

**Company Registration Number : 4247363**  
**Charity Registration Number: 1092536**

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**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**ANNUAL TRUSTEES AND**  
**FINANCIAL STATEMENTS REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**CONTENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Page
COMPANY INFORMATION	2
TRUSTEES' AND DIRECTORS' ANNUAL REPORT	3 - 7
STATEMENT OF FINANCIAL ACTIVITIES (incorporating INCOME AND EXPENDITURE ACCOUNT)	8
BALANCE SHEET	9
CASH FLOW STATEMENT	10
NOTES TO THE FINANCIAL STATEMENTS	11-16
INDEPENDENT EXAMINERS REPORT	17

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

Company Number	4247363
Charity Number	1092536
Registered Office	Manchester Alliance Centre Unit 9 The Quadrangle Hulme Street Manchester M1 5GL
Directors/Trustees	Kin Ming Ko Yuen Yi Helen Chow Hiu Tung Angel Wong
Member Churches	Manchester Alliance Church South London Alliance Church Leeds Alliance Church Manchester Alliance Mandarin Fellowship East London Alliance Fellowship Brighton Alliance Church
Accountant	Hannah Murray Accountancy Ltd 61 Falconers Green Westbrook Warrington Cheshire WA5 7XF
Bankers	HSBC Bank plc 100 King Street Manchester M60 2HD  Barclays Bank Plc PO Box 357 51 Mosley Street Manchester M60 2AU

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees of the Union (directors and trustees) present their report and the financial statements for the year ended 31 December 2021.

Incorporation

The Union was incorporated on 6th July 2001 under the Companies Act 1985 as a private limited company and the company is limited by guarantee.

Purpose

The Chinese Alliance Churches Union (UK) seeks to be an indigenous federation of Chinese evangelical churches according to the tradition of Christian and Missionary Alliance (abbreviated to C&MA), whose purposes are to proclaim Jesus Christ as Lord, to assist the advance of His Church in the United Kingdom, and to promote a missionary base for national and world-wide evangelization in affiliation with the Alliance World Fellowship

Objectives

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

Public benefit

The Trustees confirm that in their oversight of CACU's activities, they have ensured that the charity's money and time resources have been used with due regard for public benefit.

Trustees selection and induction

All the trustees of the Union are nominated and is eligible for election at an annual general meeting of the Union. 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

The Union Management Committee

The Union Management Committee shall consist of President, the Vice-President, Treasurer and other committee members.

The Committee members are the Directors /Trustees (voting members) of the Union and at the date of this report who have served during the year unless otherwise stated were:

Kin Ming Ko	(re-elected May 2021)
Yuen Yi Helen Chow	(elected May 2021)
Hui Tung Angel Wong	(elected May 2021)
Zhu Tzi Jim	(re-elected May 2021 and resigned August 2021)
Ling Feng Xiong	(elected May 2021 and resigned August 2021)
Ngok Loi Ho	(resigned May 2021)
Yun Liem	(resigned May 2021)
Hoi Yee Chau	(resigned May 2021)
Ping Ping Sii	(resigned May 2021)

All the Management Committee members of the Union are nominated and shall be eligible for election at an annual general meeting of the Union, and a General Secretary shall be appointed by the Committee annually. Rev. Chiu has taken up the role of President and Rev. Pang as Vice President.

Non Voting members

Rev Tai Ming Pang  
Rev Chai Ming Cheung,  
Pastor Tak Shun Lee,  
Pastor Kwok Fai Philip Wong  
Pastor Shi Yan

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

Union Missionary Team, Employees and Voluntary Workers (end of Dec., 2020)

HKAM Team

Rev Tai Ming Pang and Mrs Yin Fun Pang  
Rev Sam Sham and Mrs Teresa Sham  
Pastor Kwok Fai Wong and Mrs Mei Po Mabel Wong

Pastoral Staff

Rev. Wai Chor Chiu (Minister in charge of MAC)  
Pastor Sze Ming Lau (MAC English Ministry)  
Rev. Ka Chun Yeung (MAC Ministry from August 2021)  
Pastor Chi Pang Chan (MAC Ministry from August 2021)  
Rev. Ping Li (MAC Part-time Ministry from September 2021)  
Pastor Ka Yau Cho (MAC Part-time Ministry from December 2021)  
Pastor Yan Shi (SLAC)  
Pastor Tak Shun Lee (MAMF)  
Pastor Luis Sanchez (Full Time Missionary)

