

Charity number 265418

COPTIC ORTHODOX CHURCH FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2024

COPTIC ORTHODOX CHURCH FOUNDATION

FOR THE YEAR ENDED 5 APRIL 2024

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CHARITY INFORMATION

Trustees

Dr I H Tadros
Mr M Neoman
Dr M G Mikhail
Mr N Boutros
Mr M George
Dr O K Morris - Resigned 1 April 2024
Dr G Hanna
Dr N Raphael

Custodian Trustees

Mr N Boutros
Mr M George
Dr I H Tadros

Registered Charity Number 265418

Contact address

41 Woodlands Avenue
New Malden
Surrey
KT3 3UH

Auditors

TC Group
The Courtyard
Shorham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Bankers

HSBC PLC
79 Piccadilly
London W1V 5RA

Barclays Bank PLC
London Corporate Banking
Strand

NatWest Bank PLC
55 Kensington High Street
London W8 52G

**REPORT OF THE TRUSTEES
FOR YEAR ENDED 5 APRIL 2024**

The Trustees present their report along with the financial statements of the charity for the year ended 5 April 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 15 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 Financial Reporting Standard applicable in the UK and Republic of Ireland.

Objectives and Activities

The object of the Foundation is to promote the Coptic Orthodox Church in the United Kingdom and the Republic of Ireland. In furtherance of this object the Trustees may provide and maintain places of public worship carry out religious services, pay the priests salaries and hold religious and other meetings in connection with the Coptic Orthodox Church.

The Coptic Church is a member of "Churches Together in Britain and Ireland" and also an active member of "The Orthodox Oriental Churches Council", together with the Armenian, Eritrean, Ethiopian, Indian, and Syrian churches in Great Britain. The church is also a member of the "Kensington Council of Churches" which is made up of the different churches in Kensington.

Coptic Orthodox Diocese of London

St. Mark Coptic Church in London is part of the Coptic Orthodox Diocese of London.

Summary of the main achievements of the charity

The Church celebrates the Divine Liturgy 5 days a week with two liturgies every Sunday.

The Trustees have paid due regard to the public benefit guidance as published by the Charity Commission. The youths of the church run "City Mission" offering food to the homeless in the streets of London.

During the year, the youths of the church attended and organised conferences, retreats and trips in the UK and abroad.

The church has sports activities for the youth and has football and basketball teams which play and compete against teams of other Coptic churches in the UK.

Performance of fundraising activities against objectives

During the year, Saint Mark Church completed the majority of the work which started in May 2019 of building a basement under the church and is now used for various activities of the church.

Investment performance against objectives

The income from the investment properties was similar to the previous year, and most of the properties were occupied during the year.

Financial Review

The statement of financial activities is set out on page 10 and shows the result of the year.

The Foundation incurred costs in furtherance of its objects of £507,894 (2023: £642,076) and cost of generating funds of £71,971 (2023: £49,918). After taking into account these expenses and other management and administrative expenses of £188,763 (2023: £117,583) the net incoming resources for the year were £202,753 (2023: £176,753), the investment properties were not revalued this year and the net movement of funds for the year was £201,555 (2023: £234,645).

At 5 April 2024, as shown on the balance sheet on page 11, the Foundation has net assets of £8,022,112 (2023: £7,820,557), which were mainly held in fixed assets as shown on notes 9 and 10 and on bank deposits and current accounts.

The charity's principal sources of funds

The charity's main source of funding were the donations received from its members in the form of standing orders, cheques, bank transfers and church collection and also the income from rented properties.

The charity's expenditure

The expenditure during the year was incurred in maintaining the church and making it available to the public to use for worship; the payment of the priest's salaries and expenses; the provision of Sunday schools to teach the children the faith of the church and to provide help to the needy in the community.

Reserves policy

The Trustees aim to keep in reserves at any point of time three months' worth of expenditure to cover unplanned emergency church expenses, including repair to church building and other church properties. The amount of reserves held at the year-end was £8,022,112 (2023: £7,820,557) of which £413,070 (2023: £445,142) are regarded as free reserves, after allowing for funds tied up in tangible fixed assets and bank loans secured on some of those assets. The free reserves achieve the reserves aim.

