


**REGISTRAR OF COMPANIES**

**THR RUSSIAN ORTHODOX CHURCH  
REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
31 DECEMBER 2019**

Certified true copy of the original Financial Accounts and Reports of the Board of Directors and Auditors as presented in Annual General Meeting.



Director



Secretary

CYPROSERVUS CO. LIMITED



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## REPORT AND FINANCIAL STATEMENTS

31 December 2019

### CONTENTS

#### PAGE

Executive Committee and other officers	1
Report of the Executive Committee	2 - 3
Independent auditor's report	4 - 6
Statement of income and expenses	7
Statement of financial position	8
Cash flow statement	9
Notes to the financial statements	10 - 26



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## EXECUTIVE COMMITTEE AND OTHER OFFICERS

<b>Executive Committee:</b>	Vadim Pankov Petros Valko Valery Gusev Oleg Lapoushkin Yuri Panykh Anton Sevryuk Gleb Klimov
<b>Company Secretary:</b>	Cyproservus Co. Ltd 284 Arch. Makarios III Avenue 3rd floor, flat 32 Limassol, Cyprus
<b>Independent Auditors:</b>	Cube Audit Limited Certified Public Accountants and Registered Auditors Tsigarides Building Office 203 2042 Nicosia Cyprus
<b>Registered office:</b>	284, Arch. Makariou III Ave. Fortuna Court, Block B 3105, Limassol Cyprus
<b>Registration number:</b>	88190

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee presents its report and audited financial statements of the Fund for the year ended 31 December 2019.

### **Principal activity and nature of operations of the Fund**

The principal activity of the Fund, is the provision of operational and financial support to the Russian Orthodox Church (Moscow Patriarchate) for the construction and development of the Russian Orthodox Church "St Nicholas" in Limassol.

### **Change of Fund name**

On 3 January 2018, the Fund changed its name from The Russian Orthodox Church "St Nicholas" Fund Limited to The Russian Orthodox Church "St Nicholas" Fund.

### **Review of current position, future developments and performance of the Fund's business**

The Fund's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Executive Committee is making an effort to reduce the Fund's losses.

### **Principal risks and uncertainties**

The principal risks and uncertainties faced by the Fund are disclosed in notes 7 and 8 of the financial statements.

### **Use of financial instruments by the Fund**

The Fund is exposed to market price risk and credit risk from the financial instruments it holds.

#### **Market price risk**

The Fund is exposed to equity securities price risk because of investments held by the Fund and classified on the statement of financial position either as fair value through other comprehensive income or at fair value through profit or loss. The Fund is not exposed to commodity price risk.

#### **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its operating activities - primarily trade receivables and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Credit risk related to trade receivables: This is managed based on established policies, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal ratings. Credit quality of the customer is assessed and outstanding customer receivables are regularly monitored. The Fund does not hold collateral as security.

Credit risk related to financial instruments and cash deposits: Cash balances are held with high credit quality financial institutions and the Fund has policies to limit the amount of credit exposure to any financial institution.

#### **Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Fund has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

### **Results**

The Fund's results for the year are set out on page 7.

### **Share capital**

The Fund is limited by guarantee without share capital up to the amount of €1.710.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## REPORT OF THE EXECUTIVE COMMITTEE

### **Executive Committee**

The members of the Fund's Executive Committee as at 31 December 2019 and at the date of this report are presented on page 1. All of them were members of the Executive Committee throughout the year ended 31 December 2019.

In accordance with the Fund's Articles of Association all presently members of the Executive Committee continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Executive Committee.

