

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2017
for

St. Mary and St. Abraam
Coptic Orthodox Church

Style and Silver
Bank House
Southwick Square
Southwick
West Sussex
BN42 4FN

St. Mary and St. Abraam
Coptic Orthodox Church

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for the Year Ended 31 December 2017

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St. Mary and St. Abraam
Coptic Orthodox Church

Report of the Trustees
for the Year Ended 31 December 2017

The trustees present their report with the financial statements of the charity for the year ended 31 December 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1003739

Principal address

Coptic Orthodox Church
Davigdor Road
Hove
East Sussex
BN3 1RF

Trustees

G Khalil
N Seedhom
A B Obaid
K Butros
S Mikhail
M M S Mansour - resigned 31.5.17
A Abraham
S Baghdady

Independent examiner

R. B. Silver
Style and Silver
Bank House
Southwick Square
Southwick
West Sussex
BN42 4FN

Professional Advisers

Legal Advisers
DMH Stallard, 100 Queens Road, Brighton, BN1 3YB

Bankers
Lloyds TSB, 74 - 78 Church Road, Hove, BN3 2EE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, Governance and Management

The charity is governed by a constitution dated 25th June 1991.

This constitution allows the charity's affairs to be controlled by a committee of five to twelve members of which three must be officers of the church. The committee is responsible for the appointment of all trustees and the three key positions of Chairman, Secretary, and Treasurer.

Risk management

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

St. Mary and St. Abraam
Coptic Orthodox Church

Report of the Trustees
for the Year Ended 31 December 2017

OBJECTIVES AND ACTIVITIES

History, Objectives and Activities

The charity was registered on 8th August 1991.

The prime objective of the charity is to promote the religion of the Coptic Orthodox Church in the south of England. The charity strives to achieve this objective by performing the following essential activities:

To provide and maintain places of public worship.

To provide and maintain residencies for priests.

To provide and develop educational facilities to teach the doctrines and practices of the church to the Coptic community.

To provide grants to other organisations who share common beliefs, aims and practices.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The planned improvements to the Church have almost been completed.

In 2017 a new canteen and offices were developed. The church commenced rental of a large marquee which provided extra space for youth activities. This marquee has been a great success.

The main achievement of 2017 was finally locating a suitable building to act as a new community centre.

The purchase of this property was completed shortly after the year end in March 2018.

The Church has continued to support the Coptic communities in Egypt and Sudan in these difficult times.

FINANCIAL REVIEW

Financial Review

The net resources for the year, after grants and operational expenses of £601,931 (2016 £481,775) was £82,828 (2016 £43,753). At the end of the financial year reserves were £173,061 (2016 £148,682). The level of reserves is regularly reviewed by the trustees before making major income and expenditure decisions.

PLANS FOR FUTURE PERIODS

In 2012 the trustees considered that the current property portfolio would struggle to accommodate a significant increase in the congregation and the related extra demand for services and activities. Since that time the trustees have searched for a suitable site to act as a new community centre. Funds have been raised and professional fees expended on various proposals which until 2016 had not been successful.

In 2017 however a suitable building was located. In 2018 the new property in Worthing was purchased. This building has been named in honour of St. Demiana and Pope Kyrillos VI. There will be significant costs in 2018 relating to improvements and modernising of this new centre.

The trustees are confident that this new centre will answer the needs of the congregation for many years to come.

Approved by order of the board of trustees on 15 August 2018 and signed on its behalf by:

G Khalil - Trustee

Independent Examiner's Report to the Trustees of
St. Mary and St. Abraam
Coptic Orthodox Church

I report on the accounts for the year ended 31 December 2017 set out on pages four to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R. B. Silver
Style and Silver
Bank House
Southwick Square
Southwick
West Sussex
BN42 4FN

15 August 2018

St. Mary and St. Abraam
Coptic Orthodox Church

Statement of Financial Activities
for the Year Ended 31 December 2017

	Notes	Unrestricted fund £	Restricted fund £	31.12.17 Total funds £	31.12.16 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		180,724	222,963	403,687	263,507
Activities for generating funds	2	29	167,388	167,417	139,300
Investment income	3	35,190	-	35,190	32,201
Incoming resources from charitable activities					
Youth activities		-	78,465	78,465	90,520
Total incoming resources		215,943	468,816	684,759	525,528
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		155,264	-	155,264	145,980
Fundraising trading: cost of goods sold and other costs		4,663	121,818	126,481	98,467
Investment management costs	4	62,389	-	62,389	49,357
Charitable activities					
Youth activities		5,864	196,180	202,044	147,937
Priest's salary		31,999	-	31,999	32,127
Governance costs		12,066	11,295	23,361	7,907
Other resources expended		393	-	393	-
Total resources expended		272,638	329,293	601,931	481,775
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
		(56,695)	139,523	82,828	43,753
Gross transfers between funds	11	(141,889)	141,889	-	-
Net incoming/(outgoing) resources		(198,584)	281,412	82,828	43,753
RECONCILIATION OF FUNDS					
Total funds brought forward		1,370,874	(281,412)	1,089,462	1,045,709
TOTAL FUNDS CARRIED FORWARD		1,172,290	-	1,172,290	1,089,462