Investment policy and objectives

The Trustees' investment powers are governed by the Trust Deed, which permits the Charity's funds to be invested in properties, any cash investments and chattels as they see fit.

The Trustees have considered the most appropriate policy, in order to spread the Charity's risk, is to invest in properties and in a number of bank account with different banks.

FOR YEAR ENDED 5 APRIL 2024

Risk management

The main risks which may face the charity are:

1. Reduction in donations from the congregation:
The charity relies on donations from a large number of donors; this reduces the risk of huge fluctuations in the income from donations.
2. Reduction of rental income from investment properties:
The charity has a number of properties handled by different agents and in different parts of London and the risk that more than one property is vacant at any time is small.
3. Internal control risks:
Internal control risks are minimized by the implementation of procedures and controls for receiving and paying cash and cheques.

Future plans

The charity will carry on using the new church basement, for Sunday Schools and other activities of the church, as well as trying to generate income from renting it out during the week as a nursery or other suitable user.

Description of charity's trusts

The charity was formed on 22 December 1971 as an incorporated trust, registered with the Charity Commission, registration number 265418, and is governed by the Charities Act 2011 and its Trust deed dated the 22 December 1971.

Controlling party

The Coptic Orthodox Church Foundation is managed by the Church Council. No individual has overall control.

Trustee selection methods

The trustees are chosen by members of the Council and appointed by His Eminence the Archbishop of The Coptic Church in London.

Names of the charity trustees:

The Trustees who served during the year were as stated below:

| | |
|---------------------------------------|----------------|
| Mr M Neoman | Dr M G Mikhail |
| Dr I H Tadros | Mr M George |
| Dr O K Morris – Resigned 1 April 2024 | Dr G Hanna |
| Mr N Boutros | |
| Dr N Raphael | |

FOR YEAR ENDED 5 APRIL 2024

Names of the trustees holding title to property belonging to the charity

Dr I H Tadros
Mr MI George
Mr N Boutros

The Church Council

The Church Council, who manages the charity, consists of the Fathers of the Church, the Charity Trustees and the following Church Members, who were chosen by the Fathers and the Trustees and were appointed by His Eminence The Archbishop of the Coptic Church in London

| Name | Date appointed |
|-----------------|----------------|
| Mr Emad Elias | 1 October 2019 |
| Mr Ehab Roufael | 6 June 2023 |
| Ms Manal Fouad | 6 June 2023 |
| Mr Mina Nabil | 6 June 2023 |
| Mr Mina Tafik | 6 June 2023 |

Policies and procedures adopted for the induction and training of trustees and council members

The trustees and council members are members of the church and as such are familiar with the practical work of the charity. New trustees and council members are given training by existing trustees on:

- The Church Constitution,
- The current financial position as set out in the published accounts.
- Future plans and objectives.

The charity's organisational structure and any wider network with which the charity works

The Foundation is an indivisible part of the Coptic Orthodox Church in Egypt which has as its Supreme Head, the Pope of Alexandria and derives its spiritual authority to function from the Holy Council of the Coptic Orthodox Patriarchate in Cairo, Egypt, such authority cannot be changed, altered, modified or revoked.

The Coptic Orthodox Archbishop of London is appointed by the Holy Synod of the Coptic Orthodox Church by written decree over the area known as the Diocese of London which includes this charity.

Decision making

The Council of the Coptic Orthodox Church Foundation, holds meetings at least four times in the year to take decisions on all matters concerning the administration of the charity. Decisions on the church spiritual services to the congregation are taken by His Eminence the Archbishop of London and the priests of the church.

Funds held as custodian trustees on behalf of others

The charity holds an account with HSBC Bank on behalf of the Patriarchate of the Coptic Orthodox Church in Egypt, which has as one of its objects to offer aid to the poor in Egypt and worldwide. The funds are kept in a separate bank account from the charity's own bank accounts. Instructions on any payment from the account are only given by His Holiness the Pope of Alexandria.

The charity also holds an account with HSBC on behalf of Saint Mary and Pope Kyrillos VI Coptic Orthodox Church, a charity registered in England and Wales whose objects are to advance the religion of the Coptic Orthodox Church. The funds are kept in a separate bank account from the charity's own bank accounts. Instructions for the bank account are received from the trustees of SMPK.

