

**MANCHESTER ALLIANCE CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

**COMPANY REGISTRATION NUMBER : 3120814
CHARITY REGISTRATION NUMBER: 1092291**

MANCHESTER ALLIANCE CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENED 31 DECEMBER 2021

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MANCHESTER ALLIANCE CHURCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENED 31 DECEMBER 2021

The trustees, who are also the directors for the purpose of company law, present their report together with the financial statements of Manchester Alliance Church for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 , Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) , and with the Charities Act 2011.

1. Reference and Administrative Details

Charity Name	Manchester Alliance Church
Charity Registration Number	1092291
Company Registration Number	3120814
Registered Office	Manchester Alliance Church Unit 9, The Quadrangle Hulme Street Manchester M1 5GL

Board Members (Directors and Trustees)

The following directors and trustees held office from 1 January 2021 to the date of this report unless otherwise stated : -

Chairman	Rev. Wai Chor Chiu, Minister-in-charge
Treasurer	Paul Ngok Loi Ho (until AGM 2021) Yin Man Andy Chan (from AGM 2021)
Company Secretary	Paul Ngok Loi Ho (resigned 23rd May 2021) Doris B.K. Liem (from 1 October 2021)
Other Board Members	Bernard Lam (from AGM 2021) Kiu Fai Tung Hiu Tung Angel Wong Doris B.K. Liem (from AGM 2021)

Independent Examiner	Hannah Murray Accountancy 61 Falconers Green Westbrook Warrington Cheshire WA4 1AZ
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Bankers	Barclays Bank Plc Manchester City Office Branch 51 Mosley Street Manchester M60 2AU The Bank of East Asia Limited 3-5 Charlotte Street Manchester M1 4HB HSBC Bank Plc 100 King Street Manchester M60 2HD
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
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2. Objectives and Activities

Aim and Purposes

The Manchester Alliance Church seeks to be an indigenous evangelical church with a distinctive theological character in federation with the Chinese Alliance Churches Union the advance of His Church in Great Britain, and to promote a missionary base for national and world-wide evangelization in affiliation with the Alliance World Fellowship.

Objectives

- (i) To strengthen Christians in their understanding and commitment to the Lordship of Jesus Christ.
- (ii) To advance the work of national and world-wide mission primarily but not exclusively through church planting.
- (iii) To foster the growth of Church as an indigenous body of Christ.
- (iv) To become an active church-planting and missionary base of existing C&MA mission agenda.

Principal Activities

The principal activities of the Church during the year was that of a charity to hold Sunday worship, to organize fellowships in different age groups and to offer courses of Christian education, with the purposes of preaching the gospel, equipping and caring believers.

Public Benefit

The trustees confirm that they have, when and where necessary to do so, paid regard to the Charity Commissioner's Guidance on Public Benefit when considering and making its decisions. Activities undertaken to further the charity's purposes for the public benefit are show in the Review of Achievements and Performance/Development section of this report.

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3. Achievements and Performance

2021 is a challenging year for Church. Under the threat of pandemic, worship, fellowship and all other church's gathering were still affected. From the beginning of 2021, no physical gathering including worship were held. Worship and all other gatherings could not be held by using livestreaming and video conferencing software. At the end of April, Church resumed physical Sunday services but reducing the number of participants to observe the guidance of Covid measures and provided livestreaming at the same time. As the number of participants were limited, most congregation still could not join worship and gatherings physically. Such arrangement still kept till the end of year. It makes the task to evaluate the ministry of the church more difficult, if not impossible, than ever, as the activities and work in church are used to meeting people physically.

Since the government announced the BNO visa scheme for Hong Kong people from July 2020, a large number of Hong Kong people were started to move into UK by LOTR. The situation was further intensified after BNO visa finally launched in February 2021. Manchester is one of the hotspots for Hong Kong families settled and as one of few churches has provision of Cantonese worship, the size of congregation is growing dramatically from around 250ppl to nearly 600ppl. Even the physical attendance of worship is still limited by the Covid measures, two more gathering spots, one in Warrington and one in Trafford, and three more worship sessions (Two services in Warrington and Sale separately and Saturday worship in Church Centre) were set up to provide pastoral care to those Hong Kong families.

I. Sunday Worship Attendance

Sunday worship weekly recorded attendance in average in 2021:

Month *Avg. Attendance	11	12
Cantonese	552	550
English	54	48
Total by month	606	598
Visitors/ Newcomers by month	25	30

**From April 2021, physical attendance of Sunday Worship was limited to maximum 50ppl and the upper limit was gradually released after July to 250ppl each session.*

In 2021, affecting by the spread of virus, most of the year the services were mainly held livestream and pre-recorded plus limited physical attendance. Owing to the arrangement of the services, no exact figures can be obtained when the church hold services by uploading pre-recorded video or livestreaming from January to October.

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As the spread of virus seemed sign of slow down and government eased a bit the Covid measures. The Church gradually released the attendance limits upwards since November. At the same time, physical services were also started at Warrington and Trafford as large number of Hong Kong families were immigrated to UK. A big jump, compared to the attendance before national lockdown, in attendance of Cantonese services is shown. Though there is a huge increase in total attendance of Cantonese worship, a significant part of congregation, especially those in their old age are still reluctant to join physical services and still stuck to livestream or pre-recorded video instead.

II. Pastoral Ministry

(i) Fostering the spiritual life

- (a) The theme of 2021-22(July to June) is 'Connected in Christ, Witness in Unity'. In services, pastors preach from the book of Judges systematically.
- (b) Prayer meeting is held once a month. Due to Covid, it was held online. The number of participants ranged from about 10 to 20 in 2021.
- (c) Bible study groups held once a month are established for each fellowship. All the groups study the same passage. Pastor and church leader lead pre-study for all the group leaders. We started to study Ephesians since July.
- (d) Follow-up groups for new believers: No such groups are arranged this year, but it was done individually.
- (e) Baptism Class: 5 people participated the baptism class. As baptism was not organised in 2020 due to the pandemic, we combined the class of 2020 and 2021 to have baptism in October.

(ii) Fellowships and Pastoral care

- (a) The church set up a number of fellowships based on the age groups, including Teenagers(Timothy), Young Adults(AYPF and Daniel) and Adults(Elim, Emmanuel, FHL and Caleb). Although the fellowships were held online, some people who cannot join the fellowship physically before can participate because of convenience of doing online at home. Starting from September, most of the fellowship resumed their programmes in church physically. But many of them still maintain bible study groups online.
- (b) As Hong Kong people keep moving to Manchester and the adjacent areas, who need support and pastoral care, new fellowships were set up for new immigrants coming from Hong Kong. One of them focused to serve those living in Trafford and the area nearby because a church planting project has taken place in Sale. Another fellowship was set up for people living in Warrington.
- (c) Apart from programmes arranged by the fellowship committee to build up the relationship of the fellowship participants, supporting and caring for one another are also encouraged to be done within the fellowship.
- (d) Home visit was limited in 2021 because the pandemic has not been over yet.

