

Company Registration Number : 4247363
Charity Registration Number: 1092536

CHINESE ALLIANCE CHURCHES UNION (UK)
ANNUAL TRUSTEES AND
FINANCIAL STATEMENTS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

CHINESE ALLIANCE CHURCHES UNION (UK)
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FOR THE YEAR ENDED 31 DECEMBER 2022

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CHINESE ALLIANCE CHURCHES UNION (UK)
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Company Number	4247363
Charity Number	1092536
Registered Office	Manchester Alliance Centre Unit 9 The Quadrangle Hulme Street Manchester M1 5GL
Directors/Trustees	Hoi Yee Chau Yuen Yi Helen Chow Hui Tung Angel Wong Wesley Wing Yau Wong King Wai Hung
Member Churches	Manchester Alliance Church South London Alliance Church Leeds Alliance Church Manchester Alliance Mandarin Fellowship East London Alliance Fellowship Brighton Alliance Church Worthing Chinese Christian Fellowship (honorary member)
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 2022

The Trustees of the Union (directors and trustees) present their report and the financial statements for the year ended 31 December 2022.

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:

Yuen Yi Helen Chow	
Hiu Tung Angel Wong	
Hoi Yee Chau	(elected June 2022)
King Wai Hung	(elected June 2022)
Wesley Wing Yau Wong	(elected June 2022)
Kin Ming Ko	(resigned June 2022)

CHINESE ALLIANCE CHURCHES UNION (UK)
TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Union Management Committee (cont.)

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. Wing Hong Wong
Pastor Tak Shun Lee
Pastor Kwok Fai Philip Wong
Pastor Shi Yan

Union Missionary Team, Employees and Voluntary Workers (as at 31 December 2022)

HKAM Team

Rev. Tai Ming Pang and Mrs Yin Fun Pang
Rev. Wai Lung 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)
Rev. Ping Li (MAC Ministry)
Pastor Yan Shi (SLAC)
Rev. Wing Hong Wong (LAC)
Pastor Tak Shun Lee (MAMF)
Rev. Luis Sanchez (Full Time Missionary)
Pastor Wai Shun Hung (Part time Ministry)

Administrative Staff

Ms Nicole Wai Yee Ng Union Financial Secretary - 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). Worthing Chinese Christian Fellowship in the South has joined CACU to become an honorary member.

At present, the total number of participants in various churches, including children and teenagers, is more than 2,200. The number of staff in the association and churches is: 7 missionaries, including 3 Missionary couples from Hong Kong Alliance Mission, 1 missionary employed by CACU, 6 pastoral staff, and 1 administrative staff.

CHINESE ALLIANCE CHURCHES UNION (UK)

TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

President's report (cont.)

In terms of personnel changes, Rev Cheung left Leeds Alliance Church in the second half of the year and joined the South London Alliance Church. Rev Andrew Wong took over his pastoral work in Leeds. In addition, Pastor Wilson Hung was hired as a part-time staff to be responsible for the establishment of the Crewe Alliance Church. Pastor Chris Lau of Manchester Alliance Church also resigned at the end of June and decided to return to Alliance Bible Seminary in Hong Kong for further study.

Development in the year

All CACU churches benefited from the immigration wave, and in 2022, the number of attendees continued to increase. Several member churches and their new planting churches needed to increase worship services to manage the crowd, and as a result, there was an increased demand for serving people of different ministries, including worship, children and youth activities. Although the number of attendees increased, the donations received did not increase in proportion, so the churches were unable to hire pastors at the same time to respond to the increased pastoral needs.

In the first half of the year, CACU actively considered establishing churches in areas where there was a need, and searched for places where Hong Kong people gathered in the north of London and southwest of Manchester to see if there was a need to establish Chinese churches in these areas. Finally, CACU decided to plant a church in Crewe because there were some newly built houses there that attracted many Hong Kong immigrants. The Crewe Alliance Church began worship services in June, borrowing the community hall of the local parish church. For the first three and a half months, worship was only held every other week, but since October, it has been held every week.

