

Charity Registration No. 1023334

Company Registration No. 01510380 (England and Wales)

THE WORLD ZOROASTRIAN ORGANISATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Meher Amersey
Dr Kersey Antia
Dr Jehan Bagli
Ms Shahin Bekhradnia
Mr Sammy Bhiwandiwalla
Mr Maneck Bhujwala
Mr Shahpur Captain
Mrs Mani Clubwala
Mrs Hutoxy Cowasjee
Mrs Armaity Engineer
Mrs Benafsha Engineer Mulla
Mr Russi Ghadiali
Dr Godafreed Irani
Dr Parmis Khatibi
Mr Homi Khusrokhan
Mr Jimmy Madon
Mr Kayomارش Mehta
Mr Dadi Mistry
Mr Darius Mistry
Mr Minoo Mistry
Mr Dinyar Modi
Mr Darayus Motivala
Dr Zenobia Nadirshaw
Mrs Manijeh Parki
Mrs Monaz Patel
Mr Tirdad Sarooshian
Mr Kersi Shroff
Mr Filli Vapiwala
Mr Sam Vesuna
Mr Rostam Yeganegi
Mrs Zerbanoo Gifford
Mr Tehemtān Arjani

(Appointed 20 May 2019)
(Appointed 18 October 2018)

Secretary

Mr Darayus Motivala

Charity number

1023334

Company number

01510380

Registered office

The World Zoroastrian House
5 Hanworth Road
Feltham
UK
TW13 5AF

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Auditor

Nash Harvey Group LLP
The Granary
Hermitage Court
Hermitage Lane
Maidstone
Kent
ME16 9NT

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

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THE WORLD ZOROASTRIAN ORGANISATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects and principal activities are:

- The advancement of the Zoroastrian religious faith generally and in such particular respects as the association may from time to time think fit.
- The provision of a burial ground or grounds for persons of the Zoroastrian religion and up keep and maintenance of such grounds.
- The relief of poverty among persons of the Zoroastrian religion in such ways as the association shall from time to time think fit.
- The advancement of education for persons of the Zoroastrian religion.
- The relief of sickness for persons of the Zoroastrian religion.

The main objectives and activities for the year continued to be charitable aid for the medical treatment and education of Zoroastrians, the advancement of the Zoroastrian religious faith, and the relief of poverty among Zoroastrians. The strategies employed to assist the charity to meet these objectives included the following:

- Encouraging Zoroastrians everywhere to form national associations, which will network with the charity.
- Holding a seminar and lecture on Zoroastrian religion, history and culture.
- Holding social functions to raise funds.
- Publishing a journal and annual calendar.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Achievements and Performance of the organisation are given in detail in the accompanying Annual Report prepared by the Managing Committee.

Financial review

The charity generated a net increase in funds of £321,807.

Principal Funding Sources

Aside from the income generated from the social functions, the principal funding source for the charity is currently by way of donations. Throughout the year donations received amounted to £411,752.

Expenditure in the year has been in the form of assistance to the Zoroastrian community, thus supporting the key objectives of the charity. The charitable works are worldwide, and particularly in India.

Reserves Policy

Much of the company's charitable work cannot be expressed in financial terms and the aim of the directors is to accumulate a sufficient corpus of funds so that this work can be carried on supported by investment income alone. Donations targeted at particular individuals or events are passed through the hands of the company as quickly as possible, but donations to the various funds generally are being accumulated, subject always to the directors' discretion. For the sake of clarity, a sum of £250,000 for each of the Gujarat (with its subsidiary funds) and the Noshirwan F Cowasjee Medical Benevolent funds, and £300,000 for the General fund would presently be regarded as sufficient to maintain their intended activity without recourse to their capital amount.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Investment Policy

The charity's investments were securely managed this year, despite the uncertain market conditions and the intention of the board has always been to hold investments for the long term.

However, the board has agreed that investments may and should be sold in order to assist financially in the ongoing plans to refurbish World Zoroastrian House. The board has agreed that funds that have seen a diminishing in their core value be compensated for their loss.