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III. Evangelism & Mission

- (i) No. of Baptised: 11
- (ii) Mission Ministry
 - (a) The church continued to support Pastor Lucho Sanchez working as a local missionary of cross-cultural mission in church. There were several international friends who became the church members after they finished the membership course and passed the interviews.
 - (b) Due to the pandemic, no mission trips were organised. But we cooperated with local missionaries to receive a mission team coming from US to outreach.
 - (c) In 2021, the church encouraged believers to join the Kairos course in order to enrich their understanding of mission. Many participants have positive reviews of participating in this course.
- (iii) Local evangelism was still very limited because of Covid situation. As we welcomed a lot of Hong Kongers to join our services, we had opportunities to share the gospel with some of non-believers.
- (iv) Church Planting in Sale and Warrington
 - (a) Sale fellowship was organised online until October. We are grateful that Avenue Methodist Church agreed to rent their venue so that we can hold our worship and fellowships physically. A Cantonese service in Sale which serves the community in Trafford and adjacent areas has started in the end of October. Due to Covid, we limit the capacity of 150 adults gathering in Sunday worship there. However, there are quite a number of people cannot join the service because of fully registered.
 - (b) As the church learnt that Warrington is also a popular place where Hong Kongers live, the church approved to start a fellowship there in June. We are grateful that we can cooperate with Holy Trinity Church of England located in the town centre. In August, a Cantonese service on Saturday started, which at present serving 100 adults.

IV. Discipleship Programmes

Bible Courses in 2021 are as below:

Courses in Cantonese

Starts from Zero (Online) 12/5-30/6	60	Starts from Zero (Online) 1/12-19/1	65
Kairos Course 12/3-21/5	7	Word of Life –The Twelve (2/10-27/11)	44

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V. Other Special events in 2021

Special events	Average attendance
Ash Wednesday Meditation (Pre-recorded)	/
Good Friday Online Worship	/
'Chill Together' Family Camp	58
Christmas Joint Worship	350

VI. Membership Change

We accepted associate members in the end of December.

Constitutional membership:

Year	Full Members	Associate Members	Honourable Members	Total
2021	29	32	7	68

VII. Pastoral Staff

- (i) Rev. Wai Chor Chiu is the Minister-in-charge. He focuses on preaching, teaching, leading the development of the church, strategizing pastoral work and evangelism, handling administrative work and led the pastoral work of adult and family ministry.
- (ii) Pastor Chris Sze Ming Lau is the pastor of English Ministry leading the pastoral work of English congregation and youth.
- (iii) Rev. Robert Law is the missionary of HKAM, helping the church to start a church planting plan in Sale until July.
- (iv) Ms. Mei Fong Liu (voluntary pastor for elderly) was invited by the Church Council to serve the elderly in the church. She has led the elderly ministry and arranged the activities and programmes for Caleb fellowship.
- (v) Pastor Alan C. K. Ho (voluntary pastor) assists home visit, adult ministry and preaching in Sunday service.
- (vi) Pastor Heng Wing Seng (voluntary pastor) was invited to serve Daniel fellowship and give sermon in services.

In 2021, due to influx of church participants coming from Hong Kong, the church recruited more part-time pastors to serve in the church according to different ministries:

- (i) Rev Ping Pandora Li was recruited as Counselling pastor since July to start a counselling service in the community who speak Cantonese and Mandarin.
- (ii) Pastor Chi Pang Winson Chan and Rev Ka Chun Louis Yeung served for church planting projects in Warrington and Trafford since July and August respectively.
- (iii) Pastor Ka Yau Benjamin Cho joined the team since December. His ministry focuses on teenagers who come to the church on Saturday and Sunday.

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Manchester Alliance Church (Warrington)

Vision of Warrington

Manchester Alliance Church (Warrington), formerly known as Warrington Fellowship, is an outreach ministry of Manchester Alliance Church (known as "MAC" hereinafter). Warrington Fellowship was established in June 2021. Pastor Chris, as the first co-worker of the ministry, he has described the establishing of the fellowship. In May of last year, MAC have received a call from a member who inquire the Chinese church at Warrington as thousands of Hong Kong immigrant have settled in Warrington and there are still many Hongkongers starting to move to Warrington in the future. In fact, MAC have heard the news before. However, the call from the member just like the Vision of Macedonian which is recording in Acts of New Testament. After a short meeting among the co-workers and leaders, the Warrington Fellowship was finally established, and the first online fellowship meeting was held on June 12. In fact, I am the witness of the Warrington Fellowship as I have joined the first online fellowship meeting. I found that the grace of God is truly fill up the city of Warrington.

From online fellowship goes forward to the congregation

After a couple of online fellowship meetings, brothers and sisters generally would like to have a virtual worship in Warrington so that they do not have to travel a long distance to MAC. Thanks God! Holy Trinity C of E Church (known as "Holy Trinity" hereinafter) which is located in the town center of Warrington was willing to let us use their place for our worship on every Saturday morning.

Our first service was held on August 14th 10:30 am at Holy Trinity. There is no particular congregation for the children and the youths as we have the worship on family base. Thanks God! We have started a particular congregation for children on August 21st just one week after our first congregation. In fact, our brothers and sisters understand the needs of the children and they are willing to organize the particular service for all children who studying in primary school. In this way, we have the worship for adult and the children separately on the same time. However, we have been unable to carry out the congregation for the youth as we have not enough space to do so.

After we have started the worship at Holy Trinity, numbers of brothers and sisters who living in various districts of Warrington have come to join our worship. Most of them have just arrived UK in between July and August. They praise the Lord as they never expect that there is a Chinese church in Warrington. Just like Nehemiah in Old Testament said we found the good hand of my God leads us. Two months after the starting of the service at Holy Trinity, we noticed that there were about 20-30 teenagers participate our service regularly. It seems that we need to organize the particular service for teenagers as soon as possible. We have organized a meeting for all the parents and would like to know their thought. At the end of the day, we decided to start the gathering for teenagers on November 20th. Since we do not have enough place, we can only have gathering by dividing the teenagers into two groups. One group belongs to the teenagers who studying between Year 7 and Year 9 and the gathering will be taken place on the 1st and the 3rd week. The other group goes for the teenagers who studying Year 10 or above and the gathering will be taken place on the 2nd and

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the 4th week. Although we still have various kind of constrain, we believe our God will lead us to go through all of them by His grace.

From online fellowship goes forward to face-to-face fellowship

Our fellowship meetings were held online from the day one of the ministry. However, after having our own service at Holy Trinity, we can think about to have the fellowship by face to face instead of online fellowship. Eventually, we have the "physical" gathering at Holy Trinity on October 11th . We are planning to meet twice a month on the 2nd week and the 4th of Monday.

Holy Trinity loves Hong Kong community. Therefore, she invited us to join the ministry of Coffee Bar on every Monday. We therefore started the "Hong Kong Coffee Bar" since October. It held on every Monday morning from 10:00 to 12:00. In fact, Coffee Bar ministry can benefit our community. After the worship of every week, we have no chance for refreshment due to the COVID. Coffee Bar becomes a good place for our brothers and sisters for sharing. No rush, sit down, take a coffee and share by each another. Actually, Coffee Bar is another form of fellowship. Thank God!

From fellowship goes forward to church planting

Since we started the ministry at Warrington, God keeps working by bringing His people to our ministry. God loves Hongkongers and let them to a place to take a rest. For our God is our shepherd. Now, the average attendance for our Saturday service is about 130 which is including children and youth. MAC notice that we have no longer be a fellowship of MAC, we become the branch of MAC. Therefore, we have changed our name to read Manchester Alliance Church (Warrington). We hope that our church will keep welcome the Hongkongers. We hope we can glorify the name of the Lord. Our future

In the future, our church will focus on internal relationship among brothers and sisters. We hope that our brothers and sisters will stay and keep our church as their “second spiritual home” (The church in Hong Kong is their spiritual home). We believe that love can keep the people staying at the church. Also, we would like our brothers and sisters spend more time to know each other so that our church will become a warm and lovely place.