FOR YEAR ENDED 5 APRIL 2024

Statement of trustees' responsibilities in relation to financial statements

The trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed.

The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees and signed on behalf of the board on

.....
Nabeel Boutros
Trustee

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE COPTIC ORTHODOX CHURCH FOUNDATION**

Opinion

We have audited the financial statements of Coptic Orthodox Church Foundation (the 'charity') for the year ended 5 April 2024 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 FRS 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 charity's affairs as at 5 April 2024 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE COPTIC ORTHODOX CHURCH FOUNDATION**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires 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 and returns; 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 set out on page 6, the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the group and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE COPTIC ORTHODOX CHURCH FOUNDATION**

- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. 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 auditor's 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.

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditors
Office: Steyning, West Sussex
Date:

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2024**

| | | Unrestricted Funds 2024 £ | Restricted Funds 2024 £ | Total 2024 £ | Total 2023 £ |
|-------------------------------|---------------|--|--|-----------------------------|-----------------------------|
| Income | Note 3 | | | | |
| Donations | | 406,685 | 301,548 | 708,233 | 756,742 |
| Charitable activities | | 3,782 | - | 3,782 | 1,790 |
| Investment income | | 259,366 | - | 259,366 | 227,241 |
| Other incoming resources | | - | - | - | 557 |
| | | <u>669,833</u> | <u>301,548</u> | <u>971,381</u> | <u>986,330</u> |
| Expenditure | 4 | | | | |
| Raising funds | | 71,971 | - | 71,971 | 49,918 |
| Charitable activities | | 507,894 | - | 507,894 | 642,076 |
| Other | | 188,763 | - | 188,763 | 117,583 |
| | | <u>768,628</u> | <u>-</u> | <u>768,628</u> | <u>809,577</u> |
| Net income | | (98,795) | 301,548 | 202,753 | 176,753 |
| Other gains | 17 | <u>(1,198)</u> | <u>-</u> | <u>(1,198)</u> | <u>57,892</u> |
| Net movements in funds | | (99,993) | 301,548 | 201,555 | 234,645 |
| Transfer between funds | | 18,602 | (18,602) | - | - |
| Total funds brought forward | 19 | <u>7,710,435</u> | <u>110,122</u> | <u>7,820,557</u> | <u>7,585,912</u> |
| Total funds carried forward | 19 | <u>7,629,044</u> | <u>393,068</u> | <u>8,022,112</u> | <u>7,820,557</u> |

BALANCE SHEET AT 5 APRIL 2024

| | Note | 2024 £ | 2023 £ |
|--|------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 9 | 5,824,751 | 5,834,939 |
| Investments | 10 | 3,650,000 | 3,650,000 |
| Total fixed assets | | 9,474,751 | 9,484,939 |
| Current assets | | | |
| Debtors | 11 | 133,731 | 136,573 |
| Cash at bank and in hand | 12 | 1,180,641 | 1,261,322 |
| | | 1,314,372 | 1,397,895 |
| Total current assets | | | |
| Creditors: Amounts falling due within one year | 13.1 | (557,916) | (936,806) |
| Net current assets | | 756,456 | 461,089 |
| Total assets less current liabilities | | 10,231,207 | 9,946,028 |
| Creditors: Amounts falling due after one year | 13.2 | (2,209,095) | (2,125,471) |
| Total net assets | | 8,022,112 | 7,820,557 |
| Funds of the Charity | | | |
| Restricted funds | 18 | 393,068 | 110,122 |
| Unrestricted funds | 17 | 7,629,044 | 7,710,435 |
| Total funds | | 8,022,112 | 7,820,557 |

The financial statements were approved and authorised for issue by the Board on
and signed on behalf of the board by

.....
Nabeel Boutros
Trustee

The notes on pages 13 to 23 form part of these financial statements.

