

**Charity number: 211230**

## **Armenian Church of St Sarkis**

**Unaudited**

**Trustees' report and financial statements**

**For the year ended 31 December 2018**

## **Armenian Church of St Sarkis**

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## **Armenian Church of St Sarkis**

### **Reference and administrative details of the Charity, its trustees and advisers For the year ended 31 December 2018**

#### **Trustees**

S Mouradian, Hon. President and Chairman  
L Chilingirian OBE, President and Vice Chairman  
C Kurkjian, MCSI, Hon Treasurer  
Yuri Khodjamirian, CFA, Hon Secretary  
V Haroutunian  
N Yerissian (deceased 19 October 2018)  
Olivier Djololian  
Armen Der Hakobian

#### **Charity registered number**

211230

#### **Principal office**

Iverna Gardens  
London  
W8 6TP

#### **Investment Managers**

JM Finn & Co. Limited  
4 Coleman Street  
London  
EC2R 5TA

#### **Accountants**

Kreston Reeves LLP  
Statutory Auditors and Chartered Accountants  
Third Floor  
24 Chiswell Street  
London  
EC1Y 4YX

#### **Bankers**

Lloyds TSB Bank PLC  
112 Kensington High Street  
London  
W8 4SN

#### **Solicitors**

Pothecary Witham Weld Solicitors  
70 St George's Square  
London  
SW1V 3RD

## **Armenian Church of St Sarkis**

### **Trustees' report**

**For the year ended 31 December 2018**

The Trustees present their annual report together with the financial statements of the Charity for the 1 January 2018 to 31 December 2018. The Trustees confirm that the Annual report and financial statements of the Charity comply with the current statutory requires, the requirements of the charity's governing document and the provisions of the Statements of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Charity also trades under the name The Incorporated Trustees Of The Armenian Church of Saint Sarkis.

### **Objectives and Activities**

#### **a. Objectives and Activities**

The objects of the Charity are to permit the Church to be used, occupied and enjoyed as a place of public worship by members of the Armenian Church in England and as a residence for the clergyman and his family.

Each year our Trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

The Charity is responsible for the management of the activities of the Armenian Church of St Sarkis and of the Nevart Gulbenkian Church Hall.

### **Achievements and performance**

#### **a. Key financial performance indicators**

The Trustees have continued to provide a suitable and convenient place of worship for the Armenian community in London.

The ladies' committee of the church, with the help of the caretaker, has continued to provide coffee and refreshments to the congregation after church service every Sunday and on special occasions.

Armenian community organisations have continued using the church hall with increased frequency for cultural and social activities in the evenings.

In order to provide adequate pastoral and spiritual care to the faithful worshipping at St Sarkis Church, the Trustees appointed a full-time priest to lead the congregation in worship according to the teachings of the Armenian Church and to extend pastoral care in order to build a parish community around St Sarkis Church.

#### **b. Review of activities**

The remit of the Trustees is to maintain the church, vicarage, hall and grounds. The Trustees have achieved this successfully. Further improvements have been made to the church hall, kitchens and toilets. These have been a great success, indicated by increased usage of the facilities and enjoyment by the communities that use them.

#### **c. Investment policy and performance**

The mandate set for our investment managers, JM Finn & Co. Limited, is 'long term equity growth'. The portfolio, managed by JM Finn, was valued at £835,096, down from £865,761 twelve months ago, and £710,586 on 31st December 2016.

## **Armenian Church of St Sarkis**

### **Trustees' report (continued)**

**For the year ended 31 December 2018**

#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

##### **b. Principal risks and uncertainties**

The St Sarkis Charity Trust was set up to fund the operational and capital costs of the church as detailed in the Charity's Trust deed. The sum of £2,000 was stated in clause 2, and sums above this were at the full discretion of the Charity Trust (index-linking was unnecessary, due to full discretion provided by clause 3).

In 1997 clause, 3, was removed, to the detriment of the Church Trust, and since 2011, a recurring annual reduction was applied to the balance of costs paid by the Charity Trust. This is £2,000, until the £2,000 now stipulated is reached.

The Trustees of the Saint Sarkis Charity Trust have promised to support the church when necessary and to cover major works if approved by them.