Manchester Alliance Church (Trafford)

Manchester Alliance Church (Trafford), previous called “Sale meeting point”, faced the impact of Covid-19 in the past two years. Thank God for His leading and opening the way in the pandemic. With the help of Reverend Chiu, Reverend Law and his wife (the former missionaries) and Mission Team members (Helen Chow, Doris Liem and Mrs Yau), they worked out online fellowship to break through the limits of the pandemic, gathered a group of new and upcoming movers to UK (mainly in the South Manchester). The online fellowship gradually formed and grown. Meanwhile, they have contacted Sale Avenue Methodist Church (Sale AMC) and hoped that it will be available for the venue of in-person service. However, lockdown suspended all in-person gathering and so as the contact work. In late July 2021, the communication between Sale AMC and MAC resumed, Sale AMC and the Methodist Church Council agreed for us to use the church for in-person service.

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Since Reverend Law and his wife have completed their year of ministry works in July 2021, MAC employed 2 part-time pastors, Pastor Winson Chan and Reverend Louis Yeung in July and August respectively. Reverend Yeung is mainly responsible for the church duties in MAC (Trafford) and Pastor Chan helps in several circumstances.

As the preparations of in-person meetings started, Sale meeting point was formally named as Manchester Alliance Church (Trafford) in September. The first Sunday Service with Sunday School was started at 11:30 on 31 Oct 2021.

Different meetings are held in Manchester Alliance Church (Trafford) at the moment. Sunday Service held every Sunday at 11:30-13:00, around 150 people attend. Children Sunday School held every Sunday at 11:30-13:00, with lower form (N-Yr3) and higher form (Yr4-Yr6), around 60 students attend all together. For teenager, Joseph Fellowship (Yr7-Yr10) held every Sunday at 11:30-13:00 with around 30 students.

Apart from Sunday services, Sale Fellowship was an online fellowship previously, it was held twice a month with around 70 people joined. The participants of online fellowship dropped to around 30 people since in-person Sunday Service started. Then we started in-person fellowship meetings in January 2022. Furthermore, Brothers' Fellowship and Bible Study Group is held twice a month in Thursday nights using Google Meet, around 10 members join every time; while Ladies' Group is held once a month in-personally and started gathered at MAC (Trafford) since Oct 2021, around 15 members join every time. Ladies' Group Bible Study is held once a month online using Google Meet. There are 2 groups with around 6 people in each group.

Thank God for leading us, MAC planned to start the planting of church in Sale far before the rise of BNO Visa. As the UK Government begins the applications of BNO Visas at the end of 2020, many Hong Kong people decided to start their new lives in Sale and the towns nearby. The begin of ministry in Sale would let them to start meetings before leaving Hong Kong to arriving to the UK.

Thank God that before the starting of in-person service in MAC (Trafford), many brothers and sisters had already gathered in the online Sale Fellowship. The fellowship is a good warm up for the newcomers to know each other and kept a group of stable Christians in contact. Therefore, when the in-person service was planned to be started in Oct, plenty of helpers were prepared and led by God already. As we started to work for Jesus together, our relationship is built together as well.

Thank God for leading us, with the cooperation and encouragement between pastors and the Mission Team members, we work in Jesus together.

Since most of the participants in MAC (Trafford) are mainly young families with their children and teenagers, and the quota in Children Sunday School and Youth Team is limited, many children and young people are on the waiting list and have to join the Sunday Service with their parents now. Therefore, there is a great demand in recruiting more teachers and helpers to expand the limit of Sunday School by adding one more class and dividing the Joseph Fellowship into two groups. However, the spiritual needs of all teachers and helpers are our first concerns to avoid them to be too exhausted.

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On the other hand, some Hong Kong families come to the UK with their own aged parents, and some retired couples choose to stay here as well. We are planning to have Emmanuel Fellowship which is mainly target the retired people, elderly, and the couples without small children. May God prepare His own workers for this new ministry to let us serve this group of people.

We are also planning to have visiting team to pay our visit to care about the needs in brothers and sisters, and also contact the Hong Kong people who are not yet believe in Jesus.

Children Ministry

1. Children Sunday School

Same as other ministries, 2021 is a difficult year for Children Ministry, from no Sunday School during lockdown to online classes, to physical Sunday School and Saturday Bible Class; committee needed to keep changing the arrangement in order to make the provision of Sunday School possible.

On the other hand, due to the upsurge of Hong Kong people immigrating to U.K., a large number of Christian families brought their children to Sunday School. In line with an additional worship on Saturday, the church Saturday Bible Class in September 2021. We have grown from 40 to 67 Sunday School students and also have 45 students in Saturday Bible Class.

We continued to be amazed by the Lord's great work; this year God has prepared new brothers and sisters who are willing to commit themselves in serving Children ministry. Despite the huge demand of teachers, we had more teaching assistants to get involved. We are even more thankful to God that there was a sister who is in teacher training. The enthusiasm and hard work of the brothers and sisters in all aspects of teaching and service were even more evident!

In this year's Christmas joint performance with Trafford and Warrington church branches, everyone had a fabulous performance in singing, acting and narrating although there was no physical performance (only recorded video). Praise the Lord for allowing us to build up stronger teacher and student's relationship through practicing. Thanks to all teachers and teaching assistants for their hard work!

This year's summer programme (July to September) has been carried out with great success. The specially designed lesson contents, games and craft activities have helped pupils to have a deeper understanding on the work of Jesus and his disciples.

The committee, on one hand, will continue to promote the overall development of the Children's Ministry in accordance with the direction of the Church. On the other hand, more training of teachers and teaching assistants will be carried out.

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2. Chinese Language School

We give thanks to our faithful God for His guidance in 2021. Even though the impact of Covid-19 pandemic was unavoidable, we continued to experience that God is our strength and help in time of difficulties.

All through the academic year of 2020/21, the online lessons provided the students opportunity to carry on their study of Chinese. The commitment of the students, their parents and the teachers was immense and we all obtained some brand new experience together which brought us beyond our comfort zone, especially for those IGCSE students and teachers. Due to the cancellation of all public examinations, Teacher Assessment Grade (TAG) was implemented and the teachers were required to provide the attainment grade for their students in accordance to the instruction given by the examination board. It was a challenging task for our voluntary non-professional teachers. By the guidance of God and the great effort of the students and teachers, there were three students entered for the 2021 International GCSE examination and they attained very good results (1 achieved Grade 8 and 2 achieved Grade 7).

Since the Covid-19 situation started improving in the summer, our school decided to resume physical lessons in the new academic year (2021/22). The number of students increased from 34 (2020/21) to 52 students (2021/22). However, only 9 classes instead of 10 classes (no K2 class) could be provided in the new academic year because of the severe shortage of teachers and teaching assistants.

Online parent meetings were held every two months with a message shared by Rev Chiu. Besides, our school also held the online Chinese New Year activity for the students and their parents to join. By doing these activities, we could keep in touch with the parents during the pandemic.

As there was an influx of Hong Kong people emigrating to the UK in mid-2021, most of the new students (2021/22) were recently from Hong Kong. The discrepancy of Chinese standard between the local students and those from Hong Kong is very obvious in class. On one hand, it brings new challenges to the teaching team as they have to adjust and modify the ways of teaching so as to accommodate different learning needs. On the other hand, this new phenomenon can be a stimulus for the students to support and learn from each other. Regarding the teaching team, God has gradually provided more brothers and sisters (some are new arrivals from Hong Kong) to serve in this ministry. The pressure caused by the insufficiency of teaching personnel has been easing but the lack of teachers in the senior classes is still exist. It is hoped that more suitable brothers and sisters can become teachers and teaching assistants are willing to be trained as teachers so as to improve the current situation.

