

Company registration number: 01617405

Charity registration number: 284929

# King Edward Orthodox Trust Company Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019

# King Edward Orthodox Trust Company Limited

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# **King Edward Orthodox Trust Company Limited**

## **Reference and Administrative Details**

<b>Trustees</b>	Rev H Sabbas Rev A Alexis Mrs E Castle Fr Nippon
<b>Secretary</b>	Rev H Sabbas
<b>Registered Office</b>	St. Edward Brotherhood St. Cyprians Avenue Brookwood Woking Surrey GU24 0BL
<b>Company Registration Number</b>	01617405
<b>Charity Registration Number</b>	284929
<b>Bankers</b>	CAF Bank Limited HSBC Bank PLC
<b>Independent Examiner</b>	Goldwins Limited 75 Maygrove Road London NW6 2EG

# King Edward Orthodox Trust Company Limited

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2019.

### **Objectives and activities**

#### **Objects and aims**

The principal activity of the company in the year under review was that of the promotion and furtherance of the charitable work and purposes of the Orthodox Church.

#### **Activity review**

During the year the charity has continued with its property maintenance and improvements, the most significant undertakings being the demolition and replacement of the iconostas in church and re-carpeting the altar area, ambon, choir area and shrine area.

#### **Public benefit**

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Structure, governance and management**

Nature of governing document King Edward Orthodox Trust Company is a charitable company limited by guarantee and not having a share capital. The company's constitution and governance are laid down in its Memorandum and Articles of Association.

#### **Recruitment and appointment of trustees**

The Company Articles of Association provides for a minimum of 4 Trustees and where there is a requirement for new Trustees these would be identified and appointed by the Chairman.

#### **Induction and training of trustees**

The Chairman is responsible for the induction of any new Trustee which involves awareness of a trustee's responsibilities, the governing document, administrative procedures and the history and philosophical approach of the charity. A new Trustee would receive a copy of the previous year's annual report and accounts and a copy of the Charity commission leaflet 'The Essential Trustee: What You Need to Know'.

#### **Policy on reserves**

The reserves policy is to maintain a level of reserves sufficient to cover the day to day running costs of the company for one year, although this is being allowed to accumulate to fund any future building projects which may be required. Free reserves (unrestricted funds less fixed assets) at 31 March 2019 total £111,334 (2018: £73,744).

#### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

*Archimandrite Alexis*

Rev A Alexis Trustee

16 Sept 2019

# King Edward Orthodox Trust Company Limited

## Independent Examiner's Report to the trustees of King Edward Orthodox Trust Company Limited

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

### Responsibilities and basis of report

As the charity's 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 of your charity'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

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:

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.

  
Anthony Epton BA FCA CTA FCIE  
Goldwins  
Chartered accountants  
75 Maygrove Road  
West Hampstead  
London NW6 2EG

17 September 2019

**King Edward Orthodox Trust Company Ltd**  
**Statement of financial activities**  
(incorporating an income and expenditure account)  
**For the year ended 31 March 2019**

	Note	Unrestricted £	2019 Total £	2018 Total £
<b>Income from:</b>				
Donations and legacies	2	49,782	49,782	87,883
Investment income	3	988	988	40
<b>Total income</b>		<b>50,770</b>	<b>50,770</b>	87,923
<b>Expenditure on:</b>				
Charitable activities	4	74,549	74,549	67,608
<b>Total expenditure</b>		<b>74,549</b>	<b>74,549</b>	67,608
<b>Net income/(expenditure) before net gains/(losses) on investments</b>	5	(23,779)	(23,779)	20,315
Net gains/ (losses) on investments		(243)	(243)	-
<b>Net (expenditure) / income for the year</b>		(24,022)	(24,022)	20,315
<b>Reconciliation of funds:</b>				
Total funds brought forward		894,547	894,547	874,232
<b>Total funds carried forward</b>		<b>870,525</b>	<b>870,525</b>	894,547

All of the above results are derived from continuing activities.  
There were no recognised gains or losses.  
The attached notes form part of these financial statements.

**King Edward Orthodox Trust Company Ltd****Balance sheet****As at 31 March 2019**

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets:</b>					
Tangible assets	8		755,567		816,700
Investments	9		50,702		50,000
			<u>806,269</u>		<u>866,700</u>
<b>Current assets:</b>					
Debtors	10	9,580		9,776	
Cash at bank and in hand		55,396		19,511	
		<u>64,976</u>		<u>29,287</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	11	720		1,440	
<b>Net current assets / (liabilities)</b>			<u>64,256</u>		<u>27,847</u>
<b>Total net assets / (liabilities)</b>			<u>870,525</u>		<u>894,547</u>
<b>Funds</b>	13				
Unrestricted funds:			<u>870,525</u>		<u>894,547</u>
<b>Total funds</b>			<u>870,525</u>		<u>894,547</u>

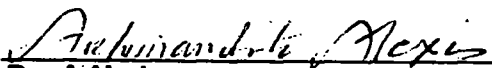
For the financial year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the trustees on 16 September 2019  
and signed on their behalf by:



**Rev A Alexis****Trustee****Company registration no. 01617405**

The attached notes form part of the financial statements.

