

MOP FOUNDATION
TRUSTEES REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2016

MOP FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs V Soleymani Mrs S Elghanyan Ms S Elghanian-Krayem Mrs S Khodadoost Mrs S Amanullah Ameri S Oyvessi N Ansary	(Appointed 23 November 2017) (Appointed 23 November 2017)
Charity number	1104066	
Principal address	16A Lowndes Square London United Kingdom SW1X 9HB	
Independent examiner	Baldwins (Shrewsbury) Limited Column House London Road Shrewsbury Shropshire SY2 6NN	
Bankers	Natwest Bank PO Box 6037 186 Brompton Road Knightsbridge London SW3 1HQ	
Solicitors	Portrait 1 Chancery Lane London WC2A 1LF	

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TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (FRSSE), issued in July 2014.

Objectives and activities

The charity's objects are:

- To advance the education of the public in the knowledge and understanding of Persian culture and:
- For the benefit of such other charitable purposes or charitable institutions in any part of the world

The policy of the charity continues to be to seek finance and support to continue its operation for the public benefit and there has been no change in these during the year.

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

Throughout 2016, the charity has organised a number of cultural events, including a VIP dinner and fundraising art auction in Los Angeles, a VIP dinner and fundraising art auction in Dubai, talks at the British Museum, and artist residencies and scholarships. This will continue in the future as the trustees continue to explore and cultivate other artistic disciplines.

Achievements and performance

The trustees consider that the performance of the charity this year has been satisfactory and continue to seek financial support to enable it to continue its operation.

The majority of income for the charity is generated through art auctions, held on a yearly basis, of artwork generously donated by established and emerging Iranian and international artists. Held in the UK, US and the UAE, the success of these fundraising events relies entirely on the participation and support of artists and patrons alike.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. At the year end the charity's own reserves were not sufficient to meet this policy however financial support will be provided by The Friends of MOP Foundation should the need arise.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Controls, financial and non-financial, have been implemented to ensure compliance at all levels. The trustees believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

Plans for the future

The charity plans to continue to promote and advance the education of the public in the knowledge and understanding of Persian culture.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust dated 17th May 2004 and constitutes an unincorporated charity.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees who served during the year were:

Mrs V Soleymani

Mrs S Elghanyan

Ms S Elghanian-Krayem

Mrs S Khodadoost

Mrs S Amanullah Ameri

S Oyvessi

(Appointed 23 November 2017)

N Ansary

(Appointed 23 November 2017)

Appointment of trustees is governed by the trust deed of charity. The board of trustees is authorised to appoint new trustees to fill any vacancies arising through resignation or death of an existing trustee.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The charity is governed by a board of trustees who meet twice a year. The charity also has a committee which meets at least every two months to manage its affairs, Ms S Elghanian-Krayem is the trustee who manages the day to day administration of the charity.

The trustees report was approved by the Board of Trustees.

Ms S Elghanian-Krayem

Trustee

Dated: 6 December 2017

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MOP FOUNDATION

I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The 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 needed.

It is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the 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 you as 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 next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements and to comply with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or

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INDEPENDENT EXAMINER'S REPORT (CONTINUED) TO THE TRUSTEES OF MOP FOUNDATION

- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dawn Owen BA(Hons) FCA
Baldwins (Shrewsbury) Limited

qualified member of the Institute of Chartered Accountants in England & Wales
Column House
London Road
Shrewsbury
Shropshire
SY2 6NN

Dated: 6 December 2017

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
<u>Income from:</u>			
Donations and legacies	3	43,331	57,026
Charitable activities	4	187,786	292,660
		<hr/>	<hr/>
Total income		231,117	349,686
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	5	116,758	240,470
		<hr/>	<hr/>
Increasing awareness of Persian culture	6	101,202	88,721
		<hr/>	<hr/>
Total resources expended		217,960	329,191
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		13,157	20,495
Fund balances at 1 January 2016		21,373	878
		<hr/>	<hr/>
Fund balances at 31 December 2016		34,530	21,373
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

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BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	11		1,589		265
Current assets					
Debtors	13	-		5,659	
Cash at bank and in hand		37,584		30,632	
		<u>37,584</u>		<u>36,291</u>	
Creditors: amounts falling due within one year	14	(4,643)		(15,183)	
Net current assets			32,941		21,108
Total assets less current liabilities			<u>34,530</u>		<u>21,373</u>
Income funds					
Unrestricted funds			34,530		21,373
			<u>34,530</u>		<u>21,373</u>

The accounts were approved by the Trustees on 6 December 2017

Ms S Elghanian-Krayem
Trustee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

MOP Foundation is a registered charity.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], 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 accounts 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts 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 accounts, 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 accounts. The charity has the continued financial support provided by The Friends of MOP Foundation.