Risk Management

Despite the uncertainty of the stock market, the directors continue to regard a carefully managed portfolio of blue-chip securities as offering the best long-term prospects for a portion of the charity's funds. Investment in the charity's own premises adds a further balance to the risk of equities alone. Thirdly, a relatively high level of cash is maintained at all times unless suddenly depleted by emergency relief work.

Internal risks are minimised by the numbers and professional qualities of the managing committee and the fact that these financial statements are available, together with a full annual report of the charity's work, to the members of the Organisation in the UK and the rest of the world.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 1st August 1980 and registered as a charity on 30th June 1993. The company was established under a Memorandum of Association, amended by special resolutions on 24th April 1993 and subsequently on 23rd September 2012, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount of £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Meher Amersey
Dr Kersey Antia
Dr Jehan Bagli
Ms Shahin Bekhradnia
Mr Sammy Bhiwandiwalla
Mr Maneck Bhujwala
Mr Shahpur Captain
Mrs Mani Clubwala
Mrs Hutoxy Cowasjee
Mrs Armaity Engineer
Mrs Benafsha Engineer Mulla
Mr Russi Ghadiali
Dr Godafreed Irani
Dr Parmis Khatibi
Mr Homi Khusrokhan
Mr Jimmy Madon
Mr Kayomارش Mehta
Mr Dadi Mistry
Mr Darius Mistry
Mr Minoo Mistry
Mr Dinyar Modi
Mr Darayus Motivala

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Dr Zenobia Nadirshaw

Mrs Manijeh Parki

Mrs Monaz Patel

Mr Tirdad Sarooshian

Mr Kersi Shroff

Mr Filli Vapiwala

Mr Sam Vesuna

Mr Rostam Yeganegi

Mrs Zerbanoo Gifford

(Appointed 20 May 2019)

Mr Tehemtan Arjani

(Appointed 18 October 2018)

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. The Vice President is always elected from a country outside of the United Kingdom.

New trustees are co-opted to the Management Committee and are nominated or can offer themselves for election at the following Annual General Meeting.

Directors serve the Organisation voluntarily and draw no remuneration or benefits in kind. The directors are Trustees for the purposes of the Charities Act as amended by Statutory Instrument 2000 (No. 2868) and this report should be taken as the Trustees Report as required by that legislation and by the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

No other third party is entitled to appoint a member of the Management Committee.

All directors receive monthly board minutes. Directors who are resident in the UK attend monthly meetings and take executive decisions. Overseas directors participate through email and telephone and attend meetings of the board when they are in the UK.

Day to day responsibility for the provision of the services rests with the senior management team who are primarily located in the United Kingdom. They communicate regularly by email and meet monthly.

Applications for grants are brought before the managing committee at their monthly meetings, and considered. Where necessary, further information is sought from trustees geographically closer to the applicant. Decisions to make grants are minuted although telephonic discussions may not be. Clear and urgent cases may be beyond discussion with the full committee but are minuted at the subsequent meeting. Relief to the Gujerat region is sent to Mr D K Tamboly (the ex vice-president of the charity), with specific instructions in the case of restricted funds. Mr D K Tamboly is the trustee of The World Zoroastrian Organisation Trust (India), a separate charity conforming to the law of India. Verification of the final destination of restricted funds is usually obtained from the donee in the form of a letter of thanks etc. as well as from the regular reports of Mr D K Tamboly to the managing committee. The World Zoroastrian Organisation Trust also collects funds in India from all over the world, for the same purposes as The World Zoroastrian Organisation collects in the UK.

During the year under review the charity held Abacus Education Limited as a wholly owned subsidiary and for the purpose of channelling its proposed commercial activities.

Charity regulations are not the same throughout the world and the charity welcomes and encourages Zoroastrians everywhere to form national associations which will network with The World Zoroastrian Organisation Limited.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2018*

Trustee Induction and Training

Most trustees are already familiar with the work of the charity and have a wide knowledge of business and commerce. They are guided by the Memorandum and Articles of Association, a copy of which is distributed to new members along with copies of the latest financial statements.

