

MOP FOUNDATION
TRUSTEES REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

MOP FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs V Soleymani Mrs S Elghanyan Ms S Elghanian-Krayem Mrs S Khodadoost Mrs S Amanullah Ameri Mrs S Oyvessi Mrs N Ansary
Charity number	1104066
Principal address	328A Kings Road London United Kingdom SW3 5UH
Independent examiner	Azets Column House London Road Shrewsbury Shropshire SY2 6NN
Bankers	Natwest Bank PO Box 6037 186 Brompton Road Knightsbridge London United Kingdom SW3 1HQ
Solicitors	Portrait 1 Chancery Lane London United Kingdom WC2A 1LF

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MOP FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

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 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) (effective 1 January 2019)".

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 2020, the charity has organised a number of cultural events, art 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 in this year was generated through art sales and donations of artwork generously donated by established and emerging Iranian and international artists.

Financial review

The net income for the year under review was £17,018 (2019: Net expenditure of £61,611).

At 31 December 2020, the total funds held were £44,947 (2019: £27,929), all unrestricted funds.

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 end of 2019, the charity's own reserves were not sufficient to meet this policy. However financial support was provided by The Friends of MOP Foundation in 2020 as required.

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.

MOP FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for the future

Major risks have been reviewed, and procedures are in place to manage these risks.

The emergence of Covid-19 has been a risk that presents concern for the economy as a whole. The directors have considered the ongoing Covid-19 scenario which has had an impact on the 2020 financial year. The directors continue to monitor the situation and follow directives bound by the Government. The directors have made use of the Government support schemes, and bounce-back loan provision as appropriate.

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.

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
Mrs S Oyvessi
Mrs N Ansary

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. Procedures are in place for the induction and training of new trustees.

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: 25 March 2022

MOP FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MOP FOUNDATION

I report on the financial statements of the charity for the year ended 31 December 2020, which are set out on pages 4 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 financial statements 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements 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 financial statements 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 financial statements 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
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Helen Tinsley FCCA

Column House
London road
Shrewsbury
Shropshire
SY2 6NN

Dated: 25 March 2022

MOP FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
		£	£
<u>Unrestricted Income from:</u>			
Donations and legacies	3	123,339	54,597
Charitable activities	4	44,956	77,900
		<hr/>	<hr/>
Total income		168,295	132,497
		<hr/>	<hr/>
<u>Unrestricted Expenditure on:</u>			
Raising funds	5	110,442	137,157
		<hr/>	<hr/>
Increasing awareness of Persian culture	6	40,835	56,951
		<hr/>	<hr/>
Total resources expended		151,277	194,108
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		17,018	(61,611)
Fund balances at 1 January 2020		27,929	89,540
		<hr/>	<hr/>
Fund balances at 31 December 2020		44,947	27,929
		<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.

MOP FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	11		4		393
Current assets					
Debtors	13	-		5,287	
Cash at bank and in hand		99,095		27,340	
		<u>99,095</u>		<u>32,627</u>	
Creditors: amounts falling due within one year	15	(4,152)		(5,091)	
		<u> </u>		<u> </u>	
Net current assets			94,943		27,536
			<u> </u>		<u> </u>
Total assets less current liabilities			94,947		27,929
Creditors: amounts falling due after more than one year	16		(50,000)		-
Net assets			<u>44,947</u>		<u>27,929</u>
			<u> </u>		<u> </u>
Income funds					
Unrestricted funds			44,947		27,929
			<u> </u>		<u> </u>
Total funds			<u>44,947</u>		<u>27,929</u>
			<u> </u>		<u> </u>

The accounts were approved by the Trustees on 25 March 2022

Ms S Elghanian-Krayem
Trustee

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

MOP Foundation is a registered charity and is a public benefit entity.

1.1 Accounting convention

The financial statements 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) (effective 1 January 2019)". 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, 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.

The emergence of Covid-19 has been a risk that presents concern for the economy as a whole. The directors have considered the ongoing Covid-19 scenario, which has had an impact on the 2020 financial year. The directors will continue to monitor the situation and follow directives bound by the Government. The directors have made use of the Government support schemes and bounce back loan availability as required.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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.

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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 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 straight line
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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.

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	2020 £	2019 £
Donations and gifts	123,339	54,597

4 Charitable activities

	Events Income 2020 £	Other - Bank interest 2020 £	Total 2020 £	Total 2019 £
Income from charitable activities	44,952	4	44,956	77,900

5 Raising funds

	2020 £	2019 £
Travelling, fares and entertaining	2,508	7,340
Event costs	107,934	129,817
	110,442	137,157

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Increasing awareness of Persian culture

	2020 £	2019 £
Staff costs	11,849	11,752
Depreciation	390	460
Donations made	8,266	19,247
Sundry expenses	4,599	3,587
Bank charges	535	698
Computer and telephone costs	2,830	2,775
Foreign exchange movements	(1,063)	2,774
	<u>27,406</u>	<u>41,293</u>
Grant funding of activities (see note 8)	10,500	12,946
Share of governance costs (see note 7)	2,929	2,712
	<u>40,835</u>	<u>56,951</u>
Analysis by fund		
Unrestricted funds	<u>40,835</u>	<u>56,951</u>
Total	<u>40,835</u>	<u>56,951</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal and professional	-	529	529	-	372	372
Accountancy - independent examination	-	2,400	2,400	-	2,340	2,340
	<u>-</u>	<u>2,929</u>	<u>2,929</u>	<u>-</u>	<u>2,712</u>	<u>2,712</u>
Analysed between Charitable activities	<u>-</u>	<u>2,929</u>	<u>2,929</u>	<u>-</u>	<u>2,712</u>	<u>2,712</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Grants payable

	2020	2019
	£	£
Grants to institutions:		
Goldsmith College	10,500	-
University of Groningen	-	2,474
Wysing Art Charity	-	500
Kristin Hjellegjerde Gallery	-	8,400
Other Grants	-	1,572
	<u>10,500</u>	<u>12,946</u>
	<u><u>10,500</u></u>	<u><u>12,946</u></u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. There were no expenses paid to trustees for the years ended 31 December 2020 or 31 December 2019.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Management and administration	<u>1</u>	<u>1</u>

Employment costs

	2020	2019
	£	£
Wages and salaries	11,631	11,506
Other pension costs	218	246
	<u>11,849</u>	<u>11,752</u>
	<u><u>11,849</u></u>	<u><u>11,752</u></u>

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

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2020	5,955
At 31 December 2020	<u>5,955</u>
Depreciation and impairment	
At 1 January 2020	5,561
Depreciation charged in the year	390
At 31 December 2020	<u>5,951</u>
Carrying amount	
At 31 December 2020	4
At 31 December 2019	<u><u>393</u></u>

12 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	99,095	27,340
Carrying amount of financial liabilities		
Measured at amortised cost	54,153	5,091

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

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	-	5,287

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
Payable after one year	50,000	-

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,753	411
Other creditors	2,399	4,680
	4,152	5,091

16 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	14	50,000	-

17 Analysis of net assets between funds

	Unrestricted Funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:			
Tangible assets	4	4	393
Current assets/(liabilities)	94,943	94,943	27,536
Long term liabilities	(50,000)	(50,000)	-
	44,947	44,947	27,929

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.

18 Related party transactions

No remuneration was paid to key management personnel in the 2020 and 2019 financial years.

Donations of £114,922 (2019: £Nil) were received from The Friends of MOP Foundation during the period under review.

MOP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2020*

19 Ultimate controlling party

The charity is controlled by the board of trustees.