Administrative Staff

Ms Nicole Wai Yee Ng	Union Financial Secretary - Part-time (appointed September 2021)
Mrs Chi Lin Pong	Union Financial Secretary - Part-time (resigned September 2021)
Mrs Winnie C F Leung	MAC Business Secretary - Part-time (Resigned December 2021)
Mr Wing Chung Lam	MAC Church Administrator - Full time (Appointed October 2021)
Ms Crystal Mei Fung Lam	MAC Church Administrator - Part-time

Membership

The Union consists of corporate members and individual members. All corporate members, which are represented by full members or associate members, and individuals as honorable members are admitted to the Union according to the rules set in the constitution.

President's report

CACUUK has three registered member churches (MAC, SLAC and LAC) and three associate member churches (ELAC, MAMF, BAC). There was no change in 2021.

The revised CACUUK Constitution was officially accepted by Charity Commission and adopted by passing Union special resolution in early 2021.

Mrs. Lin Pong resigned and finished her work in July 2021. Mrs Nicole Wong has been employed as the replacement since September 2021 and she looks after the administration and finance of the CACUUK.

Due to Covid 19, England has been locked down in different measures throughout the year, the worship services, fellowships and other gatherings were organised by mixing physical and online. Some member churches lowered the capacity of their venue to allow social distance.

Rev. Chiu is the minister-in-charge of MAC, leading his pastoral team and church development.  
He has been appointed to be the new President of the CACUUK, as Rev. Sam Sham retired from this position after AGM.  
Rev. Tai Ming Pang has been appointed as the Vice-President.

Rev. and Mrs. Pang look after ELAC. They share the gospel with the Chinese from Mainland China. Rev. Pang also preaches and organises activities for the students from two universities.

Pastor and Mrs. Lee still teach and provide pastoral care in MAMF.

SLAC purchased a church centre and planned to do more outreach work in 2022.  
As more people joined the Sunday Service, they organised one more service to satisfy the need.

Staff prayer meetings are on-line. North England staff prayer meeting becomes all England staff prayer meeting.  
Attendances are Rev. and Mrs Sham, Rev. Chiu, Rev. and Mrs. Pang, Rev. and Mrs. Law, P. and Mrs. Lee, P. and Mrs. Wong, Rev. Cheung, P. Yan, P. Lau and Rev. Sanchez. Prayer meetings are held once every two months.



**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

President's report (Continued)

The prayer meeting group for co-workers in south England is held once every two months. There are 4 couples (Rev. and Mrs. Sham, Rev. and Mrs. Pang, Pastor and Mrs. Wong and Pastor and Mrs. Yan).

Rev. Luis Sanchez is a member in the mission group of CACUUK (Rev. Chiu as the Chairman, members Rev. Sham and Rev Sanchez). This group helps CACUUK member churches to promote and develop non-Chinese and overseas mission.

CACUUK AGM was held online and has elected 5 directors originally. However, two of them resigned because of personal reasons afterwards. 2 non-voting pastors, 4 sit-in pastors, one sit-in church leader from LAC and one appointed secretary altogether we have 11 people in the meetings. We have online zoom meeting to promote cooperation and mission.

CACUUK is conducting a teaching course for Lima Alliance Church in Peru. Rev. and Mrs. Sham and a sister from SLAC are tutors. There are 45 people attending the course "Life of Christ".

CACUUK publication Connect has linked 6 churches together to share news and prayer items so that brothers and sisters are more acquaintance to one another and to intercede for one another. Mrs Sham will pass the leadership to Pastor Chris Lau and P. Yan in 2022.

Development in the year

The impact of the COVID-19 pandemic on all our member churches have not been finished. Most of them have been conducting Sunday worship using either video recording or live streaming on the internet since March. We want to thank God who enables our brothers & sisters to adapt to the change and starts new ministry in the midst of difficulty.

Due to the influx of British National (Overseas) holders moving from Hong Kong, there were significant increase of worship participants in the majority of member churches. They welcome the new immigrants and provide supports to them. Besides the Union considered to have new planting projects in England where a large number of Hong Kongers have lived.