### **Independent Auditors**

The Independent Auditors, Cube Audit Limited, have expressed their willingness to continue in office and a resolution giving authority to the Executive Committee to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Executive Committee,

Member

Limassol, 7 December 2020





## **Independent Auditor's Report**

### **To the Members of The Russian Orthodox Church "St Nicholas" Fund**

#### **Report on the Audit of the Financial Statements**

##### **Qualified Opinion**

We have audited the financial statements of The Russian Orthodox Church "St Nicholas" Fund (the "Fund"), which are presented in pages 7 to 26 and comprise the statement of financial position as at 31 December 2019, and the statements of income and expenses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

##### **Basis for Qualified Opinion**

The deposits in FBME Bank amounting to € 535.004 and which are presented in Note 21 of the financial statements for the year ended 31 December 2019 have restrictions imposed. Therefore, we are unable to satisfy ourselves as to the valuation of this amount.

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Fund in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

##### **Other information**

The Executive Committee is responsible for the other information. The other information comprises the information included in the Report of the Executive Committee, but does not include 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, 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.

##### **Responsibilities of the Executive Committee for the Financial Statements**

The Executive Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



## **To the Members of The Russian Orthodox Church "St Nicholas" Fund**

### **Responsibilities of the Executive Committee for the Financial Statements (continued)**

In preparing the financial statements, the Executive Committee is responsible for assessing the Fund'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 Executive Committee either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is responsible for overseeing the Fund's financial reporting process.

### **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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Executive Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





## **Independent Auditor's Report (continued)**

### **To the Members of The Russian Orthodox Church "St Nicholas" Fund**

#### **Report on Other Legal Requirements**

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, the Executive Committee report, whose preparation is the responsibility of the Executive Committee, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Fund and its environment obtained in the course of the audit, we have not identified material misstatements in the Executive Committee Report.

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Fund's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



**Nicolas Yiallourous**

Certified Public Accountant and Registered Auditor  
for and on behalf of

**Cube Audit Limited**

**Certified Public Accountants and Registered Auditors**

Tsigarides Building

Office 203

2042 Nicosia

Cyprus

Nicosia, 7 December 2020



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## STATEMENT OF INCOME AND EXPENSES

31 December 2019

	2019 €	2018 €
<b>INCOME</b>		
Member's subscriptions	374	510
Donations	1,412,867	1,066,068
Other income	8,243	192,510
<b>Total revenue</b>	<b>1,421,484</b>	<b>1,259,088</b>
<b>EXPENSES</b>		
Expenses relating to contruction of Church	1,593,151	2,471,119
Change in fair value of financial assets at fair value through profit or loss	3,955	10,203
Finance expenses	2,266	2,079
Common expenses	1,160	968
Licenses and taxes	-	80
Annual levy	350	350
Water supply and cleaning	322	322
Repairs and maintenance	-	116
Sundry expenses	429	318
Telephone and postage	502	464
Courier expenses	-	196
Stationery and printing	85	59
Subscriptions and contributions	24,000	12,781
Auditors' remuneration for the statutory audit of annual accounts	2,380	2,380
Other professional fees	1,500	1,988
Travelling	900	1,015
Inland travelling and accommodation	2,677	3,733
Entertaining	835	-
Exhibition expenses	-	620
Amortisation of website	536	-
<b>Total expenses</b>	<b>1,635,048</b>	<b>2,508,791</b>
<b>Deficit for the year</b>	<b>(213,564)</b>	<b>(1,249,703)</b>

The notes on pages 10 to 26 form an integral part of these financial statements.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## STATEMENT OF FINANCIAL POSITION

31 December 2019

		31/12/2019	31/12/2018	01/01/2018
	Note	€	As restated €	As previously reported €
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	16	-	-	1,629,700
Cash at bank and in hand	21	<b>535,004</b>	528,649	513,684
Intangible assets	17	<b>1,072</b>	-	-
Available-for-sale financial assets	18	-	-	28,247
		<b>536,076</b>	528,649	2,171,631
<b>Current assets</b>				
Receivables	19	<b>2,302</b>	1,642	1,608
Financial assets at fair value through profit or loss	20	<b>14,089</b>	18,044	-
Cash at bank and in hand	21	<b>245,888</b>	358,855	183,294
		<b>262,279</b>	378,541	184,902
<b>Total assets</b>		<b>798,355</b>	907,190	2,356,533
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Accumulated surplus		<b>690,202</b>	903,767	2,153,470
<b>Total equity</b>		<b>690,202</b>	903,767	2,153,470
Borrowings		-	-	200,663
<b>Current liabilities</b>				
Trade and other payables	23	<b>108,153</b>	3,423	2,400
		<b>108,153</b>	3,423	2,400
<b>Total equity and liabilities</b>		<b>798,355</b>	907,190	2,356,533

