

ETHIOPIAN ORTHODOX CHURCH

ST. MARY OF ZION

CHARITY REGISTRATION NUMBER 282910

TRUSTEES REPORT AND FINANCIAL

STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

FOR THE YEAR ENDED 31 AUGUST 2021

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ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

1 Reference and Administrative Details

The principal administrative details are included below:

Charity Number 282910

Charity Name Ethiopian Orthodox Church St Mary of Zion

Registered Address 61 Coopers Lane
London
E10 5DG

Board of Trustees		Status	Date Elected
	Mr. Reginald Henry (Amde Mariam)	Keyholder	23 May 1981
	Mr. Keith Samuels (Kes Haile Maskel)	Priest/ Keyholder	30 April 2008
	Mr. Trevor Field (Melaka Sion Habte Mariam)	Priest in Charge	30 April 2008
	Mr. Guy Tombs (Tekle Wolde)	Financial Advisor	26 November 2018

Legal Status Registered with Charities Commission

Independent Examiner Sam Tanyi: FMAAT, MIFS, MCIE
13 Arkley Road
London
E17 7PD

2 Objectives and Activities

Ethiopian Orthodox Church St. Mary of Zion (EOCSMZ) is a branch church Of the Ethiopian Orthodox Tewahedo (EOC), based in London UK. EOCSMZ has been catering for the spiritual, social, cultural and educational needs of her membership for the last 46 years. The EOCSMZ was registered as a charity on 23rd May 1981 with the objective of the propagation of the Gospel of Christ by advancing the EOTC faith and, in particular, charitable works within the Greater London, Africa and the Caribbean Islands. Ordained priests and deacons of the EOCSMZ conduct baptisms, marriages, funerals and other services in accordance with canon law. A key objective is to support families and their children by educating them on the orthodox way of life.

A key project is the renovation of the property at 229 Lower Clapton Road into a place of worship/community centre in the traditional Ethiopian Orthodox style. The project was presented for discussion at the annual general meeting. It was then formally approved by a meeting of the parish council and also by a meeting of the trustees. Planning permission for the proposed development is in place and some work has been completed, however further work is required to bring the structure up to a standard that will enable it to be used by members.

3 Structure, Governance and Management

The EOTCSMZ is constituted as a trust. The governing body of the EOTCSMZ is the parish council, the membership of which includes a chairperson (the priest in charge), vice chairperson, the General Secretary, Assistant General Secretary, Treasurer and Assistant Treasurer. Selected members of the parish council are also trustees of the charity.

Besides the parish council there are other sub-committees that have been established to carry out the aims and objectives of the EOCSMZ, including:

- Clergy Committee
- Finance Committee
- Funding Application Committee
- Multimedia Committee
- Building Maintenance Committee
- Fundraising Committee
- Sembete (Festival) Events Committee
- St. Mary Mehabre
- Evangelism Committee
- St. Tekle Haymanot Youth Association
- St. Gabriel Mehabre

The annual activities and financial status of EOCSMZ are reported to the congregation every year in September. Our parish council also has a bi-annual meeting in March to monitor the half yearly progress. All sub-committees also submit progress reports at these meetings. All trustees, parish council members, committee members as well as priests and deacons are voluntary workers.

New trustees are appointed from the church membership by unanimous vote of the existing trustees. Every three years there is a formal selection committee formed to manage the re-election of parish council members.

4 Achievements and Performance

Our community continues to support all the fundraising drive initiated by various committees. This includes events such as auctions of religious items including icons, major donations, sponsorship of key initiatives by members, selling tea, coffee and refreshments from the kitchen after services, an internal shop selling religious items and a church entrance shop which serves the community prior to entering the church before the liturgical service.

The COVID pandemic has resulted in a number of events were cancelled, although services have been operating since the end of the main lockdown period.

5 Financial Review

There has been a decrease in general ministry income, from £58,075 to £49,372 however this is largely due to gift aid reclaims not yet being made in 2021 compared with 2020 which included two years claims (totalling £8,290). Project income has decreased from £113,660 to £35,806 due to the effects of COVID 19 reducing the number of services and preventing a number of planned fundraising events.

There has been a small increase in expenses relating to charitable activities, from £25,292 to £27,794, primarily due to increased church rent costs and storage costs. Expenses relating to project activities have decreased from £145,426 to £110,801, due to the main development work stopping, with a focus on making the building weather-tight.

