

**THE CHURCH UNION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018**

Registered Charity Number 243535

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THE CHURCH UNION

Registered Charity No. 243535

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: The Reverend Prebendary David Houlding (President)
The Reverend Darren Smith (Chairman)
Mrs Claire Epsom (Vice-Chairman)
The Reverend Martin Ennis
Miss Mary Moore (Secretary)

Other Elected Members: Mr Jeffrey Fuller
The Right Reverend Martyn Jarrett
The Reverend Canon Arthur Middleton
Mr David Llewelyn Morgan
The Reverend Barry Smart
Mr Christopher Verity
The Reverend Grant Naylor
The Reverend Martin Hislop
The Reverend Canon Steven Kirk

Standing Committee: The Reverend Prebendary David Houlding *Ex officio*
The Reverend Darren Smith *Ex officio*
The Reverend Martin Ennis *Ex officio*
Mrs Claire Epsom *Ex officio*
The Reverend Canon Arthur Middleton
Miss Mary Moore *Ex officio*

Registered Office: 16 Commercial Street
Birmingham
B1 1RS

Bankers: Lloyds Bank Plc
Butler Place
Caxton Street
London
SW1H 0PR

Independent Examiner: Nicholas Simkins FCA

Investment Managers: CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

TRUSTEES ANNUAL REPORT

For the year ended 31 December 2018

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Church Union is governed by a Trust Deed dated 7th May 1934 and a scheme sealed on 28th February 1975.

Organisation

The Council, consisting of the President and 12 elected members, governs the Church Union. These members, (6 being clergy and 6 being Laity) having been nominated by and elected by a postal ballot of all the members of the Church Union. They serve for a period of four years, half being elected every two years in rotation.

The Council annually appoints a Standing Committee comprising the Chairman, Vice-Chairman, Secretary, Treasurer and two clerical and two lay members of the Council. The Council appoints a Secretary, Honorary Treasurer and Solicitor.

Decisions are made by vote at Council meetings and the Council may appoint and dismiss all paid employees of the Church Union.

Policies and procedures for the induction and training of Trustees

Only those who are members of the Church Union are eligible to be elected as members of the Council and so it is unknown for anyone to be so elected who is not already been active in the Church Union. New members, then, take up their post with a sound basic knowledge of the charity's aims, objectives and working practices. In the event of any further induction being necessary it is provided by one of the Officers or another appropriate member of the Council.

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FOR THE YEAR ENDED
31 DECEMBER 2018**

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Registered Charity No. 243535

LEGAL AND ADMINISTRATIVE INFORMATION

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TRUSTEES ANNUAL REPORT (Continued)

For the year ended 31 December 2018

FINANCIAL REVIEW

The year saw the charity generate net income of £20,885 (2017: £60,275). Income rising on the investments held for restricted funds was wholly re-invested. No legacies were received in 2018 (2017: £nil).

Grants of £10,125 (2017: £29,000) were made during the year.

The investment policy agreed and actioned in the past remained in place throughout the year. Investments held by Rathbones were transferred during the year to CCLA. The Trustees are satisfied with the performance of the portfolio having regard to the risk profile adopted.

Reserves policy

The Trustees are aware of the Charity Commission requirement in regard to Reserves Policy and are satisfied that the level of reserves currently held is warranted to enable them to maintain the objectives of the Charity. The Trustees review regularly the level of reserves, and the underlying investments and the returns being received on these investments. At the 31 December 2018 unrestricted reserves amounted to £946,563 and restricted reserves amounted to £183,248. This represents several years' of ongoing expenditure. It is the policy of the Trustees to maintain at least one year's expenditure in unrestricted reserves.

The Trustees may permit funds to be invested in such a manner as they see fit, provided that such powers if investment are only exercised for the purpose of attaining the objects of the Trust, and in a manner that is legally charitable. The Trustees' agreed Investment Policy is to maintain a balanced portfolio with medium risk.

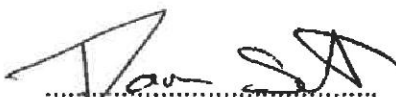
KEY MANAGEMENT

The day to day management of the Charity is the responsibility of the Chairman of the Church Union, who delegates particular areas of management to the Treasurer and Secretary.