As Manchester is one of the popular cities where Hong Kongers choose to live, MAC has planted one daughter church in Sale, Trafford and organised a Saturday evening service at their church centre. Besides, they noticed that Warrington has a big need of a Chinese Church. Therefore, they have planted another church at Warrington town Centre. Pastor Winson Chan was recruited to take charge of it. Sale planting project was originally led by Rev. and Mrs. Robert Law, who resigned and left in Summer 2021. MAC employed Rev Louis Yeung to replace. Two more pastors, Benjamin Cho and Rev Pandora Li, were employed to lead the teenagers' ministry and provide Counselling service respectively.

Due to the pandemic, overseas mission trip was suspended in 2021. But Rev Sanchez was working to outreach international people in Manchester. Some of the international friends joined MAC and became their members.

The CAWF Rendezvous 2020 conference which had been scheduled to take place in Manchester and London was reorganised in 2021 Summer as online conference due to the pandemic situation.

CACUUK assisted CAWF Rendezvous 2021 (Online) to promote mission amongst younger generation Christians.

In August, a holiday camp was organised in Pioneer Centre, Kidderminster, to provide a fellowship time and introduce the Alliance tradition for all member churches, especially there have been a lot of new immigrants from Hong Kong who joined the churches.

Plans and Prospects for 2022

1. Assist member churches to develop their ministries, especially the need of new immigrants from Hong Kong.
2. Promote Church Constitution Template to be adopted by member churches.
3. Continue to pass on Alliance's traditions and spirits to pastors and leaders of member churches.
4. Organize co-workers' retreat to enhance relationship and communication so as to preach the gospel in UK.
5. Organize co-workers' prayer meetings to encourage intercession for one another.
6. Organize Retreat to enhance spiritual growth amongst Christians in the Alliance tradition.
8. Encourage Christians to full time ministry and financial support full time students. To reserve future pastors for churches.
9. Encourage unregistered churches to register as full member churches.
10. Examine new area to start new churches in UK.
11. Promote Muslim ministry.

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial review

In 2021, the financial situation of the Union was stable. The net income from the property owned by the Union and the donation from the member churches has continued to support the routine work and development of the Union. The full details of the Union's business are recorded in its 2021 Annual Financial Statement.

The Union General fund for property fund and mission fund are as follows:

Union Property Financial Report 2021

The Manchester Hulme Property is under the management of Union Management Committee. It continues to be used for union pastoral staff accommodation. The day to day management is done by the Union Office.

- (i) Annual Income / Rental = £8,400
- (ii) Expenses
  - Mortgage = £5928.96
  - Services & Maintenance = £391.19
- (iii) Net Income = £2079.85
- (iv) Accumulated Net Income Balance = £33318.55

*(Note: all incomes and expenses are solely the responsibilities of Union Mission Fund)*

2021 Contributions towards the Union from member churches

2021	MAC	SLAC	LAC	MAMF	ELAF	BAC	TOTAL
General Fund	£20,879	£3,517	£3,584	£3,460	£2,005	£2,107	£35,552
Mission Fund	£12,361	£2,082	£2,122	£205	£119	£125	£17,014
TOTAL	£33,240	£5,599	£5,706	£3,665	£2,124	£2,232	£52,566

The statement of Financial activities consists of the Union's General fund, Designated fund and restricted fund under the management of the Union's trustees and Directors.

The Statement of Financial Activities on page 8 shows a surplus for the year of £12626, and our reserves stand at £425866 in total. These are analysed in notes 14-16.  
 The Charity's free reserve is £30950, which the trustees consider is sufficient for the general running costs.

Policy on reserves

It is the policy of the Union to maintain only a small level of unrestricted general fund reserve. As at 31 December 2021, the amount of reserve in General Fund was £30950 which is approximately 25-30% of a typical year's running cost. The trustees consider this amount to be adequate to fulfil the main purpose of cash flow. There is also a provision within the union budgets for unforeseen expenditure and post budget projects of £800 each year.

The general fund is mainly used to cover administrative and office expense and some ministry activities. Most major activities are planned well in advance and hence already included into the planned budgets. Past actual expenditures have been found to reflect well against the budgets.

The general fund income is mainly from donation commitments from member churches. The donation commitments are determined and agreed by passing the budget each year one year in advance at the union AGM. Many of our member churches are growing churches and have demanding financial challenges, especially during this difficult period. In the event that the Union donation income were to drop, ie member churches unable to make the committed donations, the trustees believe the reserve is appropriate and adequate to maintain Union operation for a short time whilst additional funds may be raised.