COPTIC ORTHODOX CHURCH FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5 APRIL 2024

| | Note | £ | 2024 £ | £ | 2023 £ |
|--|------|-----------|-----------|-------------|-------------|
| Cash flows from operating activities | 21 | | (119,123) | | 716,135 |
| Cash flows from investing activities | | | | | |
| Income from property investments | | 259,366 | | 227,241 | |
| Expenses of property investments | | (71,971) | | (49,918) | |
| Purchase of fixed assets | | (18,602) | | (1,646,248) | |
| Net cash provided by investing activities | | | 168,793 | | (1,468,925) |
| Cash flows from financing activities | | | | | |
| Proceeds of bank loans | | 115,239 | | 597,252 | |
| Repayment of bank loans | | (244,392) | | (88,728) | |
| | | | (129,153) | | 508,524 |
| Change in cash in the year | | | (79,483) | | (244,266) |
| Cash at 6 April 2023 | | | 1,261,322 | | 1,447,696 |
| Change in cash due to exchange rate movements | | | (1,198) | | 57,892 |
| Cash at 5 April 2024 | 12 | | 1,180,641 | | 1,261,322 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024**

Basis of preparation**1.1 Basis of accounting**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

1.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. They are of the opinion that donations from the church's large congregation and the income from the investment properties will cover any future liabilities.

1.3 Change of accounting policy and change of accounting estimates

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 1.1 and no changes to the accounting estimates have occurred in the year.

1.4 Material prior year errors

No material prior year errors have been identified in the reporting period.

2. Accounting policy**2.1 Income and debtors****Recognition of income**

Income is recognised in the period in which the charity is entitled to receive and the amount can be measured with reasonable certainty. All voluntary income which comprises of donations, collection and church boxes is included in income on a receivable basis. Investment income, derived from fixed asset investments, is accounted for on amounts receivable in the year.

Tax reclaim on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor.

Income from membership subscriptions

Membership contributions received in the nature of a gift are recognised in Donations.

Investment gains and losses

The value of the investment properties is kept the same as the previous year, as it is in the trustees' views that there has not been significant change in the market value of similar properties from the previous year (in 2023 no change).

Debtors

The charity has debtors which are measured at settlement amounts less any trade discounts.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024**

2.2 Expenditure and liabilities

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of obligation can be measured with reasonable certainty.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accrual's basis inclusive of any irrecoverable VAT.

Charitable activities

Direct charitable expenditure includes all staff costs, property and other expenditure directly related to the charitable activities of the Foundation.

Governance and support cost

Support costs have not been allocated between governance costs and other costs.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to Statement of Financial Activities.

Taxation

The charity is a registered charity and as such its income and gains falling within the Income Tax Act 2007 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

Realised gains

Realised gains are included in the Statement of Financial Activities in the year of disposal.

Fund accounting

Restricted Funds

The restricted funds wholly relate to donations made specifically towards the cost of the church's basement project.

2.3 Assets

Capitalisation policy

A unit of property that has an economic useful life that extends beyond 12 months is treated as a fixed asset. Assets are capitalised on an item by item basis. Assets not deemed to have a useful life beyond 12 months are expensed as incurred.

Tangible fixed assets for use by the charity

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

| | |
|---|--|
| Freehold buildings | - 2% straight line |
| Office equipment | - 15% reducing balance |
| Fixtures, alterations, fittings & equipment | - 10% reducing balance for church |
| | - 20% straight line for office and flats |
| Building under construction | - Not depreciated |

COPTIC ORTHODOX CHURCH FOUNDATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024**Fixed asset investments**

Investment properties are included in the balance sheet at their open market value. No depreciation is provided on the properties. Net gains and losses on disposal and revaluation of investments are charged or credited to the SOFA.

Critical accounting judgement and key sources of estimation uncertainty

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 underlying 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Valuation of Investment Property

The investment properties are carried in the financial statements at their market value. Each year the Trustees review the valuation of the assets and use market values to determine if a revaluation is required.