Auditor

In accordance with the company's articles, a resolution proposing that Nash Harvey Group LLP be reappointed as auditor of the company will be put at a General Meeting.

The trustees report was approved by the Board of Trustees.

Mr Sammy Bhiwandiwalla

Trustee

Dated: 5 September 2019

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees, who are also the directors of The World Zoroastrian Organisation Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE WORLD ZOROASTRIAN ORGANISATION LIMITED

Opinion

We have audited the financial statements of The World Zoroastrian Organisation Limited (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WORLD ZOROASTRIAN ORGANISATION LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WORLD ZOROASTRIAN ORGANISATION LIMITED

Use of our report

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. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Smith Bsc FCA (Senior Statutory Auditor)
for and on behalf of Nash Harvey Group LLP

5 September 2019

Chartered Accountants
Statutory Auditor

The Granary
Hermitage Court
Hermitage Lane
Maidstone
Kent
ME16 9NT

Nash Harvey Group LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>					
Donations and legacies	3	375,538	36,214	411,752	171,477
Charitable activities	4	12,384	-	12,384	8,625
Other trading activities	5	946	-	946	1,464
Investments	6	24,131	6,513	30,644	32,133
Other income	7	65,738	-	65,738	40,712
Total income		478,737	42,727	521,464	254,411
<u>Expenditure on:</u>					
Raising funds	8	50,395	-	50,395	48,631
Charitable activities	9	46,349	72,739	119,088	120,989
Total resources expended		96,744	72,739	169,483	169,620
Net gains/(losses) on investments	13	(24,970)	(6,243)	(31,213)	109,131
Net incoming/(outgoing) resources		357,023	(36,255)	320,768	193,922
<u>Other recognised gains and losses</u>					
Other gains or losses	14	831	208	1,039	(4,771)
Net movement in funds		357,854	(36,047)	321,807	189,151
Fund balances at 1 January 2018		2,925,810	1,080,050	4,005,860	3,816,709
Fund balances at 31 December 2018		3,283,664	1,044,003	4,327,667	4,005,860

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	15		1		1
Tangible assets	16		3,660,913		2,044,725
Investments	17		134,966		488,675
			<u>3,795,880</u>		<u>2,533,401</u>
Current assets					
Debtors	19	67,773		69,260	
Cash at bank and in hand		534,506		1,508,379	
		<u>602,279</u>		<u>1,577,639</u>	
Creditors: amounts falling due within one year	20	(70,492)		(105,180)	
Net current assets			531,787		1,472,459
Total assets less current liabilities			<u>4,327,667</u>		<u>4,005,860</u>
Income funds					
Restricted funds	22	1,044,003		1,080,050	
Unrestricted funds		3,283,664		2,925,810	
		<u>4,327,667</u>		<u>4,005,860</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Trustees on 5 September 2019

Mr Shahpur Captain
Trustee

Mr Dinyar Modi
Trustee

Company Registration No. 01510380

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	26		292,387		46,013
Investing activities					
Purchase of tangible fixed assets		(1,619,400)		(191,293)	
Proceeds on disposal of tangible fixed assets		-		117,244	
Purchase of investments		(136,469)		(25,903)	
Proceeds on disposal of investments		458,965		489,313	
Interest received		30,644		32,133	
Net cash (used in)/generated from investing activities			(1,266,260)		421,494
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(973,873)		467,507
Cash and cash equivalents at beginning of year			1,508,379		1,040,872
Cash and cash equivalents at end of year			534,506		1,508,379

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

The World Zoroastrian Organisation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The World Zoroastrian House, 5 Hanworth Road, Feltham, TW13 5AF, UK.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure will be recognised in the period in which a liability is incurred and will be classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they will be allocated on a basis consistent with the use of resources, such as in the case of support and governance costs.

Costs of raising funds will be costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activity costs will be costs incurred on the Charity's charitable operations.

Governance costs will include the costs attributable to the Charity's compliance with statutory requirements, including audit, accounts preparation and legal and professional fees.