The work on the building project means that cash reserves have fallen slightly in the last year, from £195,007 to £117,387. The COVID 19 pandemic and related lockdown meant that additional fund-raising that was planned to take place to fund the project expenses could not take place. The mortgage liability has continued to reduce, falling from £320,453 to £298,331.

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Although EOTCSMZ does not currently have sufficient reserves to complete the full renovation, the building is already being used for a number of church activities including meetings and classes and investigations are underway into the feasibility of limited improvements that could be funded by existing resources that would enable members to make better use of the church building.

This report was approved by the trustees and signed on their behalf by Mr Keith Samuels (Kes Haile Maskel):

Signed K. SamuelsTrustee

Date 19/4/22

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Incoming Resources					
General Ministry Income		49,372	-	49,372	58,075
Project Income		-	35,806	35,806	113,660
Total Incoming Resources	2	49,372	35,806	85,178	171,735
Resources Expended					
Charitable Activities		27,794	-	27,794	25,292
Project Activities		-	110,801	110,801	145,426
Total resources Expended	3	27,794	110,801	138,595	170,718
Net Movement in Funds before transfers		21,578	(74,995)	(53,417)	1,017
Transfers between funds		-	-	-	-
Other recognised gains/ (losses)		-	-	-	-
Total Funds Brought Forward		203,841	796,082	999,923	998,906
Total Funds Carried Forward	9	225,419	721,087	946,506	999,923

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION


BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	4	1,130,000	1,130,000
Current Assets			
Debtors	5	-	10,047
Cash at bank and in hand	6	117,387	195,007
Total current assets		117,387	205,054
Creditors: amounts falling due within one year	7	(28,528)	(36,801)
Net current assets		88,859	168,253
Total assets less current liabilities		1,218,859	1,298,253
Creditors: amounts falling due after one year	8	(272,353)	(298,330)
Net assets		946,506	999,923
Funds of the charity			
Restricted Funds	9	291,087	366,082
Unrestricted Funds	9	225,419	203,841
Property Revaluation Reserve	9	430,000	430,000
Total Funds		946,506	999,923

The notes on pages 7-11 form part of these accounts

The trustees declare that they have approved the above accounts which are signed on their behalf by Mr Guy Tombs (Tekle Wolde):

Signed  Trustee

Date 19 April 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

The financial statements have been prepared on an accruals basis under the historical cost convention, with the exception of property which is included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in: accordance with the Financial Reporting Standard FRS102.

b. Incoming Resources

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

c. Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

d. Investment income

Interest is included when receivable by the charity.

e. Resources Expended

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. All resources expended are inclusive of irrecoverable VAT.

f. Tangible fixed assets and depreciation

Property is shown at market value and is not depreciated. Other fixed assets costing more than £500, are capitalised and depreciated on a 25% straight line basis.

g. Charitable activities

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

h. Creditors and provisions

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

i. Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity. Restricted funds can only be used for the purpose the fund was established.

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
2. Incoming Resources	2021	2021	2021	2020
	£	£	£	£
General Ministry Income				
Dues - Cash	980	-	980	960
Dues - Standing Orders	23,848	-	23,848	29,515
St Mary Mehabre income	1,260	-	1,260	1,420
Collections & Dues	13,586	-	13,856	10,421
Gift Aid	-	-	-	8,290
Fundraising Committee	184	-	184	951
Memorial	410	-	410	340
Baptism	1,210	-	1,210	660
Tithes	4,119	-	4,119	2,440
Clergy Fund	360	-	360	380
Bible Studies	-	-	-	220
Annual/ Church Outings	660	-	660	-
Candle Box Collection	416	-	416	401
Donations	1,701	-	1,701	-
Miscellaneous Income	638	-	638	2,077
Total General Ministry Income	49,372	-	49,372	58,075
Project Income				
Building Pledges	-	1,542	1,542	7,270
Fundraising Committee	-	543	543	9,171
Auction	-	60	60	2,765
PayPal	-	2,185	2,185	4,055
Building Fund Donations	-	4,545	4,545	9,959
Bank Interest – Project Account	-	10	10	105
200 Names	-	20,282	20,282	25,462
Sembete Committee income	-	209	209	2,517
Entrance Shop	-	3,230	3,230	6,932
Event Income	-	50	50	3,060
Building Project Sponsorship	-	1,900	1,900	26,944
Ecclesiastical Items	-	1,250	1,250	15,420
Total Project Income	-	35,806	35,806	113,660
Total Incoming Resources	49,372	35,806	85,178	171,735