In 2021, we experienced God's faithfulness and wonderful deed among us. We could rely on Him and serve Him wholeheartedly in unity against all odds. By the grace of God, Manchester Alliance Chinese Language School can continue to be our church's outreach service and His channel of blessings to the local Chinese community.

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Teenager Ministry

1. Timothy Fellowship

Due to the pandemic, Timothy Fellowship has been conducted via the internet in the first half of the year; since the latter part of the year, the Fellowship has expanded its service to Saturday in order to serve the rising number of teens.

The Saturday Timothy Fellowship is mainly conducted in Chinese; Sunday English. Each of the two days of teens programs has a distinct serving team of its own.

The pandemic has made the administrative and logistical works of Timothy Fellowship programs difficult. We are thankful that over the year, pastors, leaders and parents work as partners together in serving the teens to grow in a safe setting.

Since December of this year, a new part-time pastor was assigned for our teenage ministry and more fruitful serving experience can be shared with our leaders in the team

2. Alliance Young People Fellowship (AYPF)

Due to the pandemic, AYPF has been conducted online in the first half year; since September of this year, we have been back to physical. The pandemic has contributed to many changes to our Fellowship activities. Food gathering, which has been traditionally our Fellowship program for welcoming new students, has to be suspended to avoid spreading the disease. Thankfully, such changes do not result in the fall of the number of students joining our programs, and of the passion of the brothers and sisters who serve.

To equip our brothers and sisters with their Bible study and worshipping leading skills, we have started workshops in such areas for our potential student leaders to join since December.

In coming year, in order to broaden the horizon of our insights, we are planning to invite more speakers outside of our church to share and lead different programs. We pray that this would enrich the experience of our Fellowship.

3. Daniel Fellowship Annual Report 2021

Daniel Fellowship had many changes in 2021. Firstly, Daniel Fellowship English group has merged with English ministry, so Daniel Fellowship became Cantonese only.

As all other services, due to covid, the fellowship was mainly conducted in small groups online. Because of the limitations, the monthly online gatherings consist of a causal catch up and a Bible study session.

The fellowship was returned to physical gathering twice a month from September 2021. Both Cantonese group leaders had relocated away from Manchester, while many new comers joined the fellowship since autumn 2021. Over 50% members were new to the fellowship. Therefore it had been focussing on welcoming and bonding.

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In past year, Daniel Fellowship had been struggling to reach out, however we are thankful that God has brought us many new faces in the last few months. At the moment, Daniel fellowship is still under reforming with over 70% new members in January 2022. Therefore we pray that the old and new members can integrate and settle down in Daniel Fellowship.

We also pray that God will rise up more servants.

Adult Ministry

There are four fellowships in the adult ministry:

1. Elim Fellowship

Owing to the Covid-19, Elim fellowship still keep gathering by online in 2021 until the end of the year. There are 15 families attended monthly gathering on average. Besides, one bible study group for brother and one for sister were held online monthly as well.

As expected, all members felt cheerful after physical gathering resumed. Not only parents can share more freely but the children can also involve into it.

As the government guidance for Covid measures should be further released in coming year, more and more families will be expected to join the fellowship.

2. Emmanuel Fellowship

Due to pandemic, Emmanuel Fellowship only held online gathering on every third Tuesday monthly. The gatherings keep focusing on different spiritual books sharing and there were 16 people attended the gatherings on average. Bible study was also held online monthly and there was 7 people attendance on average.

In coming year, Emmanuel fellowship will restart physical gathering and hope much better support and communication can be facilitated.

3. Faith, Hope, Love Fellowship

Most of the meetings over 2021 were held online and started to go back to physical fellowship in September. The themes of the monthly online meetings included The Fourfold Gospel led by Minister-in-charge, Christian living talks, sharing and testimony, Summer outing and Christmas celebration etc. The average number of attendants in the monthly meetings was 38.

Apart from monthly gathering, three Bible Study groups, Faith, Hope and Love, also held online to study topics on "Be Holy" and the book of **【Ephesians】** once a month. The average number attending the monthly Bible studies was 35.

Even under the threat of virus spreading, a summer hiking has been organized in summer and there was total of 31 members turning up.

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4. Caleb Fellowship

Due to the pandemic, the Fellowship still ceased to meet in person in 2021. However, we continued our Bible study as scheduled, via telephone, with individual fellowship members, on the second and fourth Friday and Saturday morning and evening of the month.

When the lockdown was lifted, we arranged outings, on the 28th August and the 17th September. We enjoyed the outdoor scenery and we thanked God for our time of sharing and mutual encouragement.

On the 12th December 2021 between 12:14 – 12:45, we held our first in house meeting with our new members in church. We had hymns singing, bible study, discussion on exercises and exchange of gifts. We thanked God that some new members have decided to join the fellowship.

In 2022, the fellowship will recommence its meetings from the second Saturday in January. Due to the pandemic, there will be no refreshments. Our members will take part in craft workshops - "Helping ourselves whilst helping others". The aim of this workshop is to help our elderly members improve their psychological and spiritual health. Though they may be less physically fit, they are able to continue to grow in spirit. Through craft work, they will learn how to work as a group and promote mutual admiration.

English Ministry

Due to the pandemic, our English service has been conducted via internet broadcast in the first half year; from the latter part of the year, we are thankful we have been back to physical service with brothers and sisters from a variety of nations worshipping together with us. In September, we have established a new Sunday School session for children that runs alongside the sermon time.

We are thankful to have Mission Pastor Lucho Sanchez from CACU joining our church as his home church. He has started serving with us at the beginning of the year by equipping our congregation to learn about missions and outreach to the community. Mary Beth Brannon, a missionary from Prince Avenue Baptist Church in the US, and Jessica So, a placement student from Alliance Bible Seminary in Hong Kong, also work alongside with Sanchez. They are also involved in different ministries such as Worship Team and Sunday School.

Since the latter part of the year, our monthly Worship Team jamming session and monthly prayer meeting have also returned to physical. We are thankful to have new brothers and sisters joining us.

In November, a new English pre-Bible study session was started in equipping our Bible study leaders. In the same month, our English Ministry Bible study session has returned to physical and opens for the whole congregation to join.

MANCHESTER ALLIANCE CHURCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENED 31 DECEMBER 2021**

In December, we have also been grateful to have the mission team from Prince Avenue Baptist Church to lead a series of mission training sessions in our church.

Finally, in the Joint Christmas Service of this year, we are very thankful to have brothers and sisters with origins of non-Christian countries to be registered as members of our church.

In 2022, despite the unforeseeable circumstances during the pandemic, the church will continue to strengthen the unity of congregation despite the differences in terms of culture and language.

In January, the church is supporting an ESOL course that runs in our church premises. Some brothers and sisters from the English Ministry have also taken part in the program as teaching assistants. We pray for God's work on us through our service together in this program.

In March, Prince Avenue Baptist Church will send a missionary team to engage in a series of evangelistic programs with Projekts MCR, a skatepark at the city centre of Manchester. We pray that God will send his people to serve the community together with the mission team.

Counseling Service

The Manchester Alliance Church began to offer counselling services from August this year. The services are offered in the form of dedication. The ministry starts with mental health talks held in various fellowships to raise awareness of mental health. There have been 8 individual and family cases, and child counselling has also begun. Expect mental health to become the pursuit of more people, and willing to take responsibility for their own personal growth.