For many years, CACU's annual meeting has been held in Manchester. During the pandemic, the annual meeting was held online. In 2022, we resumed to hold the meeting physically and was held for the first time at the South London Alliance Church in Kingston. Representatives from all members attended, and after the meeting, a barbecue was arranged. Thankful for the wonderful fellowship among the brothers and sisters from all members.

From September 12 to 14, CACU held a pastoral retreat in Dorset. It had been suspended for many years due to the pandemic, and with many new colleagues joining in the past year, the three-day retreat deepened the connection between colleagues, and everyone enjoyed the arrangements.

Regarding mission work, each church had its own arrangements. In August, a group of young adult believers from Manchester formed a short-term mission team and went to the Polish border through YWAM to serve Ukrainian refugees and comfort and encourage them with the Word of God. In September 16-18, the South London Alliance Church organized a short-term mission team to come to Manchester and, under the arrangement of missionary Rev Luis Sanchez, carried out a three-day local cross-cultural mission. Some believers from Manchester also joined to outreach people of different ethnicities and Muslims in the area. To prepare for this outreach, Manchester also held a one-day workshop a week before the event to learn how to share Jesus' love with Muslim neighbours and then put it into practice through short-term missions.

Plans and Prospects for 2023

1. As Hong Kong immigrants continue to disperse to different places, CACU will continue to explore new areas and open new churches in the UK. CACU will also explore opportunities for cooperation with Alliance Union or organisations overseas.
2. With an increasing number of pastoral staff, CACU will continue to introduce new staff to the traditions and spirit of C&MA and confirm the process for non-CACU ordained pastors to be accepted as CACU's pastors in the UK.

CHINESE ALLIANCE CHURCHES UNION (UK)

TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Plans and Prospects for 2023 (cont.)

3. CACU will organize online prayer meetings to encourage co-workers throughout the country to intercede for the church and each other's personal needs.
4. CACU will communicate with churches interested in knowing more about C&MA and joining CACU to explore how we can work together to serve and advance the gospel and build up believers.
5. CACU will assist member churches in developing ministries, including meeting the needs of Hong Kong immigrants and shepherding the second-generation believers. In the first half of the year, an online youth ministry sharing meeting for member churches will be held.
6. CACU will hold a joint spring conference at the end of May 2023, with the theme "From Dispersion to Return", to promote mutual understanding among member churches, experience the unity of CACU, and listen to the Lord's word together, with fellowship and sharing time.
7. Missionary work:
 - a. Promote member churches to participate in mission and local Muslim ministries. A short-term mission trip to Thailand will be held in mid-June.
 - b. Arrange overseas missionaries to serve in local mission field.
 - c. Explore Fujian evangelism ministry.
8. CACU will continue to publish the quarterly magazine "Connect", which brings member churches together through pastoral sharing, believer testimonies, church updates, and prayer requests, enabling brothers and sisters from different regions in the UK to get to know each other and pray for one another.

Financial review

In 2022, 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 2022 Annual Financial Statement.

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

Union Property Financial Report 2022

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 = £6,017.82
 - Services & Maintenance = £1,383.61
- (iii) Net Income = £998.57
- (iv) Accumulated Net Income Balance = £33,617.13

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

2022 Contributions towards the Union from member churches

2022	MAC	SLAC	LAC	MAMF	ELAF	BAC	TOTAL
General Fund	£14,182	£5,948	£2,312	£734	£116	£260	£23,552
Mission Fund	£4,753	£1,994	£775	£2,185	£29	£65	£9,801
TOTAL	£18,935	£7,942	£3,087	£2,919	£145	£325	£33,353

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 9 shows a deficit for the year of £164,761, and our reserves stand at £261,103. in total. These are analysed in notes 14-16.

The Charity's free reserve is £40,362, which the trustees consider is sufficient for the general running costs.

CHINESE ALLIANCE CHURCHES UNION (UK)

TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022, the amount of reserve in General Fund was £40,362 which is approximately 20-30% over 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 expenses 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 2022, it has a reserve of £85,273.36. 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.

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 Wong at LAC on a three-year contract, ending in May 2025; Pastor Lee at MAMF on a three-year contract, ending in July 2024; Rev Luis Sanchez at CACU on a three-year contract, ending in September 2023. Total fund already committed is £26583.34 for the next three years at £17,750 for 2023, at £7,583.34 for 2024 and at £1,250 for 2025. 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 are 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.