RISK FACTORS

During the year the Trustees continued to monitor the major risk factors facing the Charity and they remain satisfied that existing systems and controls are sufficient to mitigate those risks. During the year under review the Charity maintained sound systems of internal financial control, including procedures for authorisation of all transactions projects. Such procedures are kept under on-going review in order to ensure that they meet the Charity's needs.

This report was approved by the Trustees on 18 September 2019 and signed on its behalf by



The Reverend Darren Smith
Chairman

STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 December 2018

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

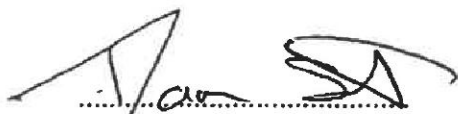
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees on 18 September 2019 and signed on its behalf by



The Reverend Darren Smith
Chairman

THE CHURCH UNION

Registered Charity No. 243535

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CHURCH UNION
For the year ended 31 December 2018

Independent examiner's report to the trustees of The Church Union

I report to the trustees on my examination of the accounts of The Church Union (the Charity) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the Charity 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 Charity'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

I have completed my examination. I confirm that no material 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 Charity as required by section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do 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.

Use of my report

This report is made solely to the Charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. My examination has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my examination, for this report or for the opinions I have formed.

Nicholas Simkins FCA
The Dower House
Bonehill
Staffordshire

Date:

18/9/2019.

THE CHURCH UNION

Registered Charity No. 243535

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 December 2018

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME AND ENDOWMENTS FROM:					
Voluntary income:					
Donations and legacies	4	40,000	7,435	47,435	5,300
Grant income	5	-	10,698	10,698	22,081
Other income	5	-	4,244	4,244	4,622
Subscriptions	5	-	11,694	11,694	12,513
Income from investments	6	5,017	29,654	34,671	23,668
Total incoming resources		<u>45,017</u>	<u>63,725</u>	<u>108,742</u>	<u>68,184</u>
EXPENDITURE ON:					
Charitable activities	7	18,002	51,814	69,816	7 84,466
Total resources expended		<u>18,002</u>	<u>51,814</u>	<u>69,816</u>	<u>84,466</u>
Net income/(expenditure) before gains and losses on investments		<u>27,015</u>	<u>11,911</u>	<u>38,926</u>	<u>(16,282)</u>
Net (losses)/gains from investments	11	(4,233)	(13,808)	(18,041)	76,557
NET INCOME / (EXPENDITURE)		<u>22,782</u>	<u>(1,897)</u>	<u>20,885</u>	<u>60,275</u>
Reconciliation of Funds					
Total Funds brought forward		160,466	948,460	1,108,926	1,048,651
Total Funds Carried Forward		<u>183,248</u>	<u>946,563</u>	<u>1,129,811</u>	<u>1,108,926</u>

The notes on pages 11 to 19 form part of these financial statements.

THE CHURCH UNION

Registered Charity No. 243535

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)

For the year ended 31 December 2017

	Notes	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £
INCOME AND ENDOWMENTS FROM:				
Voluntary Income				
Donations and legacies	4	-	5,300	5,300
Grant income	5	-	22,081	22,081
Other income	5	-	4,622	4,622
Subscription income	5	-	12,513	12,513
Income from investments	6	3,570	20,098	23,668
Total income		<u>3,570</u>	<u>64,614</u>	<u>68,154</u>
EXPENDITURE ON:				
Charitable activities				
Promoting and Supporting the Objects	7	29,000	55,466	84,466
Total resources expended		<u>29,000</u>	<u>55,466</u>	<u>84,466</u>
Net income/(expenditure) before gains and losses on investments		<u>(25,430)</u>	<u>9,148</u>	<u>(16,282)</u>
Net gains/(losses) from investments	11	17,962	58,595	76,557
NET INCOME / (EXPENDITURE)		<u>(7,468)</u>	<u>67,743</u>	<u>60,275</u>
Reconciliation of funds:				
Total funds brought forward		167,934	880,717	1,048,651
TOTAL FUNDS CARRIED FORWARD		<u>160,466</u>	<u>948,460</u>	<u>1,108,926</u>