3. Analysis of income

| | Unrestricted income funds £ | Restricted income funds £ | Total funds 2024 £ | Total funds 2023 £ |
|---------------------------------|--------------------------------------|------------------------------------|--------------------------|--------------------------|
| Donations and legacies | | | | |
| Donation and gifts | 367,282 | 286,779 | 654,061 | 702,573 |
| Gift Aid | 39,403 | 14,769 | 54,172 | 54,169 |
| Total | 406,685 | 301,548 | 708,233 | 756,742 |
| Charitable activities | | | | |
| Book shop sales | 931 | - | 931 | 565 |
| Family meeting | 2,851 | - | 2,851 | 1,225 |
| Total | 3,782 | - | 3,782 | 1,790 |
| Investment income | | | | |
| Interest income | 10,840 | - | 10,840 | 4,425 |
| Rental and leasing income | 248,526 | - | 248,526 | 222,816 |
| Total | 259,366 | - | 259,366 | 227,241 |
| Other incoming resources | | | | |
| Other | - | - | - | 557 |
| Total | - | - | - | 557 |
| Total income | 669,833 | 301,548 | 971,381 | 986,330 |

In 2023 £123,705 of the total income was attributable to restricted funds with the balance of £862,625 attributable to non-restricted funds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024

4. Analysis of expenditure

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ | Total funds 2023 £ |
|---|----------------------------|--------------------------|--------------------------|--------------------------|
| Expenditure on raising funds | | | | |
| Rent collection, property repairs and maintenance charges | 71,971 | - | 71,971 | 49,918 |
| Total expenditure on raising funds | 71,971 | - | 71,971 | 49,918 |
| Expenditure on charitable activities | | | | |
| Church and community services | 132,452 | - | 132,452 | 148,198 |
| Staff costs | 246,926 | - | 246,926 | 230,493 |
| Property expenses | 99,726 | - | 99,726 | 231,690 |
| Depreciation of tangible assets | 28,790 | - | 28,790 | 31,695 |
| Total expenditure on charitable activities | 507,894 | - | 507,894 | 642,076 |
| Other expenditure | | | | |
| Secured loan interest | 171,680 | - | 171,680 | 103,255 |
| Governance costs | 17,083 | - | 17,083 | 14,328 |
| Total other expenditure | 188,763 | - | 188,763 | 117,583 |
| Total expenditure | 768,628 | - | 768,628 | 809,577 |

In 2023 all expenditure was attributable to unrestricted funds

| Governance costs | 2024 | 2023 |
|----------------------------|-------------|-------------|
| Auditor's remuneration | 11,400 | 9,420 |
| Legal & professional costs | 2,166 | 1,440 |
| Office costs | 3,517 | 3,468 |
| | 17,083 | 14,328 |

5. Funds received as agent

The charity has agreed to administer a bank account on behalf of the Patriarchate of the Coptic Orthodox Church in Egypt. At the balance sheet date funds of £1,253,041 (2023: £1,237,921) which has not been included in the accounts figures.

6. Paid employees

| 6.1 Staff costs | 2024 | 2023 |
|--------------------------|-------------------|-------------------|
| | £ | £ |
| Salaries and wages | 222,974 | 206,209 |
| Social security costs | 20,802 | 19,616 |
| Pension costs | 3,150 | 4,667 |
| | <u> </u> | <u> </u> |
| Total staff costs | 246,926 | 230,492 |
| | <u> </u> | <u> </u> |

One employee earned between £60,000 and £70,000 during the year (2023: one).

| 6.2 Average head count in the year | 2024 | 2023 |
|------------------------------------|-------------------|-------------------|
| | Number | Number |
| Priests | 4 | 4 |
| | <u> </u> | <u> </u> |

7. Volunteers

The charity has a number of unpaid volunteers, who help in the various needs of the church, including administration, cleaning and preparing the churches before and after the services.

8. Auditor's remuneration

The audit fees for the year is £11,400 inclusive of VAT (2023: £8,820).

9. Tangible fixed assets

| | Land and Buildings Freehold | Office Equipment | Fixtures Fittings Church | Fixtures Fittings & Equipmen t | Buildings under Construction | Total |
|------------------------|-----------------------------------|---------------------|--------------------------------|---|------------------------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 6 April 2023 | 915,920 | 194,965 | 125,810 | 216,097 | 5,090,515 | 6,543,307 |
| Additions | - | - | - | - | 18,602 | 18,602 |
| At 5 April 2024 | <u>915,920</u> | <u>194,965</u> | <u>125,810</u> | <u>216,097</u> | <u>5,109,117</u> | <u>6,561,909</u> |
| Depreciation | | | | | | |
| Basis | Straight Line | Reducing balance | Reducing balance | Reducing balance | No Depreciation | |
| Rate | 2% | 15% | 10% | 20% | | |
| At 6 April 2023 | 281,274 | 85,187 | 125,810 | 216,097 | - | 708,368 |
| Charge for the year | 12,323 | 16,467 | - | - | - | 28,790 |
| At 5 April 2024 | <u>293,597</u> | <u>101,654</u> | <u>125,810</u> | <u>216,097</u> | <u>-</u> | <u>737,158</u> |
| Net book value | | | | | | |
| At 5 April 2024 | <u>622,323</u> | <u>93,311</u> | <u>-</u> | <u>-</u> | <u>5,109,117</u> | <u>5,824,751</u> |
| At 5 April 2023 | <u>634,646</u> | <u>109,778</u> | <u>-</u> | <u>-</u> | <u>5,090,515</u> | <u>5,834,939</u> |