# **King Edward Orthodox Trust Company Ltd**

## **Notes to the financial statements**

**For the year ended 31 March 2019**

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### **1 Accounting policies**

#### **a) Basis of preparation**

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company 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 or note.

#### **b) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### **c) Income and endowments**

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 the income receivable can be measured reliably.

#### **d) Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, 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 these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### **e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **f) Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

**King Edward Orthodox Trust Company Ltd**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

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**1 Accounting policies (continued)**

**g) Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**h) Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.

**i) Tangible fixed assets**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	In accordance with the property
Fixtures and fittings	15% on cost
Improvements to property	10% on cost
Monastic house	In accordance with the property

**j) Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

**k) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**l) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**m) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**King Edward Orthodox Trust Company Ltd**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**2 Income from donations and legacies**

	Unrestricted £	2019 Total £	2018 Total £
Donations from individuals	49,782	49,782	77,883
Legacies	-	-	10,000
	<u>49,782</u>	<u>49,782</u>	<u>87,883</u>

**3 Income from investments**

	Unrestricted £	2019 Total £	2018 Total £
Bank interest	43	43	37
Other interest receivable	721	721	3
Dividends	224	224	-
	<u>988</u>	<u>988</u>	<u>40</u>

**4 Analysis of expenditure**

	Activity undertaken directly £	Support costs £	2019 Total £	2018 Total £
Insurance	3,334	-	3,334	3,022
Light & Heat	1,775	-	1,775	1,837
Telephone	369	-	369	347
Repair and maintenance	3,431	-	3,431	3,564
Council tax	882	-	882	843
Depreciation	61,133	-	61,133	56,490
Donations	2,605	-	2,605	-
<u>Support costs</u>				
Independent Examiner's fees	-	720	720	1,440
Legal fees	-	240	240	-
Bank charges	-	60	60	65
	<u>73,529</u>	<u>1,020</u>	<u>74,549</u>	<u>67,608</u>
Support costs	1,020	(1,020)	-	-
<b>Total expenditure 2019</b>	<u>74,549</u>	<u>-</u>	<u>74,549</u>	<u>-</u>
<b>Total expenditure 2018</b>	<u>67,608</u>	<u>-</u>	<u>-</u>	<u>67,608</u>

Total expenditure of £74,549 (2017: £67,608) was unrestricted.

**King Edward Orthodox Trust Company Ltd**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**5 Net income / (expenditure) for the year**

This is stated after charging / (crediting):

	2019	2018
	£	£
Depreciation	61,133	56,490
Independent Examiner's fees:	720	1,440

**6. No trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2018: Nil).**

No trustees have received any reimbursed expenses from the charity during the year (2018: Nil).

**7 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**8 Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Improvements to property £	Monastic house £	Total £
<b>Cost</b>					
At the start of the year	52,500	27,209	550,377	557,039	1,187,125
Additions in year	-	-	-	-	-
At the end of the year	52,500	27,209	550,377	557,039	1,187,125
<b>Depreciation</b>					
At the start of the year	11,051	27,209	271,094	61,071	370,425
Charge for the year	525	-	55,038	5,570	61,133
At the end of the year	11,576	27,209	326,132	66,641	431,558
<b>Net book value</b>					
At the end of the year	40,924	-	224,245	490,398	755,567
At the start of the year	41,449	-	279,283	495,968	816,700

All of the above assets are used for charitable purposes.

**9 Investments**

	2019	2018
	£	£
<b>Investments at fair value:</b>		
Investment funds	50,702	50,000
	50,702	50,000
<b>Movements</b>		
Market value at the start of the year	50,000	50,000
Additions at cost	945	-
Disposals proceeds	-	-
Net gain/ (loss) on investments	(243)	-
Market value at the end of the year	50,702	50,000

**King Edward Orthodox Trust Company Ltd**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**10 Debtors**

	2019	2018
	£	£
Trade debtors	2,300	4,100
Other debtors	3,825	3,334
Prepayments	3,456	2,342
	<b>9,580</b>	<b>9,776</b>

**11 Creditors: amounts falling due within one year**

	2019	2018
	£	£
Accruals	720	1,440
	<b>720</b>	<b>1,440</b>

**12 Analysis of net assets between funds**

	General unrestricted	Total funds
	£	£
Tangible fixed assets	755,567	755,567
Investments	50,702	50,702
Net current assets	64,256	64,256
<b>Net assets at the end of the year</b>	<b>870,525</b>	<b>870,525</b>

**13 Movements in funds**

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	Transfers	At the end of the year
	£	£	£	£	£
<b>Unrestricted funds:</b>					
Unrestricted general funds	890,923	50,770	(74,792)	-	866,901
Non distributable reserves	3,624	-	-	-	3,624
<b>Total unrestricted funds</b>	<b>894,547</b>	<b>50,770</b>	<b>(74,792)</b>	<b>-</b>	<b>870,525</b>

**14 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

**15 Related party transactions**

There are no related party transactions to disclose for 2019 (2018: none).