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 can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classed under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets 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:

Office equipment	25% on cost
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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.

1.7 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.

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.

1.8 Foreign exchange

Transactions denominated in foreign currencies are recorded at the average rate of exchange for the period.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

3 Donations and legacies

	2016	2015
	£	£
Donations and gifts	43,331	57,026

4 Charitable activities

	Tickets & Sponsorship £	Auction £	Others £	Total 2016 £	Total 2015 £
Income from charitable activities	7,203	180,354	229	187,786	292,660

5 Raising funds

	2016	2015
	£	£
<u>Fundraising and publicity</u>		
Travelling, fares and entertaining	13,655	18,924
Event costs	103,103	221,546
Fundraising and publicity	116,758	240,470
	116,758	240,470
For the year ended 31 December 2015		
Fundraising and publicity		240,470

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

6 Increasing awareness of Persian culture

	2016 £	2015 £
Staff costs	43,367	46,586
Depreciation and impairment	334	684
Donations made	4,988	23,189
Sundry expenses	974	829
Bank charges	1,139	1,138
Computer and telephone costs	7,275	6,842
Insurance	-	290
Foreign exchange movements	2,595	518
	<u>60,672</u>	<u>80,076</u>
Grant funding of activities (see note 7)	23,198	5,424
Share of governance costs (see note 8)	17,332	3,221
	<u>101,202</u>	<u>88,721</u>
Analysis by fund		
Unrestricted funds	<u>101,202</u>	
	<u>101,202</u>	
For the year ended 31 December 2015		
Unrestricted funds		<u>88,721</u>
		<u>88,721</u>

7 Grants payable

	2016 £	2015 £
Grants to institutions:		
The London Film School	10,078	4,424
The Whitechapel Gallery	-	1,000
Goldsmiths College	28,800	-
Essex University	7,518	-
	<u>23,198</u>	<u>5,424</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Support costs

	Support costs £	Governance costs £	2016 £	2015 £	Basis of allocation
Legal and professional	-	15,060	15,060	1,301	Governance
Accountancy	-	2,272	2,272	1,920	Governance
	<u>-</u>	<u>17,332</u>	<u>17,332</u>	<u>3,221</u>	
Analysed between Charitable activities	<u>-</u>	<u>17,332</u>	<u>17,332</u>	<u>3,221</u>	

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. There were no trustees expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015.

During the year one of the trustees personally funded charity expenses of £3,280. At the year end £1,590 was owed to her in this regard.

10 Employees

Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Management and administration	<u>2</u>	<u>2</u>

Employment costs

	2016 £	2015 £
Wages and salaries	41,895	45,425
Social security costs	559	1,161
Other pension costs	913	-
	<u>43,367</u>	<u>46,586</u>

There were no employees whose annual remuneration was £60,000 or more.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2016	4,117
Additions	1,658
	<hr/>
At 31 December 2016	5,775
	<hr/>
Depreciation and impairment	
At 1 January 2016	3,852
Depreciation charged in the year	334
	<hr/>
At 31 December 2016	4,186
	<hr/>
Carrying amount	
At 31 December 2016	1,589
	<hr/> <hr/>
At 31 December 2015	265
	<hr/> <hr/>

12 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	37,583	34,391
	<hr/> <hr/>	<hr/> <hr/>
Carrying amount of financial liabilities		
Measured at amortised cost	3,704	15,056
	<hr/> <hr/>	<hr/> <hr/>

Financial assets measured at amortised cost consists of cash in hand and at bank.

Financial liabilities measured at amortised cost consists of other creditors.

13 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Other debtors	-	3,759
Prepayments and accrued income	-	1,900
	<hr/>	<hr/>
	-	5,659
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Other taxation and social security	939	127
Other creditors	3,704	15,056
	<u>4,643</u>	<u>15,183</u>

15 Analysis of net assets between funds

	Total £
Fund balances at 31 December 2016 are represented by:	
Tangible assets	1,589
Current assets/(liabilities)	32,941
	<u>34,530</u>

The general fund is retained funds for the on-going existence of the charity, on which there are no restrictions beyond the objects of the charity.

16 Related party transactions

No remuneration was paid to key management personnel in the 2015 and 2016 financial years.

Details of transactions with one of the Trustees can be found in note 9.

17 Ultimate controlling party

The charity is controlled by the board of trustees.