The cost value of Freehold Land and Buildings pledged as security for bank loans as disclosed in note 13 is £722,711.

10. Fixed assets investments

| | Freehold Property £ | Long Leasehold Properties £ | Total £ |
|--------------------|---------------------------|-----------------------------------|------------|
| Fair value: | | | |
| At 6 April 2023 | 1,850,000 | 1,800,000 | 3,650,000 |
| At 5 April 2024 | 1,850,000 | 1,800,000 | 3,650,000 |

The properties are valued by the Trustees, based on the advertised prices of similar properties on the market in the same area and the current condition of the properties. In the opinion of the Trustees, the cost of professionally valuing the assets to include a value in the accounts outweighs the benefits to the user of the accounts.

There are no restrictions on the ability to realise investment property.

There are no contractual obligations for the purchase, construction or development of investment property or for repairs, maintenance or enhancements.

11. Debtors

| | 2024 £ | 2023 £ |
|---------------------------------------|----------------|----------------|
| Prepayments and accrued income | 10,041 | 13,209 |
| St Mary & Pope Kyrillos Coptic Church | 6,257 | 65,591 |
| Other debtors | 117,433 | 57,773 |
| | <u>133,731</u> | <u>136,573</u> |

12. Cash at bank and in hand

| | 2024 £ | 2023 £ |
|--------------|------------------|------------------|
| Cash at bank | <u>1,180,641</u> | <u>1,261,322</u> |

13. Creditors and accruals

13.1 Amounts falling due within one year

| | 2024 | 2023 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Secured bank loan | 59,682 | 104,175 |
| Taxation and social security | 9,594 | 5,788 |
| Accruals and deferred income | 483,526 | 820,996 |
| Other creditors | 5,114 | 5,847 |
| | <u>557,916</u> | <u>936,806</u> |

13.2 Amounts falling due after one year

| | 2024 | 2023 |
|---|------------------|------------------|
| | £ | £ |
| NatWest Bank loan re basement | 1,887,938 | 1,799,537 |
| Loan taken on 7 August 2012 with HSBC for the purchase of house number 66 Broadwalk, Hounslow secured by the property and all existing securities and any future security held by the Bank. | - | 15,005 |
| Loan taken on 6 October 2017 with NatWest to refinance the loan from HSBC Bank plc taken in 2008 secured by a first legal charge over 36 Cromwell Road | 311,157 | 300,929 |
| Funds from church members repayable within 5 years | 10,000 | 10,000 |
| Total | <u>2,209,095</u> | <u>2,125,471</u> |

14. Financial Instruments

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 123,690 | 123,364 |
| Carrying amount of financial liabilities | | |
| Financial liabilities measured at amortised cost | 2,757,417 | 3,056,489 |

15. Operating Lease Commitments

As lessor:

At the year end, the charity had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease payments:

| | 2024 £ | 2023 £ |
|----------------------------|-----------|-----------|
| Amounts receivable: | | |
| Less than one year | 90,158 | 72,426 |
| Between one and five years | - | 99,551 |
| | 90,158 | 171,977 |

16. Trustees and related parties

16.1 Transactions with trustees

The charity does not have any transactions with the trustees (2023: Nil).

There have been donations from the trustees, the amounts of which cannot be quantified.

16.2 Trustees' remuneration and benefits

The trustees did not receive any remuneration or benefits in the year (2023: Nil).

16.3 Trustees expenses

The trustees were not reimbursed for any expenses during the year (2023: Nil).

