

Charity Commission Registration No. 282070

**ARMENIAN GENERAL BENEVOLENT UNION
LONDON TRUST**

**Financial statements for the year ended
31 December 2004**

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Financial statements for the year ended 31 December 2004

Governing Document: Trust Deed

Charity Registration Number: 282070

Registered address: 25 Cheniston Gardens
London
W8 6TG

Bankers: National Westminster Bank
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PA

Solicitors: Gulbenkian Harris Andonian
125 High Holborn
London
WC1V 6QF

Auditors: Chantrey Vellacott DFK
Gresham House
53 Clarendon Road
Watford
Herts
WD17 1LR

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ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Trustees' Annual Report for the year ended 31 December 2004

1. Constitution

The Trust was set up by Declaration dated 16 February 1981 for:

- the advancement of education among Armenians particularly in the United Kingdom and the promotion of the study of Armenian history, literature, language, culture and religion;
- the relief of poverty among Armenians and the relief in cases of need of Armenian persons who are sick or aged.

The Trust is affiliated to the world wide Armenian General Benevolent Union with headquarters in New York where it is incorporated as a Delaware company. The London Trust is a separate registered charity holding the assets of the Armenian General Benevolent Union in England with the Trustees acting according to the Trust Deed and within the guidelines of the Charity Commission.

The Trustees comprise two members of the Central Board in New York, two ex-officio members of the Armenian General Benevolent Union London Branch Executive Committee and up to five other Trustees for a term of six years. The Charity Commissions for England Wales, on 7 April 1995, granted a Certificate of Incorporation of the Trustees.

2. Organisation

The continuing Trustees were - Berge Setrakian (Chairman), Harout Aghajanian (Vice chairman), Dr Berje Azadian (Treasurer), Ara Sarafian (Secretary), Dr Susan Pattie, Hampar Chakardjian and Mrs Louise Simone.

All serve on a voluntary unpaid basis and receive no expenses.

3. Regulatory Information

The accounts comply with current statutory requirements and with the charity's Trust Deed.

The income is applied to the objects of the Trust.

Investments have been acquired in accordance with the powers in the Trust Deed.

4 Investments

The trustees have a general power of investment.

The Trust acquired additional 4540.419 units in M&G Charifund Income Units for £50,000. Investments are held in fixed interest securities (22.38%) and Equity funds (77.62%). The overall market value of the investments was 8.78% higher (2003 - 9.06% higher) than the level at the start of the year.

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Trustees' Annual Report for the year ended 31 December 2004 (Contd.)

5 Income

Investment income and bank interest totalling £121,285, donations of £15,291 and other income of £5,857 were received during the year.

6. Student Awards

Student awards were offered to sixteen students, as interest free loans, and to three students as grants for those undertaking Armenian studies or in particular need.

7. Education Grants

Annual grants were made to the K Tahta Armenian Community Sunday School (£4,000) and to the Armenian Language Saturday School (£500) towards the expenses of teachers and students.

8. Aid to Armenia

A grant of £53,148 was approved for payment towards the Norashen Centennial Project. Of this sum £26,574 was raised from donations and £26,574 was given by the Trust. Similarly a grant of £3,000 was approved for payment towards an orphanage. Of this, £1,500 was raised by a sponsored hike by AGBU Branch youth and a further £1,500 was given by the Trust.

A sum of £1,298 (\$2,500) was given to the Meghri Kindergarten Centre from the Katherine Ghazarian Fund.

9. Charitable and Other Grants

The Trust continued its support to Mother See of Holy Etchmiadzin for Father Gevork Armen Saroyan towards his education and living costs (£10,000); and to Tania King for architectural excavations in Armenia (£2,400).

10. London Community Organisation

The ongoing youth activities of the AGBU London Branch were supported with a grant of £3,000. Contributions were made towards the costs of the quarterly AGBU publication (£1,200) and towards the lecture series (£600).

11. Reserves Policy

The Trustees plan expenditure within anticipated net income for the current year. Overall income is allocated in proportion to each fund and specific grants allocated to the various funds according to the conditions accepted with the donation or bequest. The Trustees endeavour to seek projects that match these conditions and any surplus income are carried forward for future applications.

