

Charity number: 1060394

ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 December 2018



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Contents Page
For the year ended 31 December 2018

Report of the Trustees	1 to 4
Independent Examiner's Report to the Trustees	5
Statement of Financial Activities	6
Statement of Financial Position	7
Notes to the Financial Statements	8 to 14
Detailed Statement of Financial Activities	15 to 16



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Report of the Trustees
For the year ended 31 December 2018

The Trustees have pleasure in presenting their report and the financial statements for the Trust for the year ended 31 December 2018. The Trustees have adopted the provisions of 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT:

Governing Documents

The charitable Trust is governed by the governing document; a Trust Deed signed on 11 June 1992 and constitutes unincorporated charitable Trust of Ecclesiastical/ Canonical Charitable Trust.

Risk Management

The Charitable Trust's Trustees have a duty to identify and review the risk to which the Ecclesiastical/Canonical Charity of the Ethiopian Orthodox Tewahedo Church is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have set aside fund to cover core expenditure of the Trust in the event of unforeseen circumstances that will put the day to day operation at risk. The reserve represents a balance up to twelve months of core expenditures.

The Trust has an appropriate insurance coverage and maintenance plan for its Church and Vicarage buildings.

OBJECTIVES AND ACTIVITIES

The Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

- * Preaching the Gospel of the Lord Jesus Christ and providing spiritual services in accordance with the faith and order of the Ethiopian Orthodox Tewahedo Church of London & Home Counties under the jurisdiction of the Mother Church in Ethiopia
- * Providing pastoral counselling and encouragement to the community
- * Teaching the young religious and ethical education
- * Promoting understanding and harmony within the society in general
- * Support humanitarian and disaster relief activities around the world



ACHIEVEMENTS ON THE LONG STANDING DISPUTE

The Trustees successfully prepared the new governing document; Charitable incorporated organization (CIO) and registered as of 15 November 2018. It has been agreed by all members and approved by the Court on February 2018.

On the 30 of April 2018 the court approved members of the 'Interim Trustees' for the purpose of new election based on the new CIO constitution. The First Trustees also known as 'The interim Trustees' of the charitable incorporated organization to which reference is made in the CIO shall be as follows;

Reverend Abate Gobena, Reverend Dawit Abebe, Reverend Berhanu Bisrat, Mr Fasil Bekele, Mrs Bethelhem Tadesse, Mr Mamo Lema, Mr Getachew Beshahwred and Mrs Aregash Gebrekidan.

ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Report of the Trustees Continued For the year ended 31 December 2018

PERFORMANCE

The Church has continued providing access to its services to all parishioners for a peaceful worship according to the Canonical law of the Ethiopian Orthodox Church and the Trustees have ensured the Church has delivered its objects proportionately and peacefully to the congregation during the year despite various challenges.

The Church invited Archbishop and Gospel preachers from the mother Church (the Holy Synod, Addis Ababa Ethiopia) to meet the spiritual demand of the parishioners, to promote peace, love and reconciliations among the parishioners and to review and deal with the on-going challenge facing the Church.

The Trustees are working closely with different expertise (Internal Audit, Property Custodian, Health & Safety and others) and maintaining regular monitoring and control over their work and setting benchmarks for performance review.

The Trustees are committed to ensuring regulatory compliances are met by filing accounts and returns within the statutory filing period and monitoring the operation of effective financial and operational controls.

FINANCIAL REVIEW

The main source of income during the year was voluntary collection from weekly Church Service and religious events organised following Ecclesiastical Calendar. Resources expended during the year were spent wholly and exclusively on the provision of religious services and maintenance of its assets and property. The Trustees are committed to raising more funds in the years to come by organizing religious events and by setting targets for various stream of incoming resources.

There has been magnificent support from volunteers of the Church congregation in raising funds to help finance the on-going legal case.

The financial result for the year shows excess of income over expenditure compared to the previous year. This is due to the amount of legal cost expense decrease. The funds for the legal costs have been raised by dedicated volunteers committee with continuous effort and commitments in supporting the Trust until such time where the legal process is completely concluded in defending the Church. The Trustees have worked out and safeguarded the minimum annual funds required to keep the Church's operation on continual basis which is mainly raised from core charitable services.

VOLUNTARY SERVICES

As in the previous years the Trust has continued receiving voluntary services from various volunteers on a range of areas and expertise which had paramount importance for the delivery of its services and achievements made during the year under Examination. The Trustees are very grateful for all the volunteers who have served the Trust and we believe the invaluable contribution of volunteers will continue in the years to come.