The Union's Mission fund, a designated fund, has a substantial reserve. At December 2021, it has a reserve of £94938. The main income for the Union Mission Fund is from member churches. The Mission budget and members' donation contributions are determined and agreed, passed in resolution a year in advance at AGM.

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

Policy on reserves (continued)

The Union has made various commitments to the expansion of Mission work in the UK. This fund has been used to financially support and subsidise the employments of several missionaries working at different member churches. The Union is currently supporting Rev Cheung at LAC on a three-year contract, ending in June 2022; Pastor Lee at MAMF on a three-year contract, ending in July 2024; Pastor Lucho at CACU on a three-year contract, ending in Sept 2023; Pastor Yan at SLAC on a three-year contract, ending in April 2022. Total fund already committed is £30000 for the next three years at £18,333 for 2022, at £8750 for 2023 and at £2,916 for 2024. After this period, it is the aim for member churches to have developed the financial abilities to support these pastoral staff fully by themselves.

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.

Trustees and Directors' responsibilities

Company Law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 Union and of the statement of financial activities for that period. In preparing these financial statements, the directors are required to:

- a) select suitable accounting policies and apply them consistently
- b) make judgements and accounting estimates that are reasonable and prudent
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Union transactions and disclose with reasonable accuracy at any time the financial position of the Union 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 Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Taxation Status

Under S466 to S493 of the Corporation Taxes Act 2010 the Union has been granted status as a charity.

Small Company Provisions

The above report has been prepared in accordance with the small companies regime under the Companies Act 2006 and SORP (effective January 2015).

By the order of the Trustees and Directors



Yuen Yi Helen Chow  
Director

Date : 03.05.2022



**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**(Incorporating Income and Expenditure Account)**

	Notes	General Fund £	Designated Fund £	Restricted Fund £	2021 Total £	2020 Total £
<u>Incoming Resources</u>						
Donations		36,485	40,836	308,568	385,889	403,301
Investment Income		15	-	-	15	213
Other Income	19	9,189	12,847	188,944	210,980	244,282
Total Incoming Resources		<u>45,689</u>	<u>53,683</u>	<u>497,512</u>	<u>596,884</u>	<u>647,796</u>
<u>Resources Expended</u>						
Direct Charity Expenditure	2	14,780	-	-	14,780	14,202
Administration of the Union	3	5,266	-	-	5,266	5,161
Projects Expenses	4	3,219	-	-	3,219	4,872
Other Charges	5	1,632	-	-	1,632	638
Entrusted Funds Expenses	6	-	-	475,275	475,275	493,623
Mission Fund Expenses	7	-	67,107	16,479	83,586	81,314
Governance Costs	8	500	-	-	500	4,223
Total Resources Expended		<u>25,397</u>	<u>67,107</u>	<u>491,754</u>	<u>584,258</u>	<u>604,033</u>
Net Income before transfers		20,292	(13,424)	5,758	12,626	43,763
Gross transfers between funds		-	-	-	-	-
Net Income/loss for the year		<u>20,292</u>	<u>(13,424)</u>	<u>5,758</u>	<u>12,626</u>	<u>43,763</u>
<b>Fund Balances as at 31 December 2020</b>		<u>10,658</u>	<u>180,764</u>	<u>221,818</u>	<u>413,240</u>	<u>369,477</u>
<b>Fund Balances as at 31 December 2021</b>		<u>30,950</u>	<u>167,340</u>	<u>227,576</u>	<u>425,866</u>	<u>413,240</u>

The amount of net income under Companies Act reporting requirements agrees with the amount shown above as net income for the year.