16.4 Related Party Transaction disclosure

During the year the following transactions with Saint Mary and Pope Kyrillos VI Coptic Orthodox Church (SMPK), a charity over which there is significant influence by virtue of persons on the board of Coptic Orthodox Church Foundation having more than one-fifth of the voting power of SMPK.

1. Interest of £2,945 was reimbursed by SMPK to Foundation (2023; £4,690)
2. Repayment of the loan to purchase the property £62,278 (2023; £62,278)

At the balance sheet date, £6,257 (2023: £65,591) was owed by SMPK which has been included in Debtors.

3. Donation of £3,600 was made to a related party Aghapy TV Limited.

16.5 Key Management Personnel

The charity considers its Trustees to be its Key Management Personnel who are not remunerated for their services.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024

17. Unrestricted Funds

| | Balance at 6 April 2023 £ | Incoming Resources £ | Expenditure £ | Other Gains/(losses) £ | Transfer between funds £ | Balance at 5 April 2024 £ |
|-----------------------|------------------------------------|----------------------------|------------------|------------------------------|-----------------------------------|------------------------------------|
| General reserve funds | 7,710,435 | 669,833 | (768,628) | (1,198) | 18,602 | 7,629,044 |
| | | | | | | |
| | Balance at 6 April 2022 £ | Incoming Resources £ | Expenditure £ | Other Gains/(losses) £ | Transfer between funds £ | Balance at 5 April 2023 £ |
| General reserve funds | 7,475,790 | 862,625 | (809,577) | 57,892 | 123,705 | 7,710,435 |
| | | | | | | |

The general reserve fund represents those funds which are unrestricted and not designated for other purposes.

18. Restricted Funds

| | Balance at 6 April 2023 £ | Income £ | Expenditure £ | Transfer between funds £ | Balance at 5 April 2024 £ |
|------------------|---------------------------------|-------------|------------------|--------------------------------|---------------------------------|
| Basement Project | 110,122 | 301,548 | - | (18,602) | 393,068 |
| | | | | | |
| | Balance at 6 April 2022 £ | Income £ | Expenditure £ | Transfer between funds £ | Balance at 5 April 2023 £ |
| Basement Project | 110,122 | 123,705 | - | (123,705) | 110,122 |
| | | | | | |

Basement Project – The basement project restricted fund consists of money donated towards the cost of building a basement underneath St Mark's Church. All transfers out of the fund are to cover the cost of fixed asset additions of the building of the basement.

19. Analysis of net assets between funds

| 2024 | Fixed assets £ | Net current assets £ | Non-current liabilities £ | Total 2024 £ |
|-------------------|-------------------|----------------------------|---------------------------------|--------------------|
| Unrestricted fund | 9,474,751 | 363,388 | (2,209,095) | 7,629,044 |
| Restricted fund | - | 393,068 | - | 393,068 |
| | 9,474,751 | 756,456 | (2,209,095) | 8,022,112 |
| | | | | |
| 2023 | Fixed assets £ | Net current assets £ | Non-current liabilities £ | Total 2023 £ |
| Unrestricted fund | 9,484,939 | 350,967 | (2,125,471) | 7,710,435 |
| Restricted fund | - | 110,122 | - | 110,122 |
| | 9,484,939 | 461,089 | (2,125,471) | 7,820,557 |
| | | | | |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024**

20. Post Balance Sheet Events

There were no post balance sheet events.

21. Reconciliation of net income to net cash flow from operating activities

| | 2024 | 2023 |
|---|------------------|----------------|
| | £ | £ |
| Net income | | |
| (as per statement of financial activities) | 201,555 | 234,645 |
| Adjustments for: | | |
| Depreciation charges | 28,790 | 31,695 |
| Loan interest paid | 168,284 | - |
| Income from investments | (259,366) | (227,241) |
| Investment costs | 71,971 | 49,918 |
| Loss/(Profit) on foreign exchange | 1,198 | (57,892) |
| Decrease in debtors | 2,842 | 88,655 |
| Increase/(decrease) in creditors | (334,397) | 596,355 |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | (119,123) | 716,135 |
| | <hr/> | <hr/> |

COPTIC ORTHODOX CHURCH FOUNDATION

The following pages are for the information of the trustees only and do not form part of the statutory financial statements.