THE CHURCH UNION

Registered Charity No. 243535

BALANCE SHEET

For the year ended 31 December 2018

	Note	2018 £	£	2017 £	£
FIXED ASSETS					
Investments	11		1,020,474		1,038,515
			1,020,474		1,038,515
CURRENT ASSETS					
Debtors	12	12,115		20,761	
Cash at Bank and in hand		113,590		60,074	
		125,705		80,835	
CREDITORS: Amounts falling due within one year	13	(16,368)		(10,424)	
Net current assets			109,337		70,411
Net assets			1,129,811		1,108,926
FUNDS					
Restricted funds	15,16		183,248		160,466
Unrestricted funds	15		946,563		948,460
			1,129,811		1,108,926

The notes on pages 11 to 19 form part of these financial statements.

In accordance with section 145 of the Charities Act 2011, the charity is exempt from the requirement for an audit. The constitution does not require the charity to obtain an audit of its accounts for the year in question; the exemption from audit has therefore been claimed

The financial statements were approved by the Trustees on 18 September 2019.

Mrs Mary Moore (Trustee)

Mary Moore

The Reverend Darren Smith (Chairman)

Darren Smith

Registered Charity No. 243535

THE CHURCH UNION**Registered Charity No. 243535****STATEMENT OF CASHFLOWS****For the year ended 31 December 2018**

	Note	2018 £	2017 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	17	18,845	(30,645)
Net cash provided by/(used in) operating activities		<u>18,845</u>	<u>(30,645)</u>
Cash flows from investing activities:			
Dividends and interest from investments		34,671	15,270
Purchase of investments		-	(787,433)
Proceeds on sale of investments		-	806,198
Net cash provided by/(used in) investing activities		<u>34,671</u>	<u>34,035</u>
Change in cash and cash equivalents in the reporting period		<u>53,516</u>	<u>3,390</u>
Cash and cash equivalents at the beginning of the period		<u>60,074</u>	<u>56,684</u>
Cash and cash equivalents at the end of the reporting period		<u>113,590</u>	<u>60,074</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1. CHARITY INFORMATION

The Church Union is a charity registered in England and Wales No. 243535. The Registered Office is 16 Commercial Street, Birmingham, B1 1RS.

2. ACCOUNTING POLICIES

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 (FRS 102) (effective January 2015) and the Charities Act 2011. The functional and presentational currency is GBP and the accounts are rounded to the nearest £1.

b) INCOME RECOGNITION

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Legacies are credited to the accounts when they have been notified to the trustees and there is reasonable certainty of the amount to be received.

Donations, subscriptions and other forms of voluntary income are credited to the accounts when received and are shown gross; unless the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds. In this case the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

c) GOING CONCERN

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Charity has a large portfolio of investments and the activities of the Charity ensure grants are only made with due consideration of the overall financial position of the charity.

d) RESOURCES EXPENDED

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

Expenditure is charged on the accruals basis. Costs are charged to the unrestricted fund unless the cost is specifically identifiable with the restricted fund.

Expenditure included in charitable activities comprises costs of promoting and supporting the objects of the charity. Grants are charged at the point a commitment is made by the Trustees and in the case of ongoing support when there is an expectation by the grantee that a grant will be received.

The appropriate share of costs are charged on an accruals basis and are charged to the unrestricted fund unless the cost is specifically identifiable with the restricted fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

e) INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

f) INVESTMENT GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities

g) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that clearly qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

h) JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

There are no key assumptions or other sources of estimation that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

3. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

The key management personnel of the Charity are the Trustees. The Charity's policy is not to remunerate Trustees on the basis of this being the normal practice for charities of a similar size and nature.

During the year £3,587 (2017 - £2,730) was reimbursed in out-of pocket expenses to 12 (2017 - 11) Trustees.

There were no outstanding balances due to or from Trustees at the year-end (2017 - nil).

The Reverend Darren Smith is the General Secretary of Additional Curates Society and a Trustee in the Church Union. The Additional Curates Society (ACS) acts as a printer for a variety of the Church Union's publications. ACS deducts commission at source from amounts received on the Church Union's behalf and makes other changes as appropriate.