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

Company Registration  
Number : 4247363

	Notes	2021 £	2020 £
<b><u>Fixed Assets</u></b>			
Tangible Fixed Assets	9	<u>319,744</u>	<u>327,693</u>
<b><u>Current Assets</u></b>			
Debtors	10	3,289	6,041
Cash at Bank		<u>257,868</u>	<u>245,151</u>
		<u>261,157</u>	<u>251,192</u>
<b><u>Current Liabilities</u></b>			
Creditors : Amounts falling due within one year	11	<u>22,105</u>	<u>22,096</u>
<b>Total current assets less current liabilities</b>		<u>239,052</u>	<u>229,096</u>
<b><u>Long term Liabilities</u></b>			
Creditors : Amount falling due after more than one year	12	132,930	143,549
<b>Net Assets</b>		<u><u>425,866</u></u>	<u><u>413,240</u></u>
<b><u>Funds</u></b>			
General	14	30,950	10,658
Designated	15	167,340	180,764
Restricted	16	227,576	221,818
		<u><u>425,866</u></u>	<u><u>413,240</u></u>

The financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime under the Companies Act 2006

Throughout this year, the Union was entitled to the audit exemption conferred by section 477 of the Companies Act 2006. No members of the Union have requested an audit by notice, being deposited under section 476 for the year.

The trustees and directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparing financial statements which give a true and fair view of the state of affairs of the Union as at the end of the financial period and of its net income for that period in accordance with the requirements of sections 394 and 395 of the Companies Act 2006 and which otherwise comply with the requirements of the Act relating to financial statements, so far as they are applicable to the Union.

The financial statements were approved by the trustees and board of directors and signed on their behalf by:-



Yuen Yi Helen Chow  
Director  
Date : 03.05.2022

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

Company Registration  
Number : 4247363

	2,021 £	2,020 £
<b>Cash flows from operating activities:</b>		
Net income/(expenditure) for the reporting period	12,626	43,763
Adjustments for:		
Depreciation	7,950	7,950
(Increase)/Decrease in Debtors	2,752	(3,960)
Increase/(Decrease) in Creditors	9	(7,798)
	<u>10,711</u>	<u>(3,808)</u>
Net Cash provided by operating activities	<u>23,337</u>	<u>39,955</u>
<b>Financing activities</b>		
Repayment of borrowing	(17,556)	(18,064)
Interest received from borrowing	6,936	7,645
Net cash provided by financing activities	<u>(10,620)</u>	<u>(10,419)</u>
Net Cash provided by operating activities	23,337	39,955
Net cash provided by financing activities	(10,620)	(10,419)
Change in cash and cash equivalents in the reporting period	<u>12,717</u>	<u>29,536</u>
Cash and cash equivalents at 1 January	245,151	215,615
Cash and cash equivalents at 31 December	<u>257,868</u>	<u>245,151</u>
Cash and cash equivalents comprise:		
Cash at bank	257,686	244,969
Cash in hand	182	182
	<u>257,868</u>	<u>245,151</u>

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting Policies

The principal accounting policies which have been applied consistently throughout the year are summarised below.

a) Basis of preparation

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 these accounts.

The financial statements 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 (FRS102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

b) Voluntary Income

Voluntary income is received in cash by way of donations, gifts and legacies.

Cash donations, gifts and legacies are included in full in the statement of financial activities as soon as they are received.

Income received by Gift Aids is included in gross in the statement of financial activities as soon as they are received.

c) Investment Income

Bank interests are included in the statement of financial activities on accrual basis.

d) Expenditure

All expenditure is included in the statement of financial activities. The value of purchase invoices received before the year end but not paid until after the year end has also been included in the statement of financial activities. Individual items of office furniture and equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

e) Taxation

The Union has been granted charitable status by HM Revenue and Customs and as such no tax charge arises on the results for the year.

f) Tax rebate

The Union can claim back the tax from HM Revenue and Customs on the income donated by its members who have signed Gift Aid declarations.

g) Tangible fixed assets and depreciation

Long leasehold building is capitalised at the purchase cost and depreciation is charged to write off the cost on a straight line basis over its expected useful life of 50 years.

h) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.