Their rationale was that the community has grown and can now support the church. The reality is that the Saint Sarkis Parish, which currently has a membership of just over 110 is not yet ready to meet the total expenditure net of income of the Church Trust.

There is therefore an increasing risk that the St Sarkis Church Trust will have difficulty to cover all its running costs at some future point requiring more significant action to remain financially viable.

##### **c. Reserves policy**

The Trustees endeavour to have sufficient reserves to continue the running of the Church, Church Hall and vicarage for the foreseeable future. As at the 31 December 2018, the total funds were £3,822,320, of which £355,764 was held in restricted funds, £2,631,750 was held in endowment funds and £834,806 was held in unrestricted funds.

The principal funding source of the Charity is the Saint Sarkis Charity Trust.

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

##### **a. Constitution**

The Charity was established by Trust deed dated 8th January 1923 by Calouste Gulbenkian, is registered with the Charity Commission (Charity number 211230), 1st November 1963 and is an unincorporated charity.

Trustees must all be members of the Armenian Church. New trustees are appointed upon being nominated and elected in a duly constituted General Meeting. Trustees serve in an honorary capacity. The Trustees work to ensure that a sufficient number of serving trustees are professional persons who are able to keep abreast of developments in the law and best practice and will seek professional advice or training as appropriate. Such Trustees will normally serve on the Executive Committee, which manages the day to day affairs of the Trust. The overall decision making authority resides in General Meetings of the Trustees.

**Armenian Church of St Sarkis**

**Trustees' report (continued)**

**For the year ended 31 December 2018**

**b. Method of appointment or election of Trustees**


The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

This report was approved by the Trustees, on

and signed on their behalf by:



**S Mouradian Hon. President & Chairman  
Trustee**



**C Kurkjian Hon. Treasurer  
Trustee**

## Armenian Church of St Sarkis

### Independent examiner's report For the year ended 31 December 2018

#### Independent examiner's report to the Trustees of Armenian Church of St Sarkis (the 'Charity')

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work 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 work or for this report.

#### 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 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 2011 Act.

#### Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I can 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.

Signed:



Dated:

30<sup>th</sup> October, 2019

Stephen Tanner BSc (econ) FCA

**Kreston Reeves LLP**  
Chartered Accountants  
London

# Armenian Church of St Sarkis

## Statement of financial activities For the year ended 31 December 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income and endowments from:</b>						
Donations and legacies	3	43,125	42,500	-	85,625	70,190
Other trading activities	4	63,200	-	-	63,200	66,483
Investments	5	28,831	-	-	28,831	20,539
<b>Total income and endowments</b>		<b>135,156</b>	<b>42,500</b>	<b>-</b>	<b>177,656</b>	<b>157,212</b>
<b>Expenditure on:</b>						
Raising funds	4	4,206	-	-	4,206	3,899
Charitable activities	7	141,258	20,656	6,765	168,679	127,791
<b>Total expenditure</b>	6	<b>145,464</b>	<b>20,656</b>	<b>6,765</b>	<b>172,885</b>	<b>131,690</b>
<b>Net income / (expenditure) before investment gains/(losses)</b>		<b>(10,308)</b>	<b>21,844</b>	<b>(6,765)</b>	<b>4,771</b>	<b>25,522</b>
Gains on revaluation of investments	14	(60,057)	-	-	(60,057)	100,763
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(70,365)</b>	<b>21,844</b>	<b>(6,765)</b>	<b>(55,286)</b>	<b>126,285</b>
<b>Net movement in funds</b>		<b>(70,365)</b>	<b>21,844</b>	<b>(6,765)</b>	<b>(55,286)</b>	<b>126,285</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		905,171	333,920	2,638,515	3,877,606	3,751,321
<b>Total funds carried forward</b>		<b>834,806</b>	<b>355,764</b>	<b>2,631,750</b>	<b>3,822,320</b>	<b>3,877,606</b>

All activities relate to continuing operations.

The notes on pages 8 to 20 form part of these financial statements.