Looking ahead to 2022, may more people understand what is the mental health is, and understand the story behind their emotions. They are eager to seek healing.

We will continue to hold regular talks on psychological mental health, parenting talks, couples' talks, and may also set up some groups as needed, such as the group recently set up for elderly new immigrants.

MANCHESTER ALLIANCE CHURCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENED 31 DECEMBER 2021

4. Financial Review

The past year had indeed been another challenging year for MAC. Not only due to the impact of COVID-19 pandemic on all church activities; a huge pastoral care need emerged as large number of Hong Kong families moved to UK after BNO visa was launched. MAC has set up two new meeting points and three more service sessions for responding to the situations. In addition, Church started to resume physical gathering with limited number from April last year while we still kept doing activities online at the same period of time. Thanks to the persistent effort of brothers & sisters and new recruited pastoral staff, we still managed to meet the sudden raise in service needs under such a short and volatile period of time. We are also encouraged by our congregations' faithfulness to God, expressed by their participation in various church activities, both physical and virtual especially in this ever-changing situation. We are especially thankful because the donation received is sufficient to cover our expenses despite of significant growth in financial burden raised by the service needs.

Policy on reserves

It is the policy of the Church to maintain a level of unrestricted General Fund reserve that is sufficient to cover the Church's running costs for 3 months around £69,000. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, the Church is able to continue its current activities while consideration is given to ways in which additional funding may be raised. As at 31 December 2021, the amount of reserves in General Fund was £106,576.

General Fund: the donation received has increased £83,719 as compared with previous year (£206,738 and £123,020 for 2021 and 2020 respectively). The net income for the year is £46,784 after the transfer of £116,319 to other funds

Personnel Fund: the total outgoing was £108,427 in 2021. In contrast, donation for the year was only £23,025 (2020 is £16,987). The deficit is covered by transfers from General Fund of £83,202 and accumulated balance from previous years. Note The Personnel Fund balance decreased from £4,679 at 2020 to £0 at 2021.

Property Fund: The total expenditure was £82,993 while the donation received for the year was £71,378. There were £21,000 loan repayment to the Church believers made during the year. At the beginning of 2021, the cash balance was £60,713 for property maintenance and loan repayment. At the end of 2021, the cash balance was £36,585 which will be used for repayment of the loans of £39,764 from the Church believers due in 2022.

Note: The church owes long-term bank loan of £393,106 (to be repaid by monthly instalments)

Property maintenance: The total venue related charges for 2021 were £93,173 (£75,892 at 2020) (see table C, "Summary of property maintenance expenses"). This included the mortgage monthly repayment and at utility expenses. According to the current data, we estimate the total venue related charges for 2022 at £106,111 including repayment of loans of £32,500 from the Church believers.

Brief summary of fund movements in 2021

(A) General Fund

Income	2020	2021	Expenses	2020	2021
General Donations	£117,583.00	£191,345.00	General Expenses	£28,827.00	£43,635.00
Other Incomes (from fellowship, church activities,	£5,437.00	£15,393.00	Transfer*	£91,672.00	£116,319.00
Total Income	£123,020.00	£206,738.00	Total Expenditure	£120,499.00	£159,954.00
			Net Income / (Expenditure)	£2,521.00	£46,784.00

* Transfer of General Fund: £33,117.00 to Mission Fund: £ 83,202.00 to Personnel Fund

MANCHESTER ALLIANCE CHURCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Financial Review (continued)

(B) Other Fund

Fund Titles	To Support	Expenses
Mission Fund	CACU (Mission)	£20,879
	CACU (Admin)	£12,361
	Hong Kong Alliance Mission - missionaries	£1,200
	Pastor Luis Sanchez – missionary	£1,200
	30 days of prayer for The Muslim World	£133
	HK Frontiers	£132
Charity Fund	The Message Trust	£617
	Compassion UK	£623
	Tear Fund	£894
	Home For Good	£871
	Samaritan Purse	£995
	Welcome Churches	£846
Personnel Fund	Employment expenses for office and pastoral staff	£108,427
Property Fund	Total venue related expenses	£93,173

(C) Summary of property maintenance expenses:

Property Maintenance Items	2020	2021	2022
	Actual Expenses	Actual Expenses	Estimated Expenses
Bank Loan Repayment	£38,079	£38,079	£38,079
Water	£760	£300	£1,500
Electricity	£6,243	£8,208	£8,500
Management Fee	£13,281	£14,755	£13,432
Waste Collection	£310	£88	£600
Maintenance & Repair	£5,656	£7,076	£7,500
Insurance	£5,563	£3,667	£4,000
Repayment of loans to MAC believers	£6,000	£21,000	£32,500
Total	£75,892	£93,173	£106,111

(D) Summary of Property Fund Incomes:

Income Item	Amount	Percentage
Donations from MAC believers	£39,942	56.8%
Donations from overseas supporters in the custody of Hong Kong Alliance Mission	£6,801	9.7%
Other - Tax rebate for tax year 2020/21	£23,545	33.5%
Other - Bank interest	£0	0.0%
Other - donation from MAMF	£0	0.0%
Other - donation from CACU (UK)	£0	0.0%
Other - donation from religious organisation/fellowship	£0	0.0%
Total	£70,288	100%

MANCHESTER ALLIANCE CHURCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Structure, Governance and Management

The Church was incorporated on 1st November 1995 under the Companies Act 2006 as a private limited company and the company is limited by guarantee. The type of governing document is the constitution.

Trustees selection and induction

Any prospective new trustees are recommended by the current church council to the congregation for their consideration. Church members are then able to vote the appointment of the prospective trustee. A majority vote confirms the appointment. New trustees are kept updated through trustees' meetings and communication throughout the year.

The Church as a member church in federation with the Chinese Alliance Churches Union (UK) (abbreviated to CACU) is governed by the voting members of the Church Council, which include the Minister-in-charge or his deputy, elders and deacons. Therefore, these voting members are constituted as the board of trustees/directors of the Church. The Minister-in-charge who must be approved and assigned by CACU should be appointed to the ministry of the Church by the Church Council. The elders who must receive approval from the CACU should be nominated by the Church Council and elected in the Annual General meeting. Deacons should be nominated by the Church Council and elected in Annual General Meeting every year. The newly elected trustees will be given a brief induction regarding their duties and responsibilities set out in the constitution and according to the guidelines of Companies House and Charity Commission.

Risk Management

The trustees have a duty to identify and review the risks of which the charity is exposed and to ensure appropriate controls in place to provide reasonable assurance against fraud and error.

The Church Council

The Church Council is formed by the directors/trustees and non-voting members. They meet regularly to discuss, pray and organize the work of ministry. The Church Council consists of the ministers (one of whom is Minister-in-charge or Deputy), the elders, the deacons, and any other appointed church officers or leaders.