Support costs will include any other expense that cannot be directly attributed to one of the other activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	20% straight line.
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation deemed necessary.
Fixtures and fittings	15% reducing balance.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Donated goods and services	375,538	36,214	411,752	171,477
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 December 2017	<u>62,006</u>	<u>109,471</u>		<u>171,477</u>

4 Charitable activities

	Income from dinner dances	Income from dinner dances
	2018 £	2017 £
Fund raising activity income - dinner dances and barbecues	12,384	8,625
	<u> </u>	<u> </u>

5 Other trading activities

	Unrestricted funds	Total
	2018 £	2017 £
Trading activity income: Subscriptions	946	1,464
	<u> </u>	<u> </u>

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Income from listed investments	16,073	-	16,073	19,117
Income from unlisted investments	-	4,232	4,232	3,748
Interest receivable	8,058	2,281	10,339	9,268
	<u>24,131</u>	<u>6,513</u>	<u>30,644</u>	<u>32,133</u>
For the year ended 31 December 2017	<u>26,406</u>	<u>5,727</u>		<u>32,133</u>

7 Other income

	Unrestricted funds	Total
	2018 £	2017 £
Net gain on disposal of tangible fixed assets	-	40,712
Other income	65,738	-
	<u>65,738</u>	<u>40,712</u>

Other income includes £65,738 received by the charity in respect of dilapidations from the former tenant of Bridge House, Hanworth Road, Feltham, TW13 5DD.

8 Raising funds

	Unrestricted funds	Total
	2018 £	2017 £
<u>Fundraising and publicity</u>		
Other fundraising costs	21,330	14,549
Depreciation and impairment	1,863	3,315
Support costs	27,202	30,767
	<u>50,395</u>	<u>48,631</u>
Fundraising and publicity	<u>50,395</u>	<u>48,631</u>

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Charitable activities

	2018 £	2017 £
Depreciation and impairment	1,349	2,400
Financial assistance to individuals and appeals.	87,603	90,777
	<u>88,952</u>	<u>93,177</u>
Share of support costs (see note 10)	17,972	14,836
Share of governance costs (see note 10)	12,164	12,976
	<u>119,088</u>	<u>120,989</u>
Analysis by fund		
Unrestricted funds	46,349	68,100
Restricted funds	72,739	52,889
	<u>119,088</u>	<u>120,989</u>
For the year ended 31 December 2017		
Unrestricted funds	68,100	
Restricted funds	52,889	
	<u>120,989</u>	

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Bank charges	1,952	-	1,952	1,868	Transactions
Communications	571	-	571	764	Time
General Office	-	-	-	589	Time
Postage	2,501	-	2,501	3,244	Direct
Premises	35,228	-	35,228	27,829	Floor Area
Publicity and Hospitality	615	-	615	703	Direct
Repairs	4,137	-	4,137	10,044	Support
Travel	168	-	168	563	Support
Audit fees	-	1,500	1,500	1,500	Governance
Accountancy	-	2,264	2,264	1,164	Governance
Legal and professional	-	3,100	3,100	6,085	Governance
Annual Report	-	1,565	1,565	1,571	Governance
General Administration	-	236	236	258	Governance
Premises	-	3,499	3,499	2,398	Governance
	<u>45,174</u>	<u>12,164</u>	<u>57,338</u>	<u>58,579</u>	
Analysed between					
Fundraising	27,202	-	27,202	30,767	
Charitable activities	17,972	12,164	30,136	27,812	
	<u>45,174</u>	<u>12,164</u>	<u>57,338</u>	<u>58,579</u>	

Governance costs includes payments to the auditors of £1,500 (2017: £1,500) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

There were no employees during the year.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Revaluation of investments	(99,575)	(24,894)	(124,469)	(27,619)
Gain/(loss) on sale of investments	74,605	18,651	93,256	136,750
	<u>(24,970)</u>	<u>(6,243)</u>	<u>(31,213)</u>	<u>109,131</u>
For the year ended 31 December 2017	<u>87,304</u>	<u>21,827</u>		<u>109,131</u>