On 7 December 2020 the Executive Committee of The Russian Orthodox Church "St Nicholas" Fund authorised these financial statements for issue.

.....  
Member of Executive Committee

.....  
Member of Executive Committee

The notes on pages 10 to 26 form an integral part of these financial statements.



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## CASH FLOW STATEMENT

31 December 2019

	Note	2019 €	2018 €
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Loss before tax</b>		<b>(213,564)</b>	(1,249,703)
Adjustments for:			
Amortisation of website	17	536	-
Fair value losses on financial assets at fair value through profit or loss		<u>3,955</u>	<u>10,203</u>
		<b>(209,073)</b>	(1,239,500)
<b>Changes in working capital:</b>			
Increase in receivables		<b>(2,269)</b>	(34)
Increase in trade and other payables		<u>104,730</u>	<u>1,023</u>
<b>Cash used in operations</b>		<b>(106,612)</b>	(1,238,511)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of borrowings		-	(503,283)
Proceeds from borrowings		<u>-</u>	<u>300,000</u>
<b>Net cash used in financing activities</b>		<u>-</u>	<u>(203,283)</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(106,612)</b>	(1,441,794)
Cash and cash equivalents at beginning of the year		<u>887,504</u>	<u>2,329,298</u>
<b>Cash and cash equivalents at end of the year</b>	21	<u><b>780,892</b></u>	<u>887,504</u>

The notes on pages 10 to 26 form an integral part of these financial statements.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 1. Incorporation and principal activities

#### Country of incorporation

The Russian Orthodox Church "St. Nicholas" Fund Limited (the "Fund") was incorporated in Cyprus on 12 August 1997 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 284, Arch. Makariou III Ave., Fortuna Court, Block B, 3105, Limassol, Cyprus.

#### Change of Fund name

On 3 January 2018, the Fund changed its name from The Russian Orthodox Church "St Nicholas" Fund Limited to The Russian Orthodox Church "St Nicholas" Fund.

#### Principal activity

The principal activity of the Fund, is the provision of operational and financial support to the Russian Orthodox Church (Moscow Patriarchate) for the construction and development of the Russian Orthodox Church "St Nicholas" in Limassol.

### 2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through other comprehensive income and financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Executive Committee to exercise its judgment in the process of applying the Fund's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Executive Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

### 3. Functional and presentation currency

The financial statements are presented in Euro (€) which is the functional currency of the Fund.

### 4. Adoption of new or revised standards and interpretations

During the current year the Fund adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2019. This adoption did not have a material effect on the accounting policies of the Fund.

### 5. Significant accounting policies

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

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Revenue

##### Recognition and measurement

Revenue represents the amount of consideration to which the Fund expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Fund includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Fund's experience with similar contracts and forecasted sales to the customer.

The Fund recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices ) and are committed to perform their respective obligations, the Fund can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Fund's future cash flows is expected to change as a result of the contract), it is probable that the Fund will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Fund's contracts with customers.

The Fund bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Fund considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of income and expenses in the period in which the circumstances that give rise to the revision become known by management.

##### Identification of performance obligations

The Fund assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Fund's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

- **Income from subscriptions**

Income from subscriptions is recognised on an accrual basis in the accounting period in which the subscriptions are earned.

- **Income from Donations**

Donations are credited to the Statement of income and expenses in the year in which they are received.

