

**THE FRIENDS OF ETCHMIADZIN**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

# THE FRIENDS OF ETCHMIADZIN

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Bishop V Manukyan Mr H H Didizian Mr R B Tanielian Ms S Ross LLB (HONS)
<b>Charity number</b>	1172096
<b>Principal address</b>	27 Haven Green Ealing London W5 2NZ
<b>Accountants</b>	Moore Northern Home Counties Limited First Floor 73-75 High Street Stevenage Hertfordshire SG1 3HR
<b>Bankers</b>	National Westminster Bank plc Kensington, Royal Garden Branch PO Box 2341 55 Kensington High Street London W8 5ZG

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# THE FRIENDS OF ETCHMIADZIN

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# THE FRIENDS OF ETCHMIADZIN

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2019*

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The trustees present their report and financial statements for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 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 object of the Charity is the advancement of religion in accordance with the doctrines of the Armenian Church by the provision of support to the Mother See of Holy Etchmiadzin in Armenia and around the world in such manner as the charity trustees may determine from time to time.

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

#### **Achievements and performance**

During the year, the trustees received donations of £12,200 and gift aid of £3,000. In furtherance of the Trust objectives, the trustees made a grant donation of £212,022 to the Mother See of Holy Etchmiadzin towards the construction and running costs of Karekin I Educational Centre in Etchmiadzin, Armenia. The centre is specially designed to provide professional training for clergy and teachers from Armenian Diaspora on varied spiritual and historical subjects, including Armenian teachers and clergy from United Kingdom. A grant of £8,127 was made towards maintaining the Bishops House in Ealing London where numerous clergy training programs are performed.

#### **Financial review**

The Charity does not have a policy for holding reserves since it operates on the basis that it raises funds for particular projects and is not committed to ongoing running costs. At the year-end, the Charity had a deficit of £1,969. There are plans to eliminate this deficit in the future by reducing the level of donations paid out.

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity. There are currently no specific risks or uncertainties to which the Charity is exposed, but the Trustees will continue to monitor the Charity's activities and manage any risks as and when they are identified.

The Trust intends to continue its central policy of making grants to religious organisations in particular the Mother See of Holy Etchmiadzin in Armenia; clergy training with detailed programs; continue to assist maintaining the Bishop's House in Ealing, London; assist the Bishop with his commitments of visiting parishes throughout the United Kingdom and overseas in particular Armenia; and provide educational support to students.

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

The Friends of Echmiadzin is a registered Charity and a Charitable Incorporated Organisation governed by its Trust Deed.

The trustees who served during the year and up to the date of signature of the financial statements were:

Bishop V Manukyan

Mr H H Didizian

Mr R B Tanielian

Ms S Ross LLB (HONS)

# THE FRIENDS OF ETCHMIADZIN

## TRUSTEES' REPORT (CONTINUED)

***FOR THE YEAR ENDED 31 MARCH 2019***

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A Board of Trustees of four members administers the Charity. The Board has the power to appoint any person to be a Trustee, either to fill a casual vacancy or as an addition to the existing members.

None of the trustees has any beneficial interest in the charity. If the charity is wound up, the trustees have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The Charity is run by its Trustees, who make decisions at board meetings. There are no staff to delegate management of the Charity to.

New trustees are made aware of their responsibilities upon induction and are encouraged to keep up to date with developments in the sector by accessing relevant training material.

The trustees' report was approved by the Board of Trustees.

**Bishop V Manukyan**

Trustee

Dated: 13 January 2020

# THE FRIENDS OF ETCHMIADZIN

## CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE FRIENDS OF ETCHMIADZIN FOR THE YEAR ENDED 31 MARCH 2019

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In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of The Friends of Etchmiadzin for the year ended 31 March 2019, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance/>.