PLANS FOR THE COMING YEARS

Charitable Trust's Trustees have the following plans for the coming years:

- * To co-operate with the interim Trustees, implement the court order given in April 2018 and conduct new fair election with the time table given by the court.
- * To Transfer Asset of the charity to the new Governing document, CIO and cancel the old charity registration number and also the Trust Deed.
- * To work hard in bringing unity, reconciliation and maintain the continuity of unified congregation and service.
- * To continue delivering the Charitable objects of the Trust to the Congregation and ensuring the sustainability of the Trust by advancing the best interest of the Trust's objects and engaging with Congregations for service improvements.
- * To continue the improvement plan in place for transparent and timely Financial Reporting and effective control systems.



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Report of the Trustees Continued For the year ended 31 December 2018

- * To increase the number of the Congregation and facilitate mechanisms in advancing the unity, harmony and peace within the parishioners by rectifying challenges and problems.
- * Maintain the Churchyard and refurbish the Church premises.

RESPONSIBILITIES OF THE TRUSTEES

The Charitable Trust's Trustees are responsible for preparing the Charitable Trust Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (Charities SORP) and in line with the canonical laws of the Ethiopian Orthodox Tewahedo Church under the jurisdiction of the mother Church in Ethiopia.

The law applicable to Charitable Trust of Ecclesiastical/Canonical Charity in England and Wales requires the Charitable Trust Trustees' to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Trust and of the incoming resources and application of resources of the Ecclesiastical/Canonical Charity for that period.

In preparing these financial statements the Charitable Trust's Trustees are required to: select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP;

Make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. The Charitable Trust Trustees are also responsible for safeguarding the assets of the Ethiopian Orthodox Tewahedo Church Saint Mary London Debre Tsion, operating in the UK under the jurisdiction of the Mother Church in Ethiopia trusted to Ecclesiastical/Canonical Charitable Trustees and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities against the Charitable Trust.

Correspondence Address:

Ethiopian Orthodox Tewahedo Church
Saint Mary Debre Tsion London
P.O. Box- 42000
Wandsworth Road
London
SW8 3WN



Office Address:

Ethiopian Orthodox Tewahedo Church
Saint Mary Debre Tsion London
1st Philip Square
Queenstown Road
London
SW8 3RT

ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Report of the Trustees Continued
For the year ended 31 December 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Charity registration number 1060394
Principal address PO Box 42200
Queenstown Road
London
SW8 3WN

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Archmandrite Aba Girma Kebede
Rev Dawit Abebe Worku
Rev Abate Gobena
Archdeacon Dawit Woldetsadik
Senior Choir Mrs Bethlehem Tadesse
Mr Nigussie Assress
Mr Fasiel Bekle
Mr Henok Gebremichael
Mr Aschalew Kebede


Independent examiner

Emmanuel Mensah FMAAT MBA (Finance)
1st Floor Office Suite 2
5 Lumina Way
London
EN1 1FS

Bankers

NatWest Bank Plc
12 The High Street
Notting Hill Gate
London
W11 3HZ

Approved by Trustees and signed on its behalf by:


.....
Rev Abate Gobena



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Independent Examiners Report to the Trustees
For the year ended 31 December 2018

I report to the trustees on my examination of the accounts of the charity for the year ended 31 December 2018.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 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 examiners statement

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 Charity as required by section 130 of the 2011 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.



Emmanuel Mensah FMAAT MBA (Finance)
1st Floor Office Suite 2
5 Lumina Way
London
EN1 1FS

Date: 13th May 2019



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Statement of Financial Activities
For the year ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 £	2017 £
Income and endowments from:					
Donations and legacies	2	-	-	-	694
Charitable activities	3	84,227	-	84,227	34,884
Other trading activities	4	6,897	-	6,897	5,914
Other income	5	-	49,393	49,393	91,553
Total		91,124	49,393	140,517	133,045
Expenditure on:					
Raising funds	6	(366)	-	(366)	-
Charitable activities	7/8	(35,882)	-	(35,882)	(48,763)
Other expenditure		(92,217)	-	(92,217)	(215,323)
Total		(128,465)	-	(128,465)	(264,086)
Net income/expenditure		(37,341)	49,393	12,052	(131,041)
Reconciliation of funds					
Total funds brought forward		(92,003)	1,808,825	1,716,822	1,847,863
Total funds carried forward		(129,344)	1,858,218	1,728,874	1,716,822