**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	General Fund £	Designated Fund £	Restricted Fund £	2021 Total £	2020 Total £
<b><u>2. Direct Charity Expenditure</u></b>					
Staff Work Expenses	206			206	1,106
Personnel Employment	14,574			14,574	13,096
	<u>14,780</u>	<u>-</u>	<u>-</u>	<u>14,780</u>	<u>14,202</u>
<b><u>3. Administration of the Union</u></b>					
Office Space Expenditure	4,800			4,800	4,800
Printing, Stationery and Advertising	150			150	(19)
Telephone and Internet Charges	316			316	380
Computer Equipment and Accessories	-			-	-
	<u>5,266</u>	<u>-</u>	<u>-</u>	<u>5,266</u>	<u>5,161</u>
<b><u>4. Projects Expenses</u></b>					
Programs and camps	3,219			3,219	4,872
	<u>3,219</u>	<u>-</u>	<u>-</u>	<u>3,219</u>	<u>4,872</u>
<b><u>5. Other Charges</u></b>					
Insurance	785			785	599
Sundry	95			95	39
Visa/License renewal	735			735	-
AGM	17			17	-
	<u>1,632</u>	<u>-</u>	<u>-</u>	<u>1,632</u>	<u>638</u>
<b><u>6. Entrusted Funds Expenses</u></b>					
HKAM Fund -Personnel Fund			134,465	134,465	251,484
HKAM Fund-Housing and Visa			28,960	28,960	-
HKAM Fund -Designated Fund			39,953	39,953	-
MAC Fund-Ministries expenses			104,712	104,712	92,215
LAC Fund-Ministries expenses			49,494	49,494	49,680
SLAC Fund-Ministries expenses			71,614	71,614	31,117
MAMF Fund -Ministries expenses			46,077	46,077	69,127
	<u>-</u>	<u>-</u>	<u>475,275</u>	<u>475,275</u>	<u>493,623</u>
<b><u>7. Mission Funds Expenses</u></b>					
Mission-Ministries expenses		57,674		57,674	54,853
Property expenses		9,433	16,479	25,912	26,461
	<u>-</u>	<u>67,107</u>	<u>16,479</u>	<u>83,586</u>	<u>81,314</u>
<b><u>8. Governance Costs</u></b>					
Independent Examiner's fees	500			500	730
Professional fees	-			-	3,493
	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>4,223</u>

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<u>9. Tangible Fixed Assets</u>	Leasehold Buildings	Total
Cost		
At 1 January 2021	397,489	397,489
Additions	-	-
	<u>397,489</u>	<u>397,489</u>
Depreciation		
At 1 January 2021	69,796	69,796
Charge for the year	7,949	7,949
	<u>77,745</u>	<u>77,745</u>
At 31 December 2021		
	<u>77,745</u>	<u>77,745</u>
Net Book Value		
At 31 December 2021	<u>319,744</u>	<u>319,744</u>
At 31 December 2020	<u>327,693</u>	<u>327,693</u>
	2021	2020
	£	£
<u>10. Debtors</u>		
Prepayment	1,540	299
Accrued Income	<u>1,749</u>	<u>5,742</u>
	<u>3,289</u>	<u>6,041</u>
<u>11. Creditors : Amounts falling due within one year</u>		
Mortgage (Note 12)	17,556	17,556
Accrued expenses	<u>4,549</u>	<u>4,540</u>
	<u>22,105</u>	<u>22,096</u>
<u>12. Creditors: Amount falling due after one year</u>		
Mortgages	<u>132,930</u>	<u>143,549</u>
	<u>132,930</u>	<u>143,549</u>

The bank loans are repayable by 240 monthly instalments as follows and are currently based on equal capital repayments :

In one year or less	17,556
Between one and two years	17,556
Between two and five years	70,224
After five years	<u>45,150</u>
	<u>150,486</u>

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Analysis of Net Assets Between Funds

	General Fund £	Designated Fund £	Restricted Fund (Property) £	Restricted Fund £	Total Fund £
Property	-	120,814	198,930	-	319,744
Debtors	205	85		2,999	3,289
Cash at Bank and in Hand	31,295	98,823	35,805	91,945	257,868
Creditors < 1 year	(550)	(9,922)	(11,627)	(6)	(22,105)
Creditors > 1 year	-	(42,460)	(90,470)	-	(132,930)
	<u>30,950</u>	<u>167,340</u>	<u>132,638</u>	<u>94,938</u>	<u>425,866</u>

14. General Funds

	Balance 01/01/2021 £	Movements in funds		Balance 31/12/2021 £
		Income from £	Expenditure on £	
General Reserves	10,658	45,689	25,397	30,950
	<u>10,658</u>	<u>45,689</u>	<u>25,397</u>	<u>30,950</u>

15. Designated Funds

	Balance 01/01/2021 £	Movements in funds		Balance 31/12/2021 £
		Income from £	Expenditure on £	
Mission Fund	180,764	53,683	67,107	167,340
	<u>180,764</u>	<u>53,683</u>	<u>67,107</u>	<u>167,340</u>

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, inclusive of maintenance of missionary activities, but not exclusively through church planting.