CHINESE ALLIANCE CHURCHES UNION (UK)
TRUSTEES' AND DIRECTORS' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 FRS 102 SORP.

By the order of the Trustees and Directors

Helen Chow

[Helen Chow \(May 3, 2023 22:43 GMT+1\)](#)

Yuen Yi Helen Chow
Director

Date : 27/04/2023

CHINESE ALLIANCE CHURCHES UNION (UK)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022
(Incorporating Income and Expenditure Account)

	Notes	General Fund £	Designated Fund £	Restricted Fund £	2022 Total £	2021 Total £
<u>Incoming Resources</u>						
Donations		26,686	44,973	299,494	371,153	385,889
Investment Income		144	-	-	144	15
Other Income	19	7,941	12,475	324,242	344,658	210,980
Total Incoming Resources		<u>34,771</u>	<u>57,448</u>	<u>623,736</u>	<u>715,955</u>	<u>596,884</u>
<u>Resources Expended</u>						
Direct Charity Expenditure	2	15,152	-	-	15,152	14,780
Administration of the Union	3	5,457	-	-	5,457	5,266
Projects Expenses	4	1,961	-	-	1,961	3,219
Other Charges	5	2,069	-	-	2,069	1,632
Entrusted Funds Expenses	6	-	-	524,250	524,250	475,275
Mission Fund Expenses	7	-	66,112	264,997	331,109	83,586
Governance Costs	8	720	-	-	720	500
Total Resources Expended		<u>25,359</u>	<u>66,112</u>	<u>789,247</u>	<u>880,718</u>	<u>584,258</u>
Net Income before transfers		9,412	(8,664)	(165,511)	(164,763)	12,626
Gross transfers between funds		-	-	-	-	-
Net Income/loss for the year		<u>9,412</u>	<u>(8,664)</u>	<u>(165,511)</u>	<u>(164,763)</u>	<u>12,626</u>
Fund Balances as at 31 December 2021		<u>30,950</u>	<u>167,340</u>	<u>227,576</u>	<u>425,866</u>	<u>413,240</u>
Fund Balances as at 31 December 2022		<u>40,362</u>	<u>158,676</u>	<u>62,065</u>	<u>261,103</u>	<u>425,866</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 2022

Company Registration
Number : 4247363

	Notes	2022 £	2021 £
<u>Fixed Assets</u>			
Tangible Fixed Assets	9	<u>117,717</u>	<u>319,744</u>
<u>Current Assets</u>			
Debtors	10	7,787	3,289
Cash at Bank		<u>183,761</u>	<u>257,868</u>
		191,548	261,157
<u>Current Liabilities</u>			
Creditors : Amounts falling due within one year	11	<u>9,955</u>	<u>22,105</u>
Total current assets less current liabilities		<u>181,593</u>	<u>239,052</u>
<u>Long term Liabilities</u>			
Creditors : Amount falling due after more than one year	12	38,207	132,930
Net Assets		<u><u>261,103</u></u>	<u><u>425,866</u></u>
<u>Funds</u>			
General	14	40,362	30,950
Designated	15	158,676	167,340
Restricted	16	62,065	227,576
		<u><u>261,103</u></u>	<u><u>425,866</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:-

Helen Chow
Helen Chow (May 3, 2023 22:43 GMT+1)