#### Finance income

Interest income is recognised on a time-proportion basis using the effective method.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Foreign currency translation

**(1) Functional and presentation currency**

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Fund's functional and presentation currency.

**(2) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Translation differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

#### Tax

The Fund is a not for profit organisation and is not subject to corporation tax in Cyprus.

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

#### Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Website

Costs that are directly associated with identifiable and unique computer software products controlled by the Fund and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

#### Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### Financial assets - Classification

From 1 January 2018, the Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Fund's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Fund may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, classification will depend on whether the Fund has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Fund has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Fund commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

#### Financial assets - Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Fund classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of income and expenses. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

**FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)" and impairment expenses are presented as separate line item in the statement of income and expenses.

**FVTPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Financial assets - Measurement (continued)

##### Equity instruments

The Fund subsequently measures all equity investments at fair value. Where the Fund's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Fund's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Fund's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the statement of income and expenses as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### Financial assets - impairment - credit loss allowance for ECL

From 1 January 2018, the Fund assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at AC and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Fund measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of income and expenses within "net impairment losses on financial and contract assets".

Debt instruments measured at AC are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

Expected losses are recognised and measured according to one of two approaches: general approach or simplified approach.

For trade receivables including trade receivables with a significant financing component and contract assets and lease receivables the Fund applies the simplified approach permitted by IFRS 9, which uses lifetime expected losses to be recognised from initial recognition of the financial assets.

For all other financial asset that are subject to impairment under IFRS 9, the Fund applies general approach - three stage model for impairment. The Fund applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Fund identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 7, Credit risk section, for a description of how the Fund determines when a SICR has occurred. If the Fund determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Fund's definition of credit impaired assets and definition of default is explained in note 7, Credit risk section.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Financial assets - impairment - credit loss allowance for ECL (continued)

Additionally the Fund has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 7, Credit risk section for a description of how the Fund determines low credit risk financial assets.

#### Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

#### Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Fund exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Fund may write-off financial assets that are still subject to enforcement activity when the Fund seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

#### Financial assets - modification

The Fund sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Fund assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate and change in the currency denomination.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Fund derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

#### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand. Cash and cash equivalents are carried at AC because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

#### Financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Fund. These are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

#### Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 5. Significant accounting policies (continued)

#### Share capital

The Fund is limited by guarantee without share capital up to the amount of € 1.710.

### 6. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Executive Committee expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Fund.

### 7. Financial risk management

#### Financial risk factors

The Fund is exposed to market price risk, credit risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Fund to manage these risks are discussed below:

##### 7.1 Market price risk

The Fund is exposed to equity securities price risk because of investments held by the Fund and classified on the statement of financial position either as fair value through other comprehensive income or at fair value through profit or loss. The Fund is not exposed to commodity price risk.

The Fund's equity investments that are publicly traded are included in the Cyprus Stock Exchange General Index.

Post-tax profit for the year would increase/decrease as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as fair value through other comprehensive income.

To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund's Executive Committee.

##### 7.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets.

###### *(i) Risk management*

Credit risk is managed on a group basis.

For banks and financial institutions, only independently rated parties with a minimum rating of 'C' are accepted. If customers are independently rated, these ratings are used.

Otherwise, if there is no independent rating, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Executive Committee. The utilisation of credit limits is regularly monitored.

###### *(ii) Impairment of financial assets*

The Fund has the following types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 7. Financial risk management (continued)

#### 7.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Fund has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Fund's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Fund can be required to pay. The table includes both interest and principal cash flows.