Designated Fund

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

**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**16. Restricted Funds**

	Balance 01/01/2021 £	Movements in funds		Balance 31/12/2021 £
		Income from £	Expenditure on £	
HKAM Personnel Fund	24,147	201,322	203,378	22,090
MAC Personnel Fund	-	104,445	104,712	(267)
LAC (YAF) General Fund	305	-	-	305
LAC (YAF) General Fund-Designated	1,820	49,505	49,494	1,831
SLAC General Fund	16,206	82,325	71,614	26,917
MAMF General Fund	48,023	42,116	46,077	44,062
<u>Union Property Fund</u>				
9 St Sigrist property	95,512	17,799	16,479	96,832
LAC Property Fund	35,805			35,805
	<u>221,818</u>	<u>497,512</u>	<u>491,754</u>	<u>227,576</u>

**HKAM 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 staff working for Hong Kong Alliance Mission.

**MAC 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 staff working for Manchester Alliance Church.

**SLAC General Fund**

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used as general fund for the South London Alliance Church.

**LAC General Fund (formerly known as YAF)**

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used as general fund for Leeds Alliance church (formerly known as Yorkshire Alliance Fellowship).

**MAMF General Fund**

It is a pool of unexpended resources, held and maintained separately from other pools. It should only be used as general fund for Manchester Alliance Mandarin Fellowship.

**Union Property Fund**

SLAC has used the sum of £100,000 and took a mortgage loan of £141000 with Barclays to purchase an apartment at 9 St Sigrist in Kingston-Upon-Thames in September 2013. The apartment is let out generating an income to pay the mortgage. The property is under the Union Property Fund which is under the restricted fund of the Union. The Union property fund assists the union in managing any properties purchased with the funding of member congregations. SLAC has decided to sell the property in 2021.

**Restricted Fund**

Restricted funds are funds subject to specific conditions, imposed by the donors and binding on the directors or committee members of the Union. 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.



**CHINESE ALLIANCE CHURCHES UNION (UK)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Company guarantee

Every member of the Association undertakes to contribute such amount as may be required not exceeding £ 1 to the assets of the association if it should be wound up while he is a member or within one year after he ceases to be a member, for payment of association's debts and liabilities contracted before he 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.

18. Remuneration of employees

2021 2020

The average number of employees during the year is 16. The total remuneration paid to employees are as follows:

Salary	329910	319302
Employer's National Insurance	21407	20897
Employer's Pension	18073	17969
	<u>369390</u>	<u>358168</u>

Remuneration paid to employees are reimbursed by the relevant funds as follows:

HKAM Personnel Fund	131355	146140
MAC Personnel Fund	103002	91958
MAMF Fund	11250	10000
LAC Fund	18367	17687
SLAC Fund	16054	16021
General Fund	13374	13096
Mission Fund	50932	38474
Funds from sponsored churches through HKAM	25056	24792
	<u>369390</u>	<u>358168</u>

Remuneration breakdown above does not include relocation costs and pension management costs.

The pension scheme is a defined contribution scheme.

19. Other Income

	2021			2020		
	General Fund	Designated Fund	Restricted Fund	General Fund	Designated Fund	Restricted Fund
Visa Fee-Repayable	199		199			
Low rope camp 2021	556					
Kairos Course	540					
Pension scheme management	1074		471	804		
HKAM-CACU book keeper contribution	6820			6588		
LAC Contribution to Legal Fee	-			390		
Ministries support fund			166395			201971
CCIL Donation to Thailand			400			
East London Project			3680			3680
Property		12847	17799		12736	18114
	<u>9189</u>	<u>12847</u>	<u>188944</u>	<u>7781</u>	<u>12736</u>	<u>223765</u>

## **CHINESE ALLIANCE CHURCHES UNION (UK)**

### **INDEPENDENT EXAMINERS REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF CHINESE ALLIANCE CHURCHES UNION (UK)**

I report on the charity trustees on my examination of the accounts of the company for the year ended 31 December 2021 which are set out on pages 8 to 16.

#### **Responsibilities and basis of report**

As the charity trustees of the company (and also its directors for the purposes of company law) you are for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a member the Association of chartered certified accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Hannah Murray Accountancy Ltd  
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Westbrook  
Warrington  
Cheshire  
WA5 7XF

Date 03.05.2022