The Church Council Members

Trustees	
Chairperson	Rev. Wai Chor Chiu
Treasurer	Paul Ngok Loi Ho (until AGM 2021) Yin Man Andy Chan (from AGM 2021)
Other Members	Yun Liem (until AGM 2021) Doris B. K. Liem (from AGM 2021) Bernard Y. C. Lam (from AGM 2021) Kiu Fai Tung Angel H.T. Wong
Company Secretary:	Paul Ngok Loi Ho (until 23rd May 2021) Doris B K Liem (from 1 October 2021)
Non-voting members:	Pastor Chris S.M. Lau, Helen Y.Y. Chow Karen K.W. Fong Adonis C.H. Lau (from AGM 2021) Kasin Law (from AGM 2021) Pastor Winson C.P.Chan (from August 2021) Rev K.C. Yeung (from August 2021) Rev Pandora P. Li (from September 2021) Pastor Ka Yau Cho (from December 2021)
The Church Staff	
Minister-in-charge:	Rev. Wai Chor Chiu
Pastoral Staff:	Pastor Chris S. M. Lau Pastor Winson C.P.Chan (from August 2021) Rev K.C. Yeung (from August 2021) Rev Pandora P. Li (from September 2021) Pastor Ka Yau Cho (from December 2021)
Church Administrator:	Wing Chung Lam (from October 2021) Mei Fung Lam (part-time)
Business Secretary:	Winnie Leung (part-time, resigned October 2021)

MANCHESTER ALLIANCE CHURCH
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENED 31 DECEMBER 2021

6. Statement of trustees' responsibilities

The trustees (who are also directors of Manchester Alliance Church) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting practice), including Financial Reporting Standard 102 " The Financial Reporting Standard applicable in the UK and Republic Ireland". Company law and the law applicable to charities in England and Wales require 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 its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to : -

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under Company Law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the result of the company for that period.

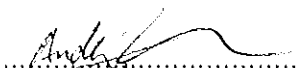
7. Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies' regime.

The above trustees' report (including directors' report) was approved by the trustees of the charity on (insert date) and signed on thier behalf by :



.....
Rev. Wai Chor Chiu, Chairman
Trustee



.....
Yin Man Andy Chan, Treasurer
Trustee

MANCHESTER ALLIANCE CHURCH
INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENED 31 DECEMBER 2021

Charity No. 1092291
Company No. 3120814

I report to the trustees on my examination of the accounts of the charity for the year ended 31 December 2021.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

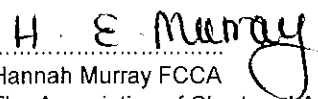
Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


Hannah Murray FCCA
The Association of Chartered Accountants

Hannah Murray Accountancy
61 Falconers Green
Westbrook
Warrington
Cheshire
WA4 1AZ

Date

MANCHESTER ALLIANCE CHURCH
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)

		Unrestricted funds		Restricted funds	Total funds 2021	Total funds 2020
		General Fund	Designated Fund			
	Note	£	£	£	£	£
Income and endowments from:						
Donations	4a	195,453	24,570	76,769	296,792	254,555
Charitable activities	4b	11,285	-	-	11,285	4,184
Investments	4c	-	-	-	-	13
Total income		206,738	24,570	76,769	308,077	258,752
Expenditure on:						
Charitable activities	5	43,635	144,762	87,840	276,237	240,920
Total expenditure		43,635	144,762	87,840	276,237	240,920
Net income/(expenditure) for the year		163,103	(120,192)	(11,071)	31,840	17,832
Transfers between funds		(116,319)	116,319	-	-	-
Net movement in funds		46,784	(3,873)	(11,071)	31,840	17,832
Reconciliation of funds:						
Fund Balances b/f at 1 January 2021		59,792	10,895	1,239,258	1,309,945	1,292,113
Fund Balances c/f at 31 December 2021		106,576	7,022	1,228,187	1,341,785	1,309,945

MANCHESTER ALLIANCE CHURCH
BALANCE SHEET
AS AT 31 DECEMBER 2021

Charity No. 1092291
Company No. 3120814

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Fixed assets					
Tangible assets	10	5,605	1,649,388	1,654,993	1,697,560
Concessionary loan	11	-	6,000	6,000	5,332
Current assets					
Stock	12	278	-	278	278
Debtors	13	1,039	46,971	48,010	45,038
Cash at bank and in hand		109,139	39,765	148,904	126,600
		110,456	86,736	197,192	171,916
Creditors: amounts falling due within one year	14	(2,463)	(80,818)	(83,281)	(54,077)
Net current assets		107,993	5,918	113,911	117,839
Total assets less current liabilities		113,598	1,661,306	1,774,904	1,820,731
Creditors: amounts falling due after one year	15	-	(433,119)	(433,119)	(510,786)
Total net assets		113,598	1,228,187	1,341,785	1,309,945
Funds of the Charity					
Unrestricted funds		113,598	-	113,598	70,687
Restricted funds		-	1,228,187	1,228,187	1,239,258
Total funds	16	71,530	1,228,187	1,341,785	1,309,945

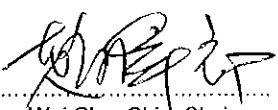
The company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by all trustees/directors, and authorised for issue on and signed on their behalf by


Rev. Wai Chor Chiu, Chairman
Trustee


Yin Man Andy Chan, Treasurer
Trustee

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and with the Charities Act 2011.

Manchester Alliance Church constitutes a public benefit entity as defined by FRS102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees therefore continue to adopt going concern basis in preparing the accounts.

2. Accounting policies

2.1 Funds Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's charitable objectives unless the funds have been designated for specific purposes.

Restricted funds are subject to specific restrictive conditions imposed by donors or through the terms of an appeal. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2.2 Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and the amount of income receivable can be measured reliably.

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid is included in income when there is a valid declaration from the donor.

Income from investment relates to bank interest received is recognised when the amount is certain.

No amounts are included in the accounts for services donated by volunteers.

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2.3 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accrual basis when a liability is incurred. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Direct costs attributable to a single activity are allocated directly to that activity.

Costs of charitable activities relate to the operation of the charity comprising direct charitable expenditure to meet the objectives of the charity. Support costs and governance costs relate to the management and operation of the charity and also in compliance with constitutional and statutory requirements.

2.4 Tangible fixed assets

Capital expenditure is stated at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of each asset over its expected useful life as follows:-

Leasehold property and improvements	2% straight line basis
Computer and equipment	25% reducing balance basis

2.5 Stock

Stock is valued at the lower of cost or net realisable value after making allowance for obsolete and slow moving items.

2.6 Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

2.7 Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to settle the debt. Amounts which are owed in more than a year are shown as long term creditors.

2.8 Foreign currency translation

Transactions in foreign currency are recorded in sterling at the rate of exchange ruling on the date of transactions or the average exchange rate of the year where applicable. Monetary assets and liabilities denominated in foreign currency are re-translated at the rate of exchange ruling at the balance sheet date.

2.9 Taxation

Manchester Alliance Church, as a registered charity, is exempt from taxation of its income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 to the extent that they are applied to its charitable objectives. No tax charge arises on the results of the year.

3. Company status

Manchester Alliance Church is a company limited by guarantee. Every member of the Church undertakes to contribute such amount as may be required not exceeding £1 in the event of the company being wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the company's debts and liabilities contracted before he or she ceased to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributions among themselves.