The notes form part of these financial statements

St. Mary and St. Abraam
Coptic Orthodox Church

Balance Sheet
At 31 December 2017

	Notes	Unrestricted fund £	Restricted fund £	31.12.17 Total funds £	31.12.16 Total funds £
FIXED ASSETS					
Tangible assets	7	2,418,734	-	2,418,734	2,446,454
CURRENT ASSETS					
Debtors	8	13,836	-	13,836	11,946
Cash at bank and in hand		270,211	-	270,211	233,915
		<u>284,047</u>	<u>-</u>	<u>284,047</u>	<u>245,861</u>
CREDITORS					
Amounts falling due within one year	9	(110,986)	-	(110,986)	(97,179)
		<u>173,061</u>	<u>-</u>	<u>173,061</u>	<u>148,682</u>
NET CURRENT ASSETS					
		<u>173,061</u>	<u>-</u>	<u>173,061</u>	<u>148,682</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,591,795</u>	<u>-</u>	<u>2,591,795</u>	<u>2,595,136</u>
CREDITORS					
Amounts falling due after more than one year	10	(1,419,505)	-	(1,419,505)	(1,505,674)
		<u>1,172,290</u>	<u>-</u>	<u>1,172,290</u>	<u>1,089,462</u>
NET ASSETS		<u>1,172,290</u>	<u>-</u>	<u>1,172,290</u>	<u>1,089,462</u>
FUNDS	11				
Unrestricted funds				1,172,290	1,370,874
Restricted funds				-	(281,412)
TOTAL FUNDS				<u>1,172,290</u>	<u>1,089,462</u>

The financial statements were approved by the Board of Trustees on 15 August 2018 and were signed on its behalf by:

G Khalil -Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2017

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Buildings	- 2% on cost
Equipment	- 25% on reducing balance
Fixtures and Fittings	- 25% on reducing balance
Motor Vehicles	- 25% on reducing balance

In the years to 31st December 2007 the freehold properties were not depreciated as the board considered that the market value exceeded the cost shown in the financial statements.

In the year to 31st December 2008 and thereafter in order to comply with the SORP, the freehold properties (but not land) are being depreciated over 50 years so as to write off the cost of the buildings (on a straight line basis) over their expected useful economic lives.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. ACTIVITIES FOR GENERATING FUNDS

	31.12.17	31.12.16
	£	£
Refreshment sales	167,318	139,300
Holy books sales	70	-
Telephone income	29	-
	<u>167,417</u>	<u>139,300</u>

3. INVESTMENT INCOME

	31.12.17	31.12.16
	£	£
Rents received	35,164	32,111
Deposit account interest	26	90
	<u>35,190</u>	<u>32,201</u>

4. INVESTMENT MANAGEMENT COSTS

	31.12.17	31.12.16
	£	£
Bank charges	2,135	129
Arrangement fees	4,500	-
Interest payable and similar charges	55,754	49,228
	<u>62,389</u>	<u>49,357</u>

St. Mary and St. Abraam
Coptic Orthodox Church

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2017 nor for the year ended 31 December 2016.

6. STAFF COSTS

	31.12.17	31.12.16
	£	£
Wages and salaries	31,800	31,800
Social security costs	-	144
Other pension costs	199	183
	<hr/>	<hr/>
	31,999	32,127
	<hr/>	<hr/>

The average monthly number of employees during the year was as follows:

	31.12.17	31.12.16
Employees	2	2
	<hr/>	<hr/>

No employees received emoluments in excess of £60,000.

St. Mary and St. Abraam
Coptic Orthodox Church

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

7. TANGIBLE FIXED ASSETS

	Church Land £	Church Buildings £	House Land £	House Buildings £
COST				
At 1 January 2017	150,000	292,506	300,000	1,903,490
Additions	-	15,633	-	-
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	150,000	308,139	300,000	1,903,490
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2017	-	36,990	-	217,312
Charge for year	-	6,151	-	38,327
Eliminated on disposal	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	43,141	-	255,639
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2017	150,000	264,998	300,000	1,647,851
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	150,000	255,516	300,000	1,686,178
	<hr/>	<hr/>	<hr/>	<hr/>

	Equipment £	Fixtures and Fittings £	Motor Vehicles £	Totals £
COST				
At 1 January 2017	74,277	58,925	94,547	2,873,745
Additions	20,145	-	-	35,778
Disposals	(5,447)	-	-	(5,447)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	88,975	58,925	94,547	2,904,076
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2017	54,237	56,487	62,265	427,291
Charge for year	9,948	608	8,071	63,105
Eliminated on disposal	(5,054)	-	-	(5,054)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	59,131	57,095	70,336	485,342
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2017	29,844	1,830	24,211	2,418,734
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	20,040	2,438	32,282	2,446,454
	<hr/>	<hr/>	<hr/>	<hr/>