# Armenian Church of St Sarkis

## Balance sheet As at 31 December 2018

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	13		2,977,711		2,998,739
Investments	14		835,096		865,791
			<u>3,812,807</u>		<u>3,864,530</u>
<b>Current assets</b>					
Debtors	15	2,600		2,460	
Cash at bank and in hand		31,068		24,713	
		<u>33,668</u>		<u>27,173</u>	
<b>Creditors:</b> amounts falling due within one year	16	(24,155)		(14,097)	
<b>Net current assets</b>			9,513		13,076
<b>Net assets</b>			<u>3,822,320</u>		<u>3,877,606</u>
<b>Charity Funds</b>					
Endowment funds	17		2,631,750		2,638,515
Restricted funds	17		355,764		333,920
Unrestricted funds	17		834,806		905,171
<b>Total funds</b>			<u>3,822,320</u>		<u>3,877,606</u>

The financial statements were approved by the Trustees on 18/03/2019 and signed on their behalf, by:




**S Mouradian Hon. President & Chairman - Trustee** **C Kurkjian Hon. Treasurer - Trustee**

The notes on pages 8 to 20 form part of these financial statements.

## **Armenian Church of St Sarkis**

### **Notes to the financial statements For the year ended 31 December 2018**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Armenian Church of St Sarkis constitutes a public benefit entity as defined by FRS 102.

##### **1.2 Judgements in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Depreciation is charged on tangible fixed assets to allocate the cost of the asset over its useful life. Useful lives of four years have been selected for plant and machinery and computer equipment, with no residual value. The Church Hall is being depreciated over a useful life of fifty years, and no depreciation is charged on the Church buildings and Vicarage as the residual value of the building is high given the maintenance carried out on an annual basis.

##### **1.3 Going concern**

The financial statements have been based on the expectation of the Charity continuing as a going concern for the next 12 months. The Trustees believe that there are no uncertainties regarding the accounts being prepared on a going concern basis.

## **Armenian Church of St Sarkis**

### **Notes to the financial statements For the year ended 31 December 2018**

#### **1. Accounting policies (continued)**

##### **1.4 Income**

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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income and donations from the Trustees of St Sarkis Charity Trust are accounted for on a receivable basis. Other donations are credited to income when received.

Cash donations are received in the offertory box at the Church. This is periodically opened by a member of the clergy in the presence of a Trustee. The donations are counted and then banked at the earliest opportunity.

The Church hall hire income is accounted for in the period to which it relates.

## **Armenian Church of St Sarkis**

### **Notes to the financial statements For the year ended 31 December 2018**

#### **1. Accounting policies (continued)**

##### **1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Expenditure has been classified under the headings that aggregate all costs related to the category, and are recognised on an accrual basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fee and costs linked to the strategic management of the Charity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

##### **1.6 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

##### **1.7 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

## **Armenian Church of St Sarkis**

### **Notes to the financial statements For the year ended 31 December 2018**

#### **1. Accounting policies (continued)**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Church hall	-	2% straight line
Plant and machinery	-	25% straight line
Fixtures and fittings	-	25% straight line

The Church Building and the Vicarage are not depreciated due to their very long useful life and the Trustees do not wish to adopt a revaluation policy. It is the policy of the Trustees to maintain the Church Building and Vicarage at least to their current standard and to charge to the Statement of financial activities the cost of maintenance as is it incurred.

#### **1.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

#### **1.9 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.

#### **1.10 Debtors**

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

#### **1.11 Cash at Bank and in hand**

Cash at bank and 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.

#### **1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

## Armenian Church of St Sarkis

### Notes to the financial statements For the year ended 31 December 2018

#### 1. Accounting policies (continued)

##### 1.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 1.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

##### 1.15 Taxation

The charity is a registered charity and is exempt from income tax and corporation tax under s.478 of the Corporation Tax Act 2010.

##### 1.16 Cash flow

The charity has taken advantage of the disclosure exemption of 'Section 7 Statement of Cash Flows' in preparing these financial statements as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### 2. Trustee remuneration

None of the Trustees received any remuneration or benefits in kind, nor were they reimbursed their expenses during the year.

#### 3. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations - St Sarkis	-	42,500	-	42,500	-
Donations - St Sarkis	31,990	-	-	31,990	34,000
Donations - Other	11,135	-	-	11,135	11,190
Legacies	-	-	-	-	25,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	43,125	42,500	-	85,625	70,190
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017	70,190	-	-	70,190	
	<hr/>	<hr/>	<hr/>	<hr/>	

During the year, the charity received £Nil (2016: £3,500) in respect of an insurance claim.

# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 4. Trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Charity trading income</b>					
Hire of Church Hall	63,200	-	-	63,200	66,483
Net income from trading activities	63,200	-	-	63,200	66,483

### 5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
Gross dividends from UK listed shares and bonds	28,831	-	-	28,831	20,539
<i>Total 2017</i>	20,539	-	-	20,539	

in 2017 the total investment income of £20,539 was to unrestricted funds and £Nil was to restricted funds or endowment funds.

### 6. Analysis of Expenditure by expenditure type

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on investment management	-	-	4,206	4,206	3,899
<b>Costs of raising funds</b>	-	-	4,206	4,206	3,899
Hire of church hall (Note 7)	49,982	21,028	89,845	160,855	120,113
Expenditure on governance	-	-	7,824	7,824	7,678
	49,982	21,028	101,875	172,885	131,690
<i>Total 2017</i>	51,188	21,028	59,474	131,690	

# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 7. Analysis of expenditure on charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of church hall	133,434	20,656	6,765	160,855	120,113
<i>Total 2017</i>	120,113	-	-	120,113	

### 8. Governance costs

	Total Funds 2018 £	Total Funds 2017 £
Auditors' remuneration	-	5,710
Auditors' non audit costs	2,064	1,968
Independent examiner's fee	5,760	-
<b>Total</b>	<b>7,824</b>	<b>7,678</b>

### 9. Direct costs

	2018 £	2017 £
Ministerial expenses	31,398	32,439
Organists and choristers	7,428	8,015
Church expenses	22,309	22,331
Pension costs	377	130
<b>Total</b>	<b>61,512</b>	<b>62,915</b>

### 10. Support costs

	2018 £	2017 £
Light and heat	10,724	7,942
Rates	3,392	1,435
Telephone	985	1,561
General repairs and renewals	33,317	9,896
Insurance	13,355	8,702
Depreciation	21,028	21,028
Sundry expenses	591	1,362
Legal and professional	15,951	5,272
<b>Total</b>	<b>99,343</b>	<b>57,198</b>



# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 11. Net incoming/(resources expended)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	<u>21,028</u>	<u>21,028</u>

### 12. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	48,955	50,572
Social security costs	650	486
Other pension costs	377	130
	<u>49,982</u>	<u>51,188</u>

The average number of persons employed by the Charity during the year was as follows:

	2018 No.	2017 No.
Ministers	3	3
Administration	2	2
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 13. Tangible fixed assets

	Church hall £	Church building and vicarage £	Plant and machinery £	Furniture, fittings and equipment £	Total £
<b>Cost</b>					
At 1 January 2018 and 31 December 2018	704,639	2,460,000	39,193	35,742	3,239,574
<b>Depreciation</b>					
At 1 January 2018	175,218	-	35,123	30,494	240,835
Charge for the year	14,094	-	2,186	4,748	21,028
At 31 December 2018	189,312	-	37,309	35,242	261,863
<b>Net book value</b>					
At 31 December 2018	515,327	2,460,000	1,884	500	2,977,711
At 31 December 2017	529,421	2,460,000	4,070	5,248	2,998,739

The Church Buildings and the Vicarage, and the Church Hall were last valued at 31 December 1996 to open market value by the Trustees of the Charity.

All the fixed assets are used by the Charity for charitable activities.

### 14. Fixed asset investments

	Listed securities £	Cash held for investments £	Total £	
<b>Market value</b>				
At 1 January 2018	848,164	17,627	865,791	
Additions	111,355	(15,904)	95,451	
Disposals	(72,457)	-	(72,457)	
Revaluations	(53,689)	-	(53,689)	
	<hr/>	<hr/>	<hr/>	
At 31 December 2018	833,373	1,723	835,096	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
<b>Investments at market value comprise:</b>				
	UK £	Overseas £	2018 £	2017 £
Listed investments	543,742	289,631	833,373	848,164
Cash held for investments	1,723	-	1,723	17,627
	<hr/>	<hr/>	<hr/>	<hr/>
Total market value	545,465	289,631	835,096	865,791
	<hr/>	<hr/>	<hr/>	<hr/>

# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 14. Fixed asset investments (continued)