Yuen Yi Helen Chow
Director
Date : 27/4/2023

CHINESE ALLIANCE CHURCHES UNION (UK)
CASHFLOW STATEMENT
AS AT 31 DECEMBER 2022

Company Registration
Number : 4247363

	2022 £	2021 £
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period	(164,763)	12,626
Adjustments for:		
Depreciation	3,098	7,950
(Increase)/Decrease in Debtors	(4,498)	2,752
Increase/(Decrease) in Creditors	(12,149)	9
	<u>(13,549)</u>	<u>10,711</u>
Net Cash provided by operating activities	<u>(178,312)</u>	<u>23,337</u>
Financing activities		
Repayment of borrowing	(96,666)	(17,556)
Interest received from borrowing	1,943	6,936
NBV of Kingston property	198,928	-
Net cash provided by financing activities	<u>104,205</u>	<u>(10,620)</u>
Net Cash provided by operating activities	(178,312)	23,337
Net cash provided by financing activities	104,205	(10,620)
Change in cash and cash equivalents in the reporting period	<u>(74,107)</u>	<u>12,717</u>
Cash and cash equivalents at 1 January	<u>257,868</u>	<u>245,151</u>
Cash and cash equivalents at 31 December	<u>183,761</u>	<u>257,868</u>
Cash and cash equivalents comprise:		
Cash at bank	183,579	257,686
Cash in hand	<u>182</u>	<u>182</u>
	<u>183,761</u>	<u>257,868</u>

CHINESE ALLIANCE CHURCHES UNION (UK)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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 (Charities SORP(FRS102)) issued on October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006.

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 2022

	General Fund £	Designated Fund £	Restricted Fund £	2022 Total £	2021 Total £
<u>2. Direct Charity Expenditure</u>					
Staff Work Expenses	447			447	206
Personnel Employment	14,705			14,705	14,574
	<u>15,152</u>	<u>-</u>	<u>-</u>	<u>15,152</u>	<u>14,780</u>
<u>3. Administration of the Union</u>					
Office Space Expenditure	4,800			4,800	4,800
Printing, Stationery and Advertising	409			409	150
Telephone and Internet Charges	248			248	316
Computer Equipment and Accessories	-			-	-
	<u>5,457</u>	<u>-</u>	<u>-</u>	<u>5,457</u>	<u>5,266</u>
<u>4. Projects Expenses</u>					
Programs and camps	1,961			1,961	3,219
	<u>1,961</u>	<u>-</u>	<u>-</u>	<u>1,961</u>	<u>3,219</u>
<u>5. Other Charges</u>					
Insurance	828			828	785
Sundry	361			361	95
Visa/License renewal	219			219	735
AGM	483			483	17
Bank Charges	178			178	-
	<u>2,069</u>	<u>-</u>	<u>-</u>	<u>2,069</u>	<u>1,632</u>
<u>6. Entrusted Funds Expenses</u>					
HKAM Fund			185,108	185,108	203,378
MAC Fund			124,707	124,707	104,712
LAC Fund			33,059	33,059	49,494
SLAC Fund			75,833	75,833	71,614
MAMF Fund			105,543	105,543	46,077
	<u>-</u>	<u>-</u>	<u>524,250</u>	<u>524,250</u>	<u>475,275</u>
<u>7. Mission Funds Expenses</u>					
Mission expenses		55,569		55,569	57,674
Property expenses		10,543	264,997	275,540	25,912
	<u>-</u>	<u>66,112</u>	<u>264,997</u>	<u>331,109</u>	<u>83,586</u>
<u>8. Governance Costs</u>					
Independent Examiner's fees	525			525	500
Professional fees	195			195	-
	<u>720</u>	<u>-</u>	<u>-</u>	<u>720</u>	<u>500</u>

CHINESE ALLIANCE CHURCHES UNION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

<u>9. Tangible Fixed Assets</u>	Leasehold Buildings	Total
Cost		
At 1 January 2022	397,489	397,489
Additions	-	-
Disposal	(247,448)	(247,448)
	<u>150,041</u>	<u>150,041</u>
Depreciation		
At 1 January 2022	77,745	77,745
Charge for the year	3,098	3,098
Disposal	(48,519)	(48,519)
At 31 December 2022	<u>32,324</u>	<u>32,324</u>
Net Book Value		
At 31 December 2022	<u>117,717</u>	<u>117,717</u>
At 31 December 2021	<u>319,744</u>	<u>319,744</u>

2022 2021
£ £

10. Debtors

Prepayment	6,449	1540
Accrued Income	<u>1,338</u>	<u>1,749</u>
	<u>7,787</u>	<u>3,289</u>

11. Creditors : Amounts falling due within one year

Mortgage (Note 12)	6,107	17,556
Accrued expenses	<u>3,848</u>	<u>4,549</u>
	<u>9,955</u>	<u>22,105</u>