St. Mary and St. Abraam
Coptic Orthodox Church

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor Vehicles £
COST	
At 1 January 2017	15,564
	<hr/>
DEPRECIATION	
At 1 January 2017	5,351
Charge for year	2,553
	<hr/>
At 31 December 2017	7,904
	<hr/>
NET BOOK VALUE	
At 31 December 2017	7,660
	<hr/>
At 31 December 2016	10,213
	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Other debtors	13,836	11,946
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans and overdrafts	101,360	90,089
Hire purchase	2,857	2,633
Other creditors	6,769	4,457
	<hr/>	<hr/>
	110,986	97,179
	<hr/>	<hr/>

St. Mary and St. Abraam
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans	1,414,523	1,216,423
Hire purchase	4,982	7,839
Other creditors	-	281,412
	<hr/> 1,419,505 <hr/>	<hr/> 1,505,674 <hr/>

Amounts falling due in more than five years:

Repayable by instalments:		
Bank loans	<hr/> 994,591 <hr/>	<hr/> 847,115 <hr/>

11. MOVEMENT IN FUNDS

	At 1.1.17	Net movement in funds	Transfers between funds	At 31.12.17
	£	£	£	£
Unrestricted funds				
General fund	1,370,874	(56,695)	(141,889)	1,172,290
Restricted funds				
Restricted fund	(281,412)	139,523	141,889	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 1,089,462 <hr/>	<hr/> 82,828 <hr/>	<hr/> - <hr/>	<hr/> 1,172,290 <hr/>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	215,943	(272,638)	(56,695)
Restricted funds			
Restricted fund	468,816	(329,293)	139,523
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<hr/> 684,759 <hr/>	<hr/> (601,931) <hr/>	<hr/> 82,828 <hr/>

St. Mary and St. Abraam
Coptic Orthodox Church

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.16	Net	Transfers	
	£	movement	between	At 31.12.16
		in funds	funds	£
		£	£	
Unrestricted Funds				
General fund	1,320,983	(18,535)	68,426	1,370,874
Restricted Funds				
Restricted fund	(275,274)	62,288	(68,426)	(281,412)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	1,045,709	43,753	-	1,089,462
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Comparative net movement in funds, included in the above are as follows:

	Incoming	Resources	Movement in
	resources	expended	funds
	£	£	£
Unrestricted funds			
General fund	224,804	(243,339)	(18,535)
Restricted funds			
Restricted fund	300,724	(238,436)	62,288
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	525,528	(481,775)	43,753
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

St. Mary and St. Abraam
Coptic Orthodox Church

Detailed Statement of Financial Activities
for the Year Ended 31 December 2017

	31.12.17 £	31.12.16 £
INCOMING RESOURCES		
Voluntary income		
Collections	168,939	183,853
Members contributions	11,785	8,750
Donations	55,110	70,904
Donations - New Centre	167,853	-
	<hr/> 403,687	<hr/> 263,507
Activities for generating funds		
Refreshment sales	167,318	139,300
Holy books sales	70	-
Telephone income	29	-
	<hr/> 167,417	<hr/> 139,300
Investment income		
Rents received	35,164	32,111
Deposit account interest	26	90
	<hr/> 35,190	<hr/> 32,201
Incoming resources from charitable activities		
Fairs and celebrations	64,971	54,018
Sunday school	13,494	36,502
	<hr/> 78,465	<hr/> 90,520
Total incoming resources	<hr/> 684,759	<hr/> 525,528
RESOURCES EXPENDED		
Costs of generating voluntary income		
House rent	27,404	31,200
Rates and water	1,620	1,741
Insurance	7,794	7,923
Light and heat	19,549	20,257
House repairs	3,276	4,544
Church repairs	19,877	17,862
Hire of equipment	12,638	-
Depreciation of tangible fixed assets	63,106	62,453
	<hr/> 155,264	<hr/> 145,980

This page does not form part of the statutory financial statements

St. Mary and St. Abraam
Coptic Orthodox Church

Detailed Statement of Financial Activities
for the Year Ended 31 December 2017

	31.12.17 £	31.12.16 £
Fundraising trading: cost of goods sold and other costs		
Refreshments	121,818	93,707
Telephone	4,103	3,991
Printing, postage, stationery	560	769
	<hr/>	<hr/>
	126,481	98,467
 Investment management costs		
Bank charges	2,135	129
Arrangement fees	4,500	-
Bank loan interest	55,054	47,507
HP interest	700	1,721
	<hr/>	<hr/>
	62,389	49,357
 Charitable activities		
Wages	31,800	31,800
Social security	-	144
Pensions	199	183
Fairs and celebrations	53,463	22,754
Sunday school expenses	17,140	9,966
Motor and travel	24,897	24,292
Donations	102,680	87,717
Laundry and cleaning	3,717	3,062
Sundries	147	146
	<hr/>	<hr/>
	234,043	180,064
 Governance costs		
Accountancy	3,350	3,665
Legal fees	20,011	4,242
	<hr/>	<hr/>
	23,361	7,907
 Support costs		
Finance		
Loss on sale of tangible fixed assets	393	-
	<hr/>	<hr/>
Total resources expended	601,931	481,775
	<hr/>	<hr/>
Net income	82,828	43,753
	<hr/>	<hr/>

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