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Income and endowments from

	Unrestricted funds		Restricted funds	Total funds 2021	Unrestricted funds		Restricted funds	Total funds 2020
	General Fund	Designated Fund			General Fund	Designated Fund		
	£	£	£	£	£	£	£	£
a. Donations								
General Fund (local donations)	191,346	-	-	191,346	115,572	-	-	115,572
General Fund (overseas donations)	-	-	-	-	2,011	-	-	2,011
Mission Fund	-	1,545	-	1,545	-	-	1,257	1,257
Personnel Fund	-	23,025	-	23,025	-	-	16,987	16,987
Property Fund (local donations)	-	-	38,202	38,202	-	-	64,317	64,317
Property Fund (overseas donations)	-	-	6,801	6,801	-	-	11,720	11,720
Charity Fund	-	-	5,391	5,391	-	-	3,608	3,608
Bursary Fund	-	-	-	-	-	-	-	0
Gift Aid	-	-	26,375	26,375	-	-	37,830	37,830
Fellowships Offerings	4,107	-	-	4,107	596	-	-	596
Children Sunday School	-	-	-	-	21	-	-	21
Other	0	-	-	-	636	-	-	636
	195,453	24,570	76,769	296,792	118,836	0	135,719	254,555
b. Charitable activities								
Chinese Language School	7,330	-	-	7,330	4,184	-	-	4,184
Summer Camps and Projects	3,955	-	-	3,955	-	-	-	0
Welcome Camp and Programs	-	-	-	-	-	-	-	0
	11,285	-	-	11,285	4,184	-	-	4,184
c. Investments								
Bank interest	-	-	0	0	-	-	13	13
Total income	206,738	24,570	76,769	308,077	123,020	0	135,732	258,752

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Total funds 2021	Unrestricted funds		Restricted funds	Total funds 2020
		General Fund £	Designated Fund £	£	£	General Fund £	Designated Fund £	£	£
Direct Charitable Expenditure									
Donation - Mission Fund	6	-	35,906	-	35,906	-	28,958	1,257	30,215
Mission outreach		-	-	-	-	-	-	-	-
Donation - Charity Fund		-	-	4,846	4,846	-	-	3,396	3,396
Theological student grant		-	-	-	-	-	-	-	-
Theological student placement		-	-	-	-	-	-	-	-
Children Sunday School		501	-	-	501	-	-	-	-
Chinese Language School		793	-	-	793	2,376	-	-	2,376
Fellowships		6,166	-	-	6,166	77	-	-	77
Congregational costs		10,154	-	-	10,154	2,603	-	-	2,603
Summer camp and project		3,608	-	-	3,608	-	-	-	-
Welcome camp and programme		200	-	-	200	-	-	-	-
		21,422	35,906	4,846	62,174	5,056	28,958	4,653	38,667
Support and governance costs									
Staff costs	7	4,500	108,856	-	113,356	9,633	76,557	16,987	103,177
Ministers working expenses		3,487	-	-	3,487	1,540	-	-	1,540
Staff working expenses		-	-	-	0	1,001	-	-	1,001
Printing and stationery		479	-	-	479	331	-	-	331
Office equipment and repair		1,959	-	-	1,959	5,129	-	-	5,129
Telephone and internet charges		4,736	-	-	4,736	1,569	-	-	1,569
Church cleaning		2,054	-	-	2,054	1,110	-	-	1,110
Sundry expenses		934	-	-	934	862	-	-	862
Professional fees		1,165	-	0	1,165	-	-	2,670	2,670
Accountancy fees	9	460	-	-	460	420	-	-	420
Bank charges		892	-	0	892	481	-	-	481
Depreciation		1,547	-	42,656	44,203	1,695	-	42,532	44,227
Premises maintenance and repair		-	-	7,076	7,076	-	-	5,656	5,656
Church centre utilities		-	-	-	-	-	-	-	-
- building service charge		-	-	14,755	14,755	-	-	13,281	13,281
- electricity		-	-	8,207	8,207	-	-	6,243	6,243
- water		-	-	300	300	-	-	760	760
- waste collection charge		-	-	87	87	-	-	310	310
Bank loan interest		-	-	6,522	6,522	-	-	7,721	7,721
Insurance		-	-	3,666	3,666	-	-	5,563	5,563
Exchange loss (gain)		-	-	-275	-275	-	-	202	202
		22,212	108,856	82,994	214,063	23,771	76,557	101,925	202,253
Total expenditure on charitable activities		43,635	144,762	87,840	276,238	28,827	105,515	106,578	240,920

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Analysis of donations

	2021	2020
	£	£
Donations to Chinese Alliance Churches Union (UK) (see note 8.3)	33,240	24,915
Donations to missionaries	2,400	5,300
Donation to 30 days of prayer for The Muslim World	133	-
Donation to HK Frontiers	133	-
	<u>35,906</u>	<u>30,215</u>

7. Staff costs

	2021	2020
	£	£
Salaries and wages	96,912	81,603
Social security costs	5,950	6,754
Pension costs (defined contribution scheme)	5,994	5,187
Other employee benefits	4,500	9,633
	<u>113,356</u>	<u>103,177</u>

During the year, Rev Ping Li was reimbursed car purchase subsidy of £4,500. The Church paid the benefit so as to facilitate Rev Ping Li to make home visits to the believers in the interest of the Church charitable objectives.

No employee received employee benefits of more than £60,000 during the year (2020 : £Nil)

The average number of employees calculated on the basis of full-time equivalents during the year is as follows :-

	2021	2020
Charitable activities	3	2
Office Administration	2	2
	<u>5</u>	<u>4</u>

The above staff costs included remuneration and benefits paid to the trustee, Rev Wai Chor Chiu totalling £ 41,834 as detailed in note 8.1.

The Church staff are employed by a related entity, Chinese Alliance Churches Union (UK) to work for the Church. As at 31/12/2021 there were 5 members of Staff employed through CACU and 2 employees employed through Manchester Alliance Church.

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Transactions with trustees and related parties

8.1 Trustees' remuneration and benefits

During the year, one of the trustees, Rev Wai Chor Chiu received total remuneration and benefits in the capacity as the minister-in-charge of the Church as follows: -

	2021 £	2020 £
Salaries	36,334	35,038 (reimbursed CACU (UK))
Social security costs	3,205	3,056 (reimbursed CACU (UK))
Pension contribution	2,726	2,692 (reimbursed CACU (UK))
Other benefits - visa application fees	-	9632.8 (paid directly by Church)
	<u>42,265</u>	<u>50,419</u>

Shin Ting Cindia Lau (wife of Rev Wai Chor Chiu) received £1,400 for worship sessions during the year

No other trustees received remuneration or other benefits from the charity during the year (2020 : £Nil) .

8.2 Trustees' expenses

Expenses were incurred by Rev Wai Chor Chiu during the year as detailed below and these were wholly in fulfilment of charity objectives.

	2021 £	2020 £
Mileage allowance	1,087	-
Car parking space	1,260	1,260
Mobile phone bills	-	-
Book allowance	15.99	-
	<u>2,363</u>	<u>1,260</u>

No other trustees were paid any expenses during the year (2020 : £Nil) .

8.3 Transactions with related party

The Church is a permanent member of Chinese Alliance Churches Union (UK) as set out in the Articles of Association. During the year, the Church has undertaken the following transactions with CACU (UK) :-

	2021 £	2020 £
Contribution to CACU (UK) for the Church personnel	104,645	93,544
Donations to CACU (UK) General Fund	12,361	13,302
Donations to CACU (UK) Mission Fund	20,879	11,613
Donations received from CACU (UK) for office hire	4,800	4,950

9. Analysis of governance costs

	2021 £	2020 £
Independent examiner's fee		
- Examination of the financial statements	<u>460</u>	<u>420</u>

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Tangible Fixed Assets

	Computer & Equipment £	Long Leasehold Building £	2021 Total £	2020 Total £
<u>Cost</u>				
Balance as at 1 January 2021	56,950	2,132,777	2,189,727	2,155,195
Additions	1,636	0	1,636	34,532
Disposals	-	-	-	-
Balance as at 31 December 2021	58,586	2,132,777	2,191,363	2,189,727
<u>Depreciation</u>				
Balance as at 1 January 2021	51,434	440,733	492,167	447,940
Charge for the year	1,547	42,656	44,203	44,227
Disposals	-	-	-	-
Balance as at 31 December 2021	52,981	483,389	536,370	492,167
<u>Net Book Value</u>				
As at 31 December 2021	5,605	1,649,388	1,654,993	1,697,560
As at 31 December 2020	5,516	1,692,044	1,697,560	1,707,255

The leasehold building is purchased under a long lease of 999 years and is primarily held for charity use.