12. Creditors: Amount falling due after one year

Mortgages	<u>38,207</u>	<u>132930</u>
	<u>38,207</u>	<u>132930</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	6,107
Between one and two years	6,107
Between two and five years	24,427
After five years	<u>7,673</u>
	<u>44,314</u>

CHINESE ALLIANCE CHURCHES UNION (UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

					2022
					£
	£	£			
<u>13. Analysis of Net Assets Between Funds</u>					
	General Fund £	Designated Fund £	Restricted Fund (Property)	Restricted Fund £	Total Fund £
Property	-	117,717	-	-	117,717
Debtors	5,158	41	-	2,588	7,787
Cash at Bank and in Hand	35,750	87,528	38,712	21,771	183,761
Creditors < 1 year	-546	-8,403	-	-1,006	-9,955
Creditors > 1 year	-	-38,207	-	-	-38,207
	40,362	158,676	38,712	23,353	261,103

14. General Funds

	Balance 01/01/2022 £	Movements in funds		Balance 31/12/2022 £
		Income from £	Expenditure on £	
General Reserves	30,950	34,771	25,359	40,362
	<u>30,950</u>	<u>34,771</u>	<u>25,359</u>	<u>40,362</u>

15. Designated Funds

	Balance 01/01/2022 £	Movements in funds		Balance 31/12/2022 £
		Income from £	Expenditure on £	
Mission Fund	167,340	57,448	66,112	158,676
	<u>167,340</u>	<u>57,448</u>	<u>66,112</u>	<u>158,676</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 2022

16. Restricted Funds

	Balance	Movements in funds		Balance
	01/01/2022	Income	Expenditure	31/12/2022
	£	from	on	£
HKAM Personnel Fund	22,090	179,379	185,108	16,361
MAC Personnel Fund	(267)	124,974	124,707	0
LAC (YAF) General Fund	305	-	-	305
LAC (YAF) General Fund-Designated	1,832	30,665	33,059	(562)
SLAC General Fund	26,917	51,002	75,833	2,086
MAMF General Fund	44,062	66,645	105,543	5,164
<u>Union Property Fund</u>				
9 St sigrist property	96,832	171,071	264,996	2,906
LAC Property Fund	35,805			35,805
	<u>227,577</u>	<u>623,736</u>	<u>789,247</u>	<u>62,065</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

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 sold the property at 9 St Sigrist for £370000 in January 2022. The property has made a gain of £171071. £102569 has been used to pay the remaining mortgage with Barclay. SLAC has bought a property from the sale proceeds and is using the property as a church centre. The new property is registered under SLAC and is not managed by the union.

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 2022

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

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

	<u>2022</u>	<u>2021</u>
Salary	332632	329910
Employer's National Insurance	23055	21407
Employer's Pension	16996	18073
	<u>372683</u>	<u>369390</u>

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

HKAM Personnel Fund	111513	131355
MAC Personnel Fund	123244	103002
MAMF Fund	15000	11250
LAC Fund	14149	18367
SLAC Fund	15850	16054
General Fund	13509	13374
Mission Fund	51643	50932
Funds from sponsored churches through HKAM	27775	25056
	<u>372683</u>	<u>369390</u>

Remuneration breakdown aboved does not include relocation costs and pension management costs.
The pension scheme is a defined contribution scheme.

19. Other Income

	<u>2022</u>			<u>2021</u>		
	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	1056		471	1074		471
HKAM-CACU book keeper contribution	6855			6820		
Independent examiner 2020 over accrued	30			-		
Ministries support fund			144300			166395
CCIL Donation to Thailand			4320			400
CACU Donation			400			
East London Project			3680			3680
Property		12475			12847	17799
Proceeds on disposal of 9 Sigrist Square			171071			
	<u>7941</u>	<u>12475</u>	<u>324242</u>	<u>9189</u>	<u>12847</u>	<u>188944</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 2022 which are set out on pages 9 to 17.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible 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
61 Falconers Green
Westbrook
Warrington
Cheshire
WA5 7XF

Date 27/04/2023


CACUAnnualTrustee and FinancialReport2022-Final - V2

Final Audit Report

2023-05-03

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