COPTIC ORTHODOX CHURCH FOUNDATION

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2024

| | | 2024 | | 2023 |
|---|---------|----------------|---------|----------------|
| | £ | £ | £ | £ |
| INCOMING RESOURCES | | | | |
| Donations and incoming resources | | | | |
| Membership contributions | 115,455 | | 114,359 | |
| Collection and church boxes | 132,611 | | 166,409 | |
| Donations | 460,167 | 708,233 | 475,974 | 756,742 |
| | | | | |
| Church activities | | | | |
| Family meeting | 2,851 | | 1,225 | |
| Church bookshop | 931 | 3,782 | 565 | 1,790 |
| | | | | |
| Investment income | | | | |
| Income from rented property | 248,526 | | 222,816 | |
| Bank interest | 10,840 | | 4,425 | |
| Miscellaneous income | - | 259,366 | 557 | 227,798 |
| | | | | |
| Total incoming resources | | 971,381 | | 986,330 |
| | | | | |
| RESOURCES EXPENDED | | | | |
| Expenditure on raising funds | | | | |
| Investment property expenses | | | | |
| Property management fees | 22,768 | | 23,926 | |
| Property services charges | 24,168 | | 8,873 | |
| Repairs and maintenance | 19,010 | | 15,498 | |
| Insurance | 6,025 | | 1,456 | |
| Council Tax | - | 71,971 | 165 | 49,918 |
| | | | | |
| Charitable activities | | | | |
| Church and community services | | | | |
| London Diocese | 60,000 | | 55,689 | |
| Donations to other churches | 19,070 | | 3,600 | |
| Social Services | 19,335 | | 36,977 | |
| Sunday school and education | 1,901 | | 8,606 | |
| Church candles, and oil | 2,703 | | 2,253 | |
| Hire of church halls for Sundays | 26,557 | | 25,151 | |
| Council Tax | 1,223 | | 1,364 | |
| Visiting Bishops and Priests | 1,663 | 132,452 | 14,558 | 148,198 |
| | | | | |
| Staff costs | | | | |
| Salaries | 222,974 | | 206,209 | |
| Social security costs | 20,802 | | 19,616 | |
| Stake holder pension | 3,150 | 246,926 | 4,667 | 230,492 |
| | | | | |
| Property expenses | | | | |
| Rates and water | 218 | | 641 | |
| Light and heat | 62,401 | | 17,541 | |
| Insurance | 17,193 | | 19,668 | |
| Repairs and maintenance | 9,215 | | 190,815 | |
| Cleaning | 5,071 | | 828 | |
| Miscellaneous | 5,628 | 99,726 | 2,197 | 231,690 |
| | | | | |
| Depreciation of tangible assets | | 28,790 | | 31,695 |
| | | | | |
| Total expenditure on charitable activities | | 507,894 | | 642,075 |

COPTIC ORTHODOX CHURCH FOUNDATION

**DETAILED INCOME AND EXPENDITURE ACCOUNT - CONTINUED
FOR THE YEAR ENDED 5 APRIL 2024**

| | | 2024 | | 2023 |
|---|--------|-------------|-------|-------------|
| | £ | £ | £ | £ |
| Other expenditure | | | | |
| Secured loan interest | | 171,680 | | 103,255 |
| Governance costs | | | | |
| Accountancy fees and auditor's remuneration | 12,126 | | 9,420 | |
| Legal and professional | 1,440 | | 1,440 | |
| Office costs | 3,517 | 17,083 | 3,468 | 14,328 |
| | | | | |
| Total other expenditure | | 188,763 | | 117,583 |
| | | | | |
| Total expenditure | | 768,628 | | 809,576 |
| | | | | |
| Net income/(expenditure) | | 202,753 | | 176,753 |
| | | | | |
| Exchange difference gain/(loss) | | (1,198) | | 57,892 |
| | | | | |
| Net movement in funds for the year | | 201,555 | | 234,645 |
| Funds balances brought forward at 6 April 2023 | | 7,820,557 | | 7,585,912 |
| | | | | |
| Funds balances carried forward at 5 April 2024 | | 8,022,112 | | 7,820,557 |