0	163,800
Henderson Global Investors Global Care	148,210	156,000	37,440	0	193,440
Kames Capital plc Ethical Cautious	160,259	171,420	7,620	0	179,040
Rathbone Unit Trust Mgmt Ethical	187,950	186,420	10,390	0	196,810
Royal London Asset Mgmt Irl Ex Yield	117,550	111,670	3,050	0	114,720
Royal London Asset Mgmt Ethical Bond	107,410	107,300	8,700	0	116,000
John Laing Environ Asset Grp Ltd	105,511	107,000	(4,000)	0	103,000
Sequoia Economic Infra	25,010	25,010	4,234	0	29,244
Twentyfour Select Monthly Inc Fd Ords 1p	100,935	96,750	(4,750)	0	92,000
	2,694,043	2,850,495	224,763		3,075,258

BRITISH AND FOREIGN UNITARIAN ASSOCIATION (INCORPORATED)
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NOTES TO THE ACCOUNTS (Continued)

10. Restricted Funds - Fund Activity for the year ended 30 Sept 2016

	Capital			Income			
	Balance	Net Cap	Balance	Balance	Allocation	Distrib'n	Balance
	Oct 15	Movement	Sept 16	Oct 15	of Div/int	Grants	Sep 16
Banbury Chapel Charity	70,381	5,188	75,569	-38	2,766	2,174	554
Banbury Relief in Need Charity	4,115	303	4,418	-2	162	127	33
Philip Barker Chapel Fund	12,589	928	13,517	-7	495	389	99
Bath Fund	62,672	4,618	67,290	-33	2,463	1,936	494
Bicentenary Fund	777	58	835	22	31	0	53
Bickerton Fund	26,772	1,973	28,745	14	1,052	800	266
Bowie Fund	21,883	1,612	23,495	167	860	507	520
Bournemouth Fund	292,599	21,562	314,161	49	11,500	10,352	1,197
Dr CA Greaves Bequest	12,864	947	13,811	1,637	506	0	2,143
Carlisle Unitarian Church Fund	22,577	1,663	24,240	-12	887	697	178
Carmarthen Fund	56,995	4,200	61,195	151	2,240	0	2,391
Congleton Unitarian Church Fund	24,750	1,824	26,574	-13	973	764	196
TB Craig Fund	30,813	2,271	33,084	-16	1,211	952	243
Croft Unitarian Chapel Fund	1,637	121	1,758	-42	64	50	-28
Douglas (Isle of Man) Fund	16,915	1,246	18,161	-9	665	522	134
Exeter Fund	135,059	9,953	145,012	-72	5,308	4,172	1,064
Henry Walter Fairey Specific Bequest	25,475	1,878	27,353	2,545	1,001	0	3,546
Filby Old Meeting House Fund	117,738	8,676	126,414	-1,167	4,628	2,728	733
Fitzalan St Unit'n Church Glossop Fund	93,407	6,883	100,290	-50	3,671	2,885	736
AR Stock Trust (Hastings Fund)	17,622	1,298	18,920	29	693	544	177
Huddersfield Fund	20,289	1,495	21,784	-12	797	628	158
Ilford Unitarian Church Fund	162,207	11,952	174,159	-87	6,375	5,010	1,278
Lawrence House Fund	22,168	1,634	23,802	3,471	871	0	4,343
Maidstone Unitarian Church Hall Fund	129,711	9,558	139,269	-69	5,098	4,007	1,022
McQuaker Trust (Scotland)	46,593	3,433	50,026	-740	1,831	1,000	91
Moretonhampstead (Smethurst Hall) Fund	7,124	525	7,649	-4	280	220	56
Newbury Fund	6,818	503	7,321	-4	268	211	53
Northiam Chapel Fund	71,483	5,267	76,750	-38	2,810	1,104	1,667
Putney Unitarian Church Fund	194,651	14,343	208,994	-104	7,650	6,012	1,534
Presbyterian Fund	68,501	5,048	73,549	110	2,692	2,000	802
Richmond Hill Church Parsonage Fund	28,563	2,104	30,667	-15	1,123	882	225
Ringwood Fund	20,459	1,507	21,966	-111	804	525	168
Sunderland Fund	15,400	1,134	16,534	-8	605	476	121
Stockport Fund	255,286	18,811	274,097	-137	10,034	7,885	2,012
Tenterden Old Meeting House Fund	6,250	460	6,710	-3	246	193	49
Wareham Fund	22,081	1,627	23,708	-117	868	570	181
Wellington (New Zealand) Fund	26,195	1,930	28,125	1,412	1,030	0	2,442
Welsh Uni Mins Educ/ Social Fund	63,148	4,653	67,801	8	2,482	1,858	632
	2,214,567	163,186	2,377,753	6,703	87,040	62,180	31,564