Payments were made to Additional Curates Society in the year totalling £37,224 (2017: £42,779)

At the year end £14,268 (2017: £8,219) were owed to Additional Curates Society.

4. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations - unrestricted funds	7,435	5,300
Donations - restricted funds	40,000	-
	<u>47,435</u>	<u>5,300</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

5. OTHER INCOME

	2018 £	2017 £
Grant income:		
Together – Forward in Faith	9,115	22,081
Other grant income	1,583	-
	<u>10,698</u>	<u>22,081</u>
Other income:		
Royalties	4,144	4,085
Other	100	537
	<u>4,244</u>	<u>4,622</u>
Subscriptions income:		
Membership	10,665	11,475
FCP	618	1,038
Other	411	-
	<u>11,694</u>	<u>12,513</u>

6. INVESTMENT INCOME

	Restricted Funds £	Unrestricted Funds £	2018 £	Restricted Funds £	Unrestricted Funds £	2017 £
Dividends on investments	5,002	29,567	34,569	3,570	20,020	23,590
Interest on cash deposits	15	87	102	-	78	78
	<u>5,017</u>	<u>29,654</u>	<u>34,671</u>	<u>3,570</u>	<u>20,098</u>	<u>23,668</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

7. ANALYSIS OF CHARITABLE ACTIVITIES

	Restricted Funds	Unrestricted Funds	2018	Restricted Funds	Unrestricted Funds	2017
	£	£	£	£	£	£
Publications	-	21,522	21,522	-	39,514	39,514
Staff salaries	9,252	-	9,252	-	-	-
Administrative costs	-	14,000	14,000	-	6,100	6,100
Office rent	-	4,000	4,000	-	-	-
Council members expenses	-	3,587	3,587	-	2,685	2,685
Printing & stationery	-	772	772	-	57	57
Subscriptions	-	434	434	-	1,048	1,048
Church Observer	-	4,024	4,024	-	1,687	1,687
Legal & professional	-	2,100	2,100	-	2,650	2,650
Grants	8,750	1,375	10,125	29,000	-	29,000
Investment manager fees	-	-	-	-	1,725	1,725
	<u>18,002</u>	<u>51,814</u>	<u>69,816</u>	<u>29,000</u>	<u>55,466</u>	<u>84,466</u>

8. ANALYSIS OF GRANTS

The grants are in furtherance of the main objects as set out in the Trustees Annual Report. The trustees' policy for making grants is to consider applications and prioritise those grants seen as pursuing the objectives most efficiently.

The grants paid or committed to, for the benefit of the following institutions during the year were as follows:

	Restricted Funds	Unrestricted Funds	Total 2018	Restricted Funds	Unrestricted Funds	Total 2017
	£	£	£	£	£	£
Saint Philip and St James Church, Up Hatherley PCC	2,000	-	2,000	-	-	-
SS Stephen with All Hallows PCC	1,000	-	1,000	-	-	-
St Peter's Hoyland	2,000	-	2,000	-	-	-
SS Silas with All Saints	1,000	-	1,000	-	-	-
St James PCC	1,000	-	1,000	-	-	-
Catholic Societies Vocations Initiative	1,750	1,375	3,125	-	-	-
St Albans, Romford	-	-	-	1,000	-	1,000
St Saviour with All Saints, Scarborough	-	-	-	2,000	-	2,000
Auckland, S. Helen, Diocese of Durham	-	-	-	9,000	-	9,000
SS Peter & Paul, Enfield Lock	-	-	-	5,000	-	5,000
Saint Paul the Apostle, Croxteth	-	-	-	12,000	-	12,000
	<u>8,750</u>	<u>1,375</u>	<u>10,125</u>	<u>29,000</u>	<u>-</u>	<u>29,000</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

9. STAFF COSTS

	2018 £	2017 £
Wages and salaries	9,100	-
Social security costs	-	-
Pension costs	152	-
	<u>9,252</u>	<u>-</u>

No employee earned £60,000 pa or more.

No remuneration was paid or is payable to Trustees for the year (2017: £nil). The Trustees are considered to be the key management of the Charity. The employee benefits of key management personnel for the Charity was therefore £nil (2017: £nil).

10. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration was £2,100 (2017: £2,000) for the preparation and examination of the accounts.

11. FIXED ASSET INVESTMENTS

	2018 Total CCLA Investments	CCLA Investments	2017 Rathbones	Total
Market value at 1 January 2018	1,038,515	235,177	745,546	980,723
Acquisitions at cost		787,433	-	787,433
Sales proceeds for disposals		-	(806,198)	(806,198)
(Losses) / gains in the year	(18,041)	15,905	60,652	76,557
Market value at 31 December 2018	<u>1,020,474</u>	<u>1,038,515</u>	<u>-</u>	<u>1,038,515</u>
The historic cost of investments:				
At 31 December 2018	<u>987,433</u>	<u>987,433</u>	<u>-</u>	<u>987,433</u>
At 31 December 2017	<u>987,433</u>	<u>200,000</u>	<u>605,141</u>	<u>805,141</u>

THE CHURCH UNION

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

12. DEBTORS

	2018 £	2017 £
Trade Debtors	12,115	20,761
	<u>12,115</u>	<u>20,761</u>

13. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Accruals	16,368	10,424
	<u>16,368</u>	<u>10,424</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	450	-	450
Investments	837,226	183,248	1,020,474
Current Assets	125,705	-	125,705
Creditors: amounts falling due within one year	(16,368)	-	(16,368)
	<u>947,013</u>	<u>183,248</u>	<u>1,130,261</u>

15. FUNDS RECONCILIATION

	Balance at 1 January 2018	Incoming Resources	Outgoing Resources	Investments gains/(losses)	Balance at 31 December 2018
Restricted Funds	160,466	45,017	(18,002)	(4,233)	183,248
Unrestricted Funds	948,460	63,725	(51,364)	(13,808)	947,013
	<u>1,108,926</u>	<u>108,742</u>	<u>(69,366)</u>	<u>(18,041)</u>	<u>1,130,261</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

16. RESTRICTED FUNDS

	Balance as at 1 January 2018	Incoming Resources	Outgoing Resources	Investment gains/(losses)	Balance as at 31 December 2018
Jackson Trust	67,048	2,096	(5,000)	(1,769)	62,375
Martin Trust	65,176	2,038	(2,000)	(1,719)	63,495
Oliphant Trust	28,242	883	(1,750)	(745)	26,630
Morgan Trust	-	40,000	(9,252)	-	30,748
	<u>160,466</u>	<u>45,017</u>	<u>(18,002)</u>	<u>(4,233)</u>	<u>183,248</u>

Jackson Trust

In accordance with the terms of the Will, the bequest fund is to provide grants to parishes towards repairs and improvements of church buildings.

Fr John Martin Trust

In accordance with the terms of the Will, the bequest fund is to be used for the support of churches in the Province of York that are of Catholic nature and which do not support the ordination of women.

Oliphant Bequest Fund

In accordance with the terms of the Will, the bequest fund is to be used for training Ordinands for the Ministry of the Church of England.

Morgan Trust

Donation towards funding the staffing costs of the Church Union.

17. NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2018	2017
	£	£
Reconciliation of net income/(expenditure) for the reporting period (as per the statement of financial activities)	20,885	60,275
Adjustments for:		
Losses/(Gains) on investments	18,041	(76,557)
Dividends and interest from investments	(34,671)	(15,270)
Decrease/(Increase) in debtors	8,646	(1,117)
Increase/(decrease) in creditors	5,944	2,024
Net cash (used in) operating activities	<u>18,845</u>	<u>(30,645)</u>
b. Analysis of cash and cash equivalents	2018	2017
	£	£
Cash in hand	113,590	60,074
Total cash and cash equivalents	<u>113,590</u>	<u>60,074</u>

THE CHURCH UNION

Registered Charity No. 243535

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

18. FUNDS HELD ON BEHALF OF A THIRD PARTY

The Trustees of the Church Union act as custodian trustees for the Tudor Roberts Will Trust.

The trust has a portfolio which is managed by CCLA. The value of the portfolio at the year end was £727,335.

As the portfolio is held only in the capacity of custodian trustee, it is not reflected in the Balance Sheet. Similarly, income generated by the portfolio is not reflected in the Statement of Financial Activities.