11. Concessionary Loan

	2021 £	2020 £
Loan to individual	6,000	5,332

The interest free loan is provided to the borrower who commenced a theological course of three years term in 2017 at a recognised institute. The purpose of the loan is used exclusively for tuition fee and living costs of the borrower. The loan shall be repaid by monthly instalments within 3 years after the course completion. The debtor had extended his course then his loan repayment is also delayed. The loan repayment is expected to commence in April 2022.

12. Stock

	2021 £	2020 £
Books	278	278

13. Debtors

	2021 £	2020 £
Concessionary loan (see note 11)	-	668
Tax Rebate	23,545	26,659
Prepayments & Accrued Income	5,460	5,781
Other Debtor	19,006	11,930
	48,010	45,038

The Other Debtor is Hong Kong Alliance Mission which collects overseas donations in HKD towards the Church Building Project on behalf of the Church. As at 31/12/2021, the accumulated balance of HKD199,183 equivalent to £19,006 is in the custody of HKAM. During the year, HKAM received donations in HK\$72,720 equivalent to £6,801, all the donations towards the Church Building Project.

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Creditors : Amounts falling due within one year

	2021 £	2020 £
Secured bank loan (see note 15)	32,988	32,877
Unsecured loans from individuals (see note 15)	43,500	18,500
Accruals	6,793	2,700
	<u>83,281</u>	<u>54,077</u>

15. Creditors : Amounts falling due after more than one year

	2021 £	2020 £
Secured bank loan	360,119	391,786
Unsecured loans from individuals	23,000	69,000
Unsecured loans from Manchester Alliance Mandarin Fellowship	50,000	50,000
	<u>433,119</u>	<u>510,786</u>

The Church's long leasehold building is pledged as a security to the bank for the loan facility of 25 years term.

The rate of interest is calculated on a floating rate basis equal to the aggregate of the margin of 1.5% per annum and the Base Rate until the third anniversary of 1st July 2008. From 1st July 2011 onwards, the rate of interest remains at the aggregate of the margin of 1.5% per annum and the Base Rate as specified by the bank.

The secured bank loan is repayable by 143 monthly instalments as follows and are currently based on equal capital repayments :

	2021 £	2020 £
In one year or less	32,988	32,877
Between one and two years	32,988	32,877
Between two and five years	98,964	98,361
After five years	228,167	260,278
	<u>393,106</u>	<u>424,393</u>

Unsecured interest-free loans from individuals represent borrowings to provide finance for the building fitting out work. The year end balances of these loans amounted to £66,500 are repayable as follows :

	2021 £	2020 £
In one year or less	43,500	18,500
Between one and two years	6,000	46,000
Between two and five years	17,000	23,000
	<u>66,500</u>	<u>87,500</u>

Unsecured interest-free loans from Manchester Alliance Mandarin Fellowship represent borrowings to provide finance for the building fitting out work. The year end balances of these loans amounted to £50,000 are wholly repayable between 2 and 5 years.

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Statement of Funds

	Balance 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance 31 December 2021 £
Unrestricted Funds					
General Fund	59,792	206,738	(43,635)	(116,319)	106,576
Designated Funds					
Personnel Fund	4,679	23,025	(108,856)	83,202	2,050
Mission Fund	6,216	1,545	(35,906)	33,117	4,972
	10,895	24,570	(144,762)	116,319	7,021
Total Unrestricted Funds	70,687	231,308	(188,398)	-	113,598
Restricted Funds					
Property Fund	1,223,762	71,378	(82,994)	-	1,212,146
Charity Fund	9,496	5,391	(4,846)	-	10,041
Bursary Fund	6,000	-	0	-	6,000
Total Restricted Funds	1,239,258	76,769	(87,840)	-	1,228,187
Total Funds	1,309,945	308,077	(276,238)	-	1,341,785

	Balance 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance 31 December 2020 £
Unrestricted Funds					
General Fund	57,271	123,020	(28,827)	(91,672)	59,792
Designated Funds					
Personnel Fund	6,121	-	(76,557)	75,115	4,679
Mission Fund	18,617	-	(28,958)	16,557	6,216
	24,738	0	(105,515)	91,672	10,895
Total Unrestricted Funds	82,009	123,020	(134,342)	-	70,687
Restricted Funds					
Personnel Fund		16,987	(16,987)		
Mission Fund		1,257	(1,257)		
Property Fund	1,194,820	113,880	(84,938)	-	1,223,762
Charity Fund	9,284	3,608	(3,396)	-	9,496
Bursary Fund	6,000	-	-	-	6,000
Total Restricted Funds	1,210,104	135,732	(106,578)	-	1,239,258
Total Funds	1,292,113	258,752	(240,920)	-	1,309,945

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Statement of Funds (Continued)

Designated Fund

A designated fund is a particular form of unrestricted funds, consisting of amounts of unrestricted funds which have been allocated or designated for specific purposes by the church itself. The use of designated funds for their designated purposes will remain at the decision of the directors.

Personnel Fund

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used for the employment of ministers and church workers. £83,202 has been designated from General Fund to Personnel Fund throughout the year (£75,115 in 2020).

Mission Fund

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used for the advancement of national and world-wide mission primarily but not exclusively through church planting. £33,117 has been designated from General Fund to Mission Fund throughout the year (£16,557 in 2020).

Restricted fund

Restricted funds are funds subject to specific conditions, imposed by the donors and binding on the directors or the Church Council. They represent unexpended restricted income and/or assets to which restrictions as to their use apply. The conditions may alternatively be imposed not by the donors but by the trusts relating to the donation.

Property fund

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used to acquire any church properties or maintain properties belonging to the Church. £Nil has been designated from General Fund to Property Fund throughout the year (£Nil in 2020).

Charity fund

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used to provide assistance to individuals who are unconnected with the Church Council members and who encounter short term financial hardship or Christian charities whose purposes are to provide humanitarian aids to the poor in general. £Nil has been designated from General Fund to Charity Fund throughout the year (£Nil in 2020).

Bursary fund

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used to provide assistance to certified individuals who undertake qualified theological courses organized by a recognized institute. In return, the recipient of the bursary is expected to work for the Church or the Union for a period of time if there are vacancies at the time of their graduation. £Nil has been designated from General Fund to Bursary Fund throughout the year (£Nil in 2020).

MANCHESTER ALLIANCE CHURCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds 2021
	General Fund	Designated Fund		
	£	£	£	£
Fixed Assets	5,605	-	1,649,388	1,654,993
Non-Current Assets	-	-	6,000	6,000
Current Assets	110,456	-	86,736	197,192
Current Liabilities	(2,034)	-	(80,818)	(82,852)
Long Term Liabilities	-	-	(433,119)	(433,119)
Net Assets as at 31 December 2021	114,026	0	1,228,187	1,342,214

	Unrestricted funds		Restricted funds	Total funds 2020
	General Fund	Designated Fund		
	£	£	£	£
Fixed Assets	5,516	-	1,692,044	1,697,560
Non-Current Assets	-	-	5,332	5,332
Current Assets	55,129	12,224	104,563	171,916
Current Liabilities	(853)	(1,329)	(51,895)	(54,077)
Long Term Liabilities	-	-	(510,786)	(510,786)
Net Assets as at 31 December 2020	59,792	10,895	1,239,258	1,309,945