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
3. Resources Expended				
Charitable Activities				
Church Rent	12,259	-	12,259	10,500
Diocese	2,400	-	2,400	2,400
Fundraising Committee Expenses	998	-	998	-
Ministry Insurance	404	-	404	350
Miscellaneous expenses	11	-	11	-
Annual/Church Outings	2,385	-	2,385	-
Storage	3,345	-	3,345	2,669
Travel	195	-	195	2,561
Utility Bills	1,752	-	1,752	1,726
Bank charges	107	-	107	-24
Multimedia	1,852	-	1,852	124
Donations to Monastery/ Churches	625	-	625	1,000
Accounts/ Audit Expenses	365	-	350	350
PC Administration	892	-	892	1,066
Hall/Venue Hire	-	-	-	900
Funeral Expenses	-	-	-	1,000
Repair and Maintenance	-	-	-	79
Miscellaneous	204	-	-	121
Shop Purchases	-	-	-	470
Total Charitable Activities	27,794	-	27,794	25,292
Project Activities				
Mortgage Interest Payments	-	10,725	10,725	12,357
Legal/Professional Fees	-	4,467	4,467	72,705
Utility/ Security Expenses	-	603	603	3,120
Building Works	-	88,766	88,766	43,047
Building Insurance	-	5,024	5,024	9,386
Fundraising Events Expenses	-	27	27	4,761
Building Repairs	-	835	835	-
Miscellaneous	-	350	351	50
Total Project Activities	-	110,801	110,801	145,426
Total Resources Expended	27,794	110,801	138,595	170,718

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

4. Tangible Fixed Assets	2021	2020
	£	£
Property Cost/ Valuation brought forward	1,130,000	1,206,648
Building improvements written off	-	(£76,648)
Total Property Valuation carried forward	1,130,000	1,130,000

The charity owns a property at 229 Clapton High Road which cost £700,000 in 2011. Following an independent valuation which took place in 2017, based on the planning permission that had been obtained, this is now showing at market value of £1,130,000.

5. Debtors	2021	2020
	£	£
Other debtors	-	10,047
Total debtors	-	10,047

6. Cash at bank and in hand	2021	2020
	£	£
HSBC BMM A/C	94,646	76,870
HSBC Current A/C	6,811	14,217
HSBC Deposit A/C	3,055	3,855
HSBC Project A/C	6,392	91,900
Paypal A/C	3,628	4,903
Cash in hand	2,855	3,262
Total Cash at bank and in hand	117,387	195,007

7. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade Creditors	85	9,228
Accrual	365	3,350
Provision	2,100	2,100
Mortgage Loan Account	25,978	22,123
Total current creditors	28,528	36,801

8. Creditors: amounts falling due after one year	2021	2020
	£	£
Mortgage Loan Account	272,353	298,330
Total long-term creditors	272,353	298,330

Amounts falling due between one and two years	26,886	25,978
Amounts falling due between two and five years	86,403	83,486
Amounts falling due after five years	159,064	188,866

THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

The acquisition of the property at 229 Clapton High Road was part funded by a 20-year repayment mortgage from HSBC.

9. Movement of Funds

	At 1 September 2020	Incoming resources	Outgoing resources	At 31 August 2021
	£	£	£	£
Unrestricted Funds	203,841	49,372	27,794	225,419
Restricted Funds	796,082	35,806	110,801	721,087
Total	999,923	85,178	138,595	946,506

INDEPENDENT EXAMINERS REPORT

TO THE TRUSTEES OF THE ETHIOPIAN ORTHODOX CHURCH ST. MARY OF ZION

FOR THE YEAR ENDED 31 AUGUST 2021

I report to the trustees of the Ethiopian Orthodox Church St. Mary of Zion (Charity Number 282910) on the accounts for the year ended 31st August 2021, which are set out on the attached pages 5-11.

Respective responsibilities of trustees and examiner

The charity's trustees, are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required for this year. The charity is preparing accounts and I am qualified to undertake the Examination being a qualified member of the association of Charities Independent Examiners

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act,
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, that the requirements to:

- keep accounting records in accordance with section 130 of the 2011 Act; and
- prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;

have not been met; or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached. The Ethiopians have always consulted when in doubt.

Signed.....

Date.....17/4/2022

Sam Tanyi, FMAAt, MLIBF, MACIE
13 Arkley Road
London
E17 7PD