#### Material investments

	31 December 2018 £	31 December 2017 £
Old Mutual Fund Managers UK Mid Cap R Inc	48,400	90,321
Capita Financial Managers Lindsell Train UK Equity Inc	60,422	79,833
Man Fund Management UK Limited GLG Undervalued	54,199	80,348
T. Bailey Fnd Services Ltd	57,548	59,265
Artemis Fund Managers Global Income Units Instl Inc	-	41,390
River & Mercantile Funds CVC UK Equity Income B Inc	59,730	69,958
First State Investments (UK) Stewart Investment Asia Pac LDRS B Inc	50,325	-
Other	504,472	444,676
	<u>835,096</u>	<u>865,791</u>

### 15. Debtors

	2018 £	2017 £
Other debtors	250	250
Prepayments and accrued income	2,350	2,210
	<u>2,600</u>	<u>2,460</u>

### 16. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,335	4,091
Other taxation and social security	2,253	2,280
Accruals and deferred income	19,567	7,726
	<u>24,155</u>	<u>14,097</u>

# Armenian Church of St Sarkis

## Notes to the financial statements For the year ended 31 December 2018

### 17. Statement of funds

#### Statement of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
<b>Unrestricted funds</b>					
General Funds - all funds	905,171	135,156	(145,464)	(60,057)	834,806
<b>Endowment funds</b>					
Endowment Funds - all funds	2,638,515	-	(6,765)	-	2,631,750
<b>Restricted funds</b>					
Building works	331,920	42,500	(20,656)	-	353,764
Flower fund	2,000	-	-	-	2,000
	333,920	42,500	(20,656)	-	355,764
<b>Total of funds</b>	<b>3,877,606</b>	<b>177,656</b>	<b>(172,885)</b>	<b>(60,057)</b>	<b>3,822,320</b>

## Armenian Church of St Sarkis

### Notes to the financial statements For the year ended 31 December 2018

#### 17. Statement of funds (continued)

##### Statement of funds - prior year

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
General Funds - all funds	765,886	157,212	(118,690)	100,763	905,171
Endowment Funds - all funds	2,645,279	-	(6,764)	-	2,638,515
<b>Restricted funds</b>					
Building works	338,156	-	(6,236)	-	331,920
Flower fund	2,000	-	-	-	2,000

The endowment fund represents those assets which must be held permanently by the Charity. Depreciation on these assets can be charged against the fund. The assets consist of the Church Building and Vicarage, and the Church Hall, all of which were revalued at 31 December 1996.

The 'Flower fund' represents money recieved to ensure the continuing provision of flowers in the Church.

The 'Building works' represents monies received from St Sarkis Charity for the upkeep of the building of the Chuch Hall.

#### 18. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	345,961	2,631,750	2,977,711
Fixed asset investments	825,293	9,803	-	835,096
Current assets	33,668	-	-	33,668
Creditors due within one year	(24,155)	-	-	(24,155)
	<u>834,806</u>	<u>355,764</u>	<u>2,631,750</u>	<u>3,822,320</u>

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £
Tangible fixed assets	26,304	333,920	2,638,515	2,998,739
Fixed asset investments	865,791	-	-	865,791
Current assets	27,173	-	-	27,173
Creditors due within one year	(14,097)	-	-	(14,097)
	<u>905,171</u>	<u>333,920</u>	<u>2,638,515</u>	<u>3,877,606</u>

## **Armenian Church of St Sarkis**

### **Notes to the financial statements For the year ended 31 December 2018**

#### **19. Pension commitments**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £377 (2017: £130). Contributions totalling £Nil (2017: £Nil) were payable to the fund at the balance sheet date.

#### **20. Related party transactions**

The founder of Armenian Church of St Sarkis also set up the St Sarkis Charity Trust with the intention that one entity would manage the assets and other would manage the income. Although not falling within the definition of a related party, due to the historical link between the two charities they are treated as if they are related. During the year, the Charity received £74,490 (2017: £34,000) in donations from the Saint Sarkis Charity Trust. At the balance sheet date, there is a balance outstanding of £Nil (2017: £Nil) from the Saint Sarkis Charity Trust.

During the year the trustees made donations of £100 (2017: £2,400) to the charity. At the balance sheet date £Nil (2017: £Nil) was outstanding.

#### **21. Controlling party**

The Trustees are the controlling party of the Charity.