14 Other gains or losses

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Foreign exchange gains	<u>(831)</u>	<u>(208)</u>	<u>(1,039)</u>	<u>4,771</u>
For the year ended 31 December 2017	<u>3,817</u>	<u>954</u>		<u>4,771</u>

15 Intangible fixed assets

	Website £
Cost	
At 1 January 2018 and 31 December 2018	<u>22,064</u>
Amortisation and impairment	
At 1 January 2018 and 31 December 2018	<u>22,063</u>
Carrying amount	
At 31 December 2018	<u>1</u>
At 31 December 2017	<u>1</u>

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2018	2,037,356	19,729	2,057,085
Additions	1,605,356	14,044	1,619,400
At 31 December 2018	3,642,712	33,773	3,676,485
Depreciation and impairment			
At 1 January 2018	-	12,360	12,360
Depreciation charged in the year	-	3,212	3,212
At 31 December 2018	-	15,572	15,572
Carrying amount			
At 31 December 2018	3,642,712	18,201	3,660,913
At 31 December 2017	2,037,356	7,369	2,044,725

17 Fixed asset investments

	Listed investments £	Unlisted investments £	Other investments	Total £
Cost or valuation				
At 31 December 2018	488,574	100	1	488,675
Additions	136,469	-	-	136,469
Valuation changes	(124,469)	-	-	(124,469)
Disposals	(365,709)	-	-	(365,709)
At 31 December 2018	134,865	100	1	134,966
Carrying amount				
At 31 December 2018	134,865	100	1	134,966
At 31 December 2017	488,574	100	1	488,675

	Notes	2018 £	2017 £
Other investments comprise:			
Investments in subsidiaries	25	1	1

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18	Financial instruments		2018	2017
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		36,544	36,544
	Equity instruments measured at cost less impairment		134,965	488,674
			<u> </u>	<u> </u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		37,680	30,562
			<u> </u>	<u> </u>
19	Debtors		2018	2017
			£	£
	Amounts falling due within one year:			
	Other debtors		64,908	51,426
	Prepayments and accrued income		2,865	17,834
			<u> </u>	<u> </u>
			67,773	69,260
			<u> </u>	<u> </u>
20	Creditors: amounts falling due within one year		2018	2017
		Notes	£	£
	Deferred income	21	32,812	74,618
	Amounts owed to subsidiary undertakings		22,088	16,298
	Other creditors		8,545	8,237
	Accruals and deferred income		7,047	6,027
			<u> </u>	<u> </u>
			70,492	105,180
			<u> </u>	<u> </u>

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

21 Deferred income

	2018 £	2017 £
Arising from Deferred Income	32,812	74,618
	<u>32,812</u>	<u>74,618</u>

Deferred income is included in the financial statements as follows:

	2018 £
Balance as at 1 January 2017	74,618
Deferred in year	-
Released in year	(41,806)
	<u>32,812</u>

Deferred income represents the unexpended element of donations received, pending the Managing Committee's decision as to the application of the funds in line with the donors' request.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 January 2018	Incoming resources	Resources expended	Balance at 31 December 2018
	£	£	£	£
Noshirwan F Cowasjee Medical Benevolent	443,048	15,191	(8,301)	449,938
Gujarat Relief	74,892	19,092	(16,176)	77,808
Emergency Relief	59,184	1,339	-	60,523
Mobed	1,390	32	-	1,422
Religious Education	28,153	637	(16,397)	12,393
Poverty Relief: Roshan A Dehnugara	29,414	966	(12,000)	18,380
Poverty Relief: Rhoda Rupa	35,381	800	-	36,181
Education: Aloo Vatcha	134,119	14,743	(13,888)	134,974
Education: Edward Framrose Edulji & Allan Framrose Gazi	18,739	2,066	(1,948)	18,857
Education: Dr Minocher Rustom Vesuna & Mrs Dowlat Minocher Vesuna	54,484	3,355	(3,452)	54,387
Education: Sheroo Darabsha Kolsavala	15,721	877	(578)	16,020
Hormuzdiar Damkevala Humanitarian Endowment	46,612	2,281	-	48,893
Unrealised Capital Gain	138,913	-	(24,686)	114,227
	<u>1,080,050</u>	<u>61,379</u>	<u>(97,426)</u>	<u>1,044,003</u>