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Statement of Financial Position
As at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	13	1,822,029	1,823,904
		1,822,029	1,823,904
Current assets			
Stocks	14	14,950	14,950
Cash at bank and in hand		50,349	70,356
		65,299	85,306
Creditors: amounts falling due within one year	15	(30,444)	(64,378)
Net current assets		34,855	20,928
Total assets less current liabilities		1,856,884	1,844,832
Creditors: amounts falling due after more than one year	16	(128,010)	(128,009)
Net assets		1,728,874	1,716,822
The funds of the charity			
Restricted income funds	17	1,858,218	1,808,825
Unrestricted income funds	17	(129,344)	(92,003)
Total funds		1,728,874	1,716,822

The financial statement were approved and authorised for issue by the Trustees and signed on its behalf by:

.....
Rev Abate Gobena
Trustee



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Notes to the Financial Statements For the year ended 31 December 2018

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The trustees of the Trust are satisfied that the Church is able to meet its obligations when they fall due through the normal donations and other receipts.

Statement of cash flows

The Trustees have taken advantage of the exemption in SORP FRS 102 from including a cash flow statement in the financial statements on the grounds that the charity is small.

Funds

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donated services and facilities

These are sacred items donated by members of the Congregation for resale in furtherance of the Trust's objects.

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Motor vehicles	20% Reducing balance
Fixtures and Fittings	20% Reducing balance

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Irrecoverable VAT

Irrecoverable VAT is included in the Statement of Financial Activities, and is reported as part of the expenditure to which it relates.



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Notes to the Financial Statements Continued

For the year ended 31 December 2018

2. Income from donations and legacies

	2018	2017
	£	£
Unrestricted funds		
Donations received	-	-
Gifts in kind	-	694
	<u>-</u>	<u>694</u>

3. Income from charitable activities

	2018	2017
	£	£
Unrestricted funds		
Membership Fees	10,005	6,940
Church Collections	71,442	25,824
Christening & Weddings	930	1,030
Memorial Services	1,850	1,090
	<u>84,227</u>	<u>34,884</u>
	<u>84,227</u>	<u>34,884</u>

4. Income earned from other activities

	2018	2017
	£	£
Unrestricted funds		
Fund raising events	6,897	150
Shop income	-	1,744
Other activities for generating funds	-	4,020
	<u>6,897</u>	<u>5,914</u>

5. Other income

	2018	2017
	£	£
Restricted funds		
Other income	49,393	91,553
	<u>49,393</u>	<u>91,553</u>



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Notes to the Financial Statements Continued

For the year ended 31 December 2018

6. Expenditure on other trading activities

	2018	2017
	£	£
Unrestricted funds		
Support costs	366	-
	<u>366</u>	<u>-</u>

7. Costs of charitable activities by fund type

	2018	2017
	£	£
Unrestricted funds		
Charitable activities	35,882	48,763

8. Costs of charitable activities by activity type

	2018	2017
	£	£
Activities undertaken directly		
Charitable activities	35,882	48,763

9. Analysis of support costs

	2018	2017
	£	£
Fundraising trading		
Church Admin Costs	366	-

10. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of owned fixed assets	2,452	2,921



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Notes to the Financial Statements Continued

For the year ended 31 December 2018

12. Comparative for the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	2017 £
Income and endowments from:			
Donations and legacies	694	-	694
Charitable activities	34,884	-	34,884
Other trading activities	5,914	-	5,914
Other income	-	91,553	91,553
Total	41,492	91,553	133,045
Expenditure on:			
Charitable activities	(48,763)	-	(48,763)
Other expenditure	(215,323)	-	(215,323)
Total	(264,086)	-	(264,086)
Net income/expenditure	(222,594)	91,553	(131,041)
Reconciliation of funds			
Total funds brought forward	130,591	1,717,272	1,847,863
Total funds carried forward	(92,003)	1,808,825	1,716,822

13. Tangible fixed assets

Cost or valuation	Main Church Building Parsonage £	Fixtures and Fittings £	Total £
At 01 January 2018	1,812,220	68,962	1,881,182
Additions	-	577	577
At 31 December 2018	1,812,220	69,539	1,881,759
Depreciation			
At 01 January 2018	-	57,278	57,278
Charge for year	-	2,452	2,452
At 31 December 2018	-	59,730	59,730
Net book values			
At 31 December 2018	1,812,220	9,809	1,822,029
At 31 December 2017	1,812,220	11,684	1,823,904

14. Stocks and work in progress

	2018 £	2017 £
Stocks of raw materials	14,950	14,950
	14,950	14,950



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Notes to the Financial Statements Continued

For the year ended 31 December 2018

15. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	28,944	63,058
Accruals and deferred income	1,500	1,320
	<u>30,444</u>	<u>64,378</u>

16. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	128,010	128,009
	<u>128,010</u>	<u>128,009</u>

17. Movement in funds

Unrestricted Funds

	Balance at 01/01/2018	Incoming resources	Outgoing resources	Balance at 31/12/2018
	£	£	£	£
<i>General</i>				
General	(92,003)	91,124	(128,465)	(129,344)
	<u>(92,003)</u>	<u>91,124</u>	<u>(128,465)</u>	<u>(129,344)</u>

Unrestricted Funds - Previous year

	Balance at 01/01/2017	Incoming resources	Outgoing resources	Balance at 31/12/2017
	£	£	£	£
<i>General</i>				
General	130,591	41,492	(264,086)	(92,003)
	<u>130,591</u>	<u>41,492</u>	<u>(264,086)</u>	<u>(92,003)</u>

Purpose of unrestricted Funds

General

The General Funds are used to further all the activities of the Church as directed by the Trustees.



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Notes to the Financial Statements Continued
For the year ended 31 December 2018

Restricted Funds

	Balance at 01/01/2018	Balance at 31/12/2018
	£	£
Restricted Funds	1,808,825	1,808,825
	<u>1,808,825</u>	<u>1,808,825</u>

Restricted Funds - Previous year

	Balance at 01/01/2017	Balance at 31/12/2017
	£	£
Restricted Funds	1,717,272	1,717,272
	<u>1,717,272</u>	<u>1,717,272</u>

Purpose of restricted funds

Restricted Funds

The Restricted Funds are used only for the specific activities that they are meant for, any change in use requires a prior permission from the respective Donors and Funders.

18. Analysis of net assets between funds

	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£
Unrestricted funds				
<i>General</i>				
General	1,822,029	27,955	(128,010)	1,721,974
Restricted funds				
Restricted Funds	-	6,900	-	6,900
	<u>1,822,029</u>	<u>34,855</u>	<u>(128,010)</u>	<u>1,728,874</u>



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Notes to the Financial Statements Continued
For the year ended 31 December 2018

Previous year

	Tangible fixed assets £	Net current assets / (liabilities) £	Creditors > one year £	Net Assets £
Unrestricted funds				
General				
General	1,823,904	20,928	(128,009)	1,716,823
Restricted funds				
	1,823,904	20,928	(128,009)	1,716,823



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON

Detailed Statement of Financial Activities

For the year ended 31 December 2018

	2018 £	2017 £
INCOME AND ENDOWMENT		
Donations and legacies		
Donations	-	-
Gifts in kind	-	694
	-	694
Charitable activities		
Membership Fees	10,005	6,940
Church Collections	71,442	25,824
Christening & Weddings	930	1,030
Memorial Services	1,850	1,090
	84,227	34,884
Other trading activities		
Fund raising events	6,897	150
Shop income	-	1,744
Income from other activities for generating funds	-	4,020
	6,897	5,914
Other income		
Other income	49,393	91,553
	49,393	91,553
Total incoming resources	140,517	133,045
EXPENDITURE		
Charitable activities		
Depreciation - owned assets	(2,452)	(2,921)
Travelling Clergy	(4,200)	(5,160)
Religious Activity Material Cost	(2,535)	(3,166)
Religious Activity	-	(4,957)
Health & Safety	-	(140)
Hospitality	(4,881)	(2,552)
Utilities (Elec, Gas & Water)	(5,320)	(9,091)
Print, Post & Carriage	(826)	(392)
Telephone & Broad Band	(573)	(289)
Fire Alarm	-	(4,661)
Equipment Hire	-	(649)
Repairs & Renewals	(2,950)	(983)
Visiting Clergy Hospitality	-	(2,130)
Insurance (Building)	(12,145)	(11,286)
Cleaning	-	(386)
	(35,882)	(48,763)
Other		
Church Admin Costs	(50)	(2,160)
Audit & Accountancy Fees (write off)	-	9,610
Independent Examiner's Fees	(1,500)	(1,320)
Other resources expended 4	(30)	-
Legal Fees (Exceptional)	(90,637)	(221,453)



ETHIOPIAN ORTHODOX TEWAHDO CHURCH ST MARY OF DEBRE TSION LONDON
Detailed Statement of Financial Activities Continued
For the year ended 31 December 2018

	(92,217)	(215,323)
SUPPORT COSTS		
Church Admin Costs		
Fundraising Church Admin Costs	(366)	-
	(366)	-
Total resources expended	(128,465)	(264,086)
Net Income	12,052	(131,041)