The present level of free reserves, that is funds not tied to restricted or endowment funds is £183,695.

12. Risk Review

The Trustees have identified and assessed the major risks to which the charity is exposed, in particular those related to the operation and finances of the charity. They are satisfied that the charity's exposure to these risks are minimal.

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Trustees' Annual Report for the year ended 31 December 2004 (Contd.)

13. Connected Charity

The Armenian General Benevolent Union London Trust is connected, within the meaning of the Charities SORP, with the Armenian Education Trust in that it shares the same Trustees and registered address.

14. Going Concern

The Trustees are satisfied that the Trust is a going concern.

15. Statement of Trustees' responsibilities

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

16. Statement of Trustees' responsibilities

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 22 April 2005
and signed on its behalf by:

..... H Aghajanian – Vice Chairman

..... Dr B Azadian - Treasurer

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Independent auditors' report to the Trustees of The Armenian General Benevolent Union London Trust

We have audited the financial statements of the Armenian General Benevolent Union London Trust for the year ended 31 December 2004 which comprise the Statement of Financial Activities, the Balance Sheets and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the charity's Trustees, as a body, in accordance with Section 43(2) of the Charities Act 1993. 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 auditors' 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.

Respective responsibilities of trustees and auditors

The Trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities. We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Trust's affairs as at 31 December 2004 and of its net movement of funds for the year then ended and have been properly prepared in accordance with the Charity Act 1993 applicable to smaller charities.

CHANTREY VELLACOTT DFK
Chartered Accountants
Registered Auditors

WATFORD

22 April 2005

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Balance sheet as at 31 December 2004

	Note	2004	2003
		£	£
Fixed assets			
Investments		2,715,066	2,455,177
Current assets			
Debtors		-	1,629
Cash at bank and in hand	314,875	314,875	272,985
		<u>314,875</u>	<u>274,614</u>
Liabilities: Amounts falling due within one year			
Creditors and accruals	65,696	<u>65,696</u>	<u>3,750</u>
Net current assets		249,179	270,864
Net assets		<u>£2,964,245</u>	<u>£2,726,041</u>
Funds			
Unrestricted		1,767,532	1,597,204
Restricted		1,196,713	1,128,837
		<u>£2,964,245</u>	<u>£2,726,041</u>

Approved by the Board of Trustees on 22 April 2005
and signed on its behalf by:

..... H Aghajanian - Vice Chairman

..... Dr B Azadian -Treasurer

ARMENIAN GENERAL BENEVOLENT UNION LONDON TRUST

Statement of financial activities for the year ended 31 December 2004

Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2004 £	Total Funds 2003 £
Income and expenditure				
Incoming resources				
Bequests	-	-	-	29,404
Donations	600	14,691	15,291	13,383
Bank interest	4,382	3,095	7,477	
Investment income	66,681	47,127	113,808	114,263
Other income	3,927	1,930	5,857	2,602
Total incoming resources	<u>£75,590</u>	<u>£66,843</u>	<u>£142,433</u>	<u>£159,652</u>
Resources expended				
Direct charitable expenditure				
Grants	25,500	83,946	109,446	82,715
Other expenditure				
Management and administration of the charity	2,737	1,935	4,672	6,579
Total resources expended	<u>£28,237</u>	<u>£85,881</u>	<u>£114,118</u>	<u>£89,294</u>
Net incoming resources for the year	47,353	£(19,038)	28,315	70,358
(Losses)/gains on investment assets				
Unrealised profit on revaluation	122,975	86,914	209,889	203,896
Net movement in funds	170,328	67,876	238,204	274,254
Balance brought forward at 1 January 2004	1,597,204	1,128,837	2,726,041	2,451,787
Balance carried forward at 31 December 2004	<u>£1,767,532</u>	<u>£1,196,713</u>	<u>£2,964,245</u>	<u>£2,726,041</u>

Continuing operations

None of the Trust's activities were acquired or discontinued during the current and previous year.

Total recognised gains and losses

The Trust has no recognised gains or losses other than the gains for the current and previous year.