Purposes of Restricted Funds:-

Noshirwan F Cowasjee Medical Benevolent Fund - An income earning corpus from which to provide financial help with medical expenses, specifically where ordinary health provisions prove inadequate in the patient's country of residence.

Gujarat Relief Fund - The relief of poverty amongst the Zoroastrian farming community in Gujarat.

Emergency Relief Fund - For Zoroastrian community relief in the event of natural disasters.

Mobed Fund - To relieve the problems of members of the priestly class who have fallen upon hard times.

Religious Education Fund - To fund the education expenses of students and public at the priest's college for Zoroastrians.

Poverty Relief Funds - To provide relief from poverty.

Education Funds - To provide loans or grants for the further education of Zoroastrians from all over the world who would otherwise be unable to complete their studies.

Hormuzdiar Damkevala Humanitarian Endowment - To provide humanitarian relief to Zoroastrians worldwide.

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

23 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31 December 2018 are represented by:			
Intangible fixed assets	1	-	1
Tangible assets	2,777,758	883,155	3,660,913
Investments	102,407	32,559	134,966
Current assets/(liabilities)	403,499	128,288	531,787
	<u>3,283,665</u>	<u>1,044,002</u>	<u>4,327,667</u>

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

24 Related party transactions

No members of the management committee received any remuneration during the year. Postage and other administration costs amounting to £4,421 (2017: £6,701) were reimbursed to 2 (2017: 2) members of the management committee. Some directors do not claim reimbursement of expenses incurred. Volunteers have postage and other administration expenses reimbursed to them and these are included in the resources expended unless specific to fund raising activities.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2017: Nil).

During the year:

- I. The World Zarathushtrian Trust Fund, a charity with two common trustees, contributed funds totalling £75,000 to the refurbishment of World Zoroastrian House (2017: £4,700 to Education and Medical Funds).
- II. The Firuz Madon Foundation, a charity with one common trustee, contributed funds totalling £3,000 (2017: £11,200) to the General Fund, to assist in furthering the aims and objectives of the charity.
- III. The Dasturji Dr Sohrabji H Kutar Benevolent Fund, a charity with two common trustees, contributed funds totalling £75,000 to the refurbishment of World Zoroastrian House (2017: £Nil)
- IV. The Eruch & Roshan Sadri Foundation, a charity with one common trustee, contributed funds totaling £75,000 to the refurbishment of World Zoroastrian House and £21,306 to General and Education Funds (2017: £24,182 to Education and Medical Funds).

25 Subsidiaries

These financial statements are separate charity financial statements for The World Zoroastrian Organisation Limited.

Separate company financial statements are required to be prepared by law. Consolidated financial statements for the group are not required to be prepared as the group consolidated is classified as small under company disclosure requirements.

Details of the charity's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Abacus Education Limited	UK	Property Management	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Abacus Education Limited	(280)	22,860

THE WORLD ZOROASTRIAN ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

26 Cash generated from operations	2018 £	2017 £
Surplus for the year	320,768	193,924
Adjustments for:		
Investment income recognised in statement of financial activities	(30,644)	(32,133)
Foreign exchange differences	1,039	(4,771)
Gain on disposal of tangible fixed assets	-	(40,712)
Gain on disposal of investments	(93,256)	(136,750)
Fair value gains and losses on investments	124,469	27,619
Depreciation and impairment of tangible fixed assets	3,212	5,715
Movements in working capital:		
Decrease in debtors	1,487	21,530
Increase in creditors	7,118	25,773
(Decrease) in deferred income	(41,806)	(14,182)
Cash generated from operations	<u>292,387</u>	<u>46,013</u>