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of The Friends of Etchmiadzin and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Friends of Etchmiadzin and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that The Friends of Etchmiadzin has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of The Friends of Etchmiadzin. You consider that The Friends of Etchmiadzin is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of The Friends of Etchmiadzin. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Moore Northern Home Counties Limited**

13 January 2020

**Chartered Accountants**

First Floor  
73-75 High Street  
Stevenage  
Hertfordshire  
SG1 3HR

# THE FRIENDS OF ETCHMIADZIN

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds 2019 £	Unrestricted funds 2018 £
<b><u>Income from:</u></b>			
Donations and legacies	2	15,200	1,031,310
<b><u>Expenditure on:</u></b>			
Charitable activities	3	220,449	828,030
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(205,249)	203,280
Fund balances at 1 April 2018		203,280	-
<b>Fund balances at 31 March 2019</b>		(1,969)	203,280

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

All income and expenditure derive from continuing activities.

# THE FRIENDS OF ETCHMIADZIN

## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Debtors	8	-		6,250	
Cash at bank and in hand		1,331		225,030	
		<u>1,331</u>		<u>231,280</u>	
<b>Creditors: amounts falling due within one year</b>	9	(3,300)		(28,000)	
		<u>(3,300)</u>		<u>(28,000)</u>	
Net current (liabilities)/assets			(1,969)		203,280
			<u>(1,969)</u>		<u>203,280</u>
<b>Income funds</b>					
Unrestricted funds			(1,969)		203,280
			<u>(1,969)</u>		<u>203,280</u>

The financial statements were approved by the Trustees on 13 January 2020

Bishop V Manukyan  
Trustee



# THE FRIENDS OF ETCHMIADZIN

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2019

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#### 1 Accounting policies

##### Charity information

The Friends of Etchmiadzin is a Charitable Incorporated Organisation.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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. 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 those general funds received and utilised in furtherance of the objects of the charity. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds.

##### 1.4 Incoming resources

Donations, legacies and similar incoming resources are recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the monetary value of income can be measured reliably.

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.

##### 1.5 Resources expended

Expenditure is recognised in the statement of financial activities on an accrual basis as a liability is incurred. Expenditure includes any VAT which can not be fully recovered.

The expenditure on charitable activities includes grants made, governance costs and support costs. Included within this category are costs of complying with constitutional and statutory requirements.

# THE FRIENDS OF ETCHMIADZIN

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

Applications for grants are considered by the Trustees from university students of Armenian origin, as well as Armenian educational, cultural and social organisations. Priority is given by the Trustees to undergraduate students. They are accounted for on an accruals basis where the third party has a reasonable expectation that they will receive the grant.

#### 1.6 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.

#### 1.7 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.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2019	2018
	£	£
Donations and gifts	12,200	825,060
Gift Aid reclaimed	3,000	206,250
	<u>15,200</u>	<u>1,031,310</u>

### 3 Charitable activities

	2019	2018
	£	£
Bank charges	-	30
Grant funding of activities (see note 4)	220,149	825,000
Share of governance costs (see note 5)	300	3,000
	<u>220,449</u>	<u>828,030</u>

# THE FRIENDS OF ETCHMIADZIN

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

### 4 Grants payable

	2019 £	2018 £
Grants to institutions:		
Religious grants	220,149	820,000
Educational grants	-	5,000
	<u>220,149</u>	<u>825,000</u>

### 5 Support costs

	Support costs £	Governance costs £	2019 £	Support costs £	Governance costs £	2018 £
Audit fees	-	(300)	(300)	-	3,000	3,000
Accountancy fees	-	600	600	-	-	-
	<u>-</u>	<u>300</u>	<u>300</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Analysed between						
Charitable activities	-	300	300	-	3,000	3,000
	<u>-</u>	<u>300</u>	<u>300</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>

### 6 Trustees

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

### 7 Employees

There were no employees during the year.

### 8 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	-	6,250
	<u>-</u>	<u>6,250</u>

# THE FRIENDS OF ETCHMIADZIN

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

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### 9 Creditors: amounts falling due within one year

	2019 £	2018 £
Grants payable	-	25,000
Accruals and deferred income	3,300	3,000
	<hr/>	<hr/>
	3,300	28,000
	<hr/>	<hr/>

### 10 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).