<b>31 December 2019</b>	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-5 years €	More than 5 years €
Trade and other payables	108,153	108,153	34	108,119	-	-
	<b>108,153</b>	<b>108,153</b>	<b>34</b>	<b>108,119</b>	-	-

<b>31 December 2018</b>	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-5 years €	More than 5 years €
Trade and other payables	3,423	3,423	94	3,329	-	-
	<b>3,423</b>	<b>3,423</b>	<b>94</b>	<b>3,329</b>	-	-

#### 7.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Fund's measurement currency. The Fund is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro. The Fund's Executive Committee monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The carrying amounts of the Fund's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	<b>2019</b>	<b>Assets</b> 2018
	€	€
United States Dollars	<b>339,590</b>	333,184
Russian Roubles	<b>27,995</b>	232
	<b>367,585</b>	333,416

#### Sensitivity analysis

A 10% strengthening of the Euro against the following currencies at 31 December 2019 would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the Euro against the relevant currency, there would be an equal and opposite impact on the profit.

	<b>2019</b>	<b>Profit or loss</b> 2018
	€	€
United States Dollars	<b>(30,872)</b>	(30,289)
Russian Roubles	<b>(2,545)</b>	(21)
	<b>(33,417)</b>	(30,310)

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 8. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Executive Committee to exercise its judgment in the process of applying the Fund's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Executive Committee's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Critical judgements in applying the Fund's accounting policies*

- **Fair value of financial assets**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Fund uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of the financial assets at fair value through other comprehensive income has been estimated based on the fair value of these individual assets.

- **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Fund uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Fund's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 7, Credit risk section.

- **Impairment of intangible assets**

Intangible assets are initially recorded at acquisition cost and are amortized on a straight line basis over their useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful life are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Fund estimates the recoverable amount of the cash generating unit in which the asset belongs to.

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 9. Changes in accounting policies

In the financial statements for the year ended 31 December 2019 the Fund has changed accounting policies adopted in previous years in relation to the recognition and measurement of financial assets and the amount capitalized as property, plant and equipment. In relation to financial assets, as per IFRS9 - Financial Instruments, these should have been transferred on 1 January 2018 from available for sale to fair value through profit and loss. Regarding the amounts paid by the Fund for the construction of the church, these should have been accounted as expenses in previous years' financial statements instead of property, plant and equipment since they relate to costs incurred acting as an intermediary of the Russian Orthodox Church (Moscow Patriarchate) and they were paid on behalf of Russian Orthodox Church (Moscow Patriarchate). For these costs, the Fund has no economic benefits therefore they cannot be capitalised. As per IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors, the amendments were made in the comparatives of the financial statements for the year ended 31 December 2019 since the above-mentioned changes influence the decisions of the users of the financial statements. The table below, the Statement of Income and Expenses, the Statement of Financial Position and notes 16, 18, 20 and 22 present the effect of the changes in accounting policies.

Impact on the Statement of Financial Position as at 31 December 2018:

	As previously reported €	Effect €	As restated €
1 January 2018			
Property, plant and equipment	1,629,700	-	1,629,700
Cash at bank and in hand	696,976	-	696,976
Available-for-sale financial assets	28,247	-	28,247
Receivables	1,610	-	1,610
Total assets	2,356,533	-	2,356,533
Trade and other payables	2,398	-	2,398
Borrowings	200,665	-	200,665
Total liabilities	203,063	-	203,063
Other reserves	28,247	-	28,247
Accumulated surplus	2,125,223	-	2,125,223
Total equity	2,153,470	-	2,153,470
31 December 2018			
Property, plant and equipment	2,471,119	(2,471,119)	-
Cash at bank and in hand	887,504	-	887,504
Available-for-sale financial assets	18,044	(18,044)	-
Financial assets at fair value through profit or loss	-	18,044	18,044
Receivables	1,642	-	1,642
Total assets	3,378,309	(2,471,119)	907,190
Trade and other payables	3,423	-	3,423
Total liabilities	3,423	-	3,423
Other reserves	18,044	(18,044)	-
Accumulated surplus	3,356,841	(2,453,074)	903,767
Total equity	3,374,885	(2,471,118)	903,767

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 9. Changes in accounting policies (continued)

Impact on the Statement of Income and Expenses for the year ended 31 December 2018:

	As previously reported €	Effect €	As restated €
Revenue	1,066,578	-	1,066,578
Expenses relating to construction of Church	-	(2,471,119)	(2,471,119)
Other income	177,667	-	177,667
Administration expenses	(25,390)	-	(25,390)
Change in fair value of financial assets	-	(10,203)	(10,203)
<b>Deficit before net finance income</b>	<b>1,218,855</b>	<b>(2,481,322)</b>	<b>(1,262,467)</b>
Net finance income	12,764	-	12,764
<b>Deficit for the year</b>	<b>1,231,619</b>	<b>(2,481,322)</b>	<b>(1,249,703)</b>

### 10. Revenue

	2019 €	2018 €
Member's subscriptions	374	510
Donations	<u>1,412,867</u>	<u>1,066,068</u>
	<b>1,413,241</b>	<b>1,066,578</b>

### 11. Other operating income

	2019 €	2018 €
Sundry operating income	<u>851</u>	<u>177,667</u>
	<b>851</b>	<b>177,667</b>

### 12. Other expenses

	2019 €	2018 €
Fair value losses on financial assets at fair value through profit or loss	<u>3,955</u>	<u>10,203</u>
	<b>3,955</b>	<b>10,203</b>

### 13. Deficit for the year

	2019 €	2018 €
Deficit for the year is stated after charging the following items:		
Amortisation of website (included in "Administration expenses") (Note 17)	536	-
Auditors' remuneration	<u>2,380</u>	<u>2,380</u>

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 20. Financial assets at fair value through profit or loss (continued)

Based on a decision made by the Eurogroup on 25 March 2013, the bank deposits of the Fund in Bank of Cyprus have been impaired by €232.678. Based on a decree issued by the Central bank of Cyprus, 232.678 shares of Bank of Cyprus of a nominal value of €1 each have been issued to the Fund. These shares were not traded in any Stock Exchange. In addition, there are no sufficient indications of the fair value of those shares as well as of the feasibility to realise them. As a result, the Executive Committee has fully impaired the financial assets held by the Fund in Bank of Cyprus as at 31 December 2013.

During 2014, the shares re-entered Cyprus stock exchange and the market value as at 31 December 2014 was €0,22 per share, whereas the market value as at 31 December 2015 was €0,15 per share.

On 18 January 2017, the shares in Bank of Cyprus were converted into shares in Bank of Cyprus Holding Public Limited, at a rate of 1:20, therefore the 232.678 shares in Bank of Cyprus, were converted into 11.634 shares in Bank of Cyprus Holding Public Limited.

The market value of the shares in Bank of Cyprus Holding Public Limited was €2,428 per share as at 31 December 2017.

The market value of the shares has decreased to €1,551 per share as at 31 December 2018, therefore a revaluation loss amounting to €10.203 has been recorded.

The market value of the shares has decreased to €1,211 per share as at 31 December 2019, therefore a revaluation loss amounting to €3.955 has been recorded.

The financial assets at fair value through profit or loss are marketable securities and are valued at market value at the close of business on 31 December by reference to Stock Exchange quoted bid prices. Financial assets at fair value through profit or loss are classified as current assets because they are expected to be realised within twelve months from the reporting date.

In the cash flow statement, financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital. In the statement of income and expenses, changes in fair values of financial assets at fair value through profit or loss are recorded in operating income. Refer to note 9 regarding change in accounting policy in relation to Financial assets at fair value through profit or loss.

### 21. Cash at bank and in hand

Cash balances are analysed as follows:

	2019 €	2018 €
Cash at bank and in hand	<u>780,892</u>	<u>887,504</u>
	<b>780,892</b>	<b>887,504</b>
<b>Maturity analysis:</b>		
On demand	<u>245,888</u>	<u>358,855</u>
Within one and five years	<u>535,004</u>	<u>528,649</u>
	<b>780,892</b>	<b>887,504</b>

The deposits in FBME Bank amounting to € 535.004 have been presented as non current assets in the Statement of Financial Position since due to restrictions imposed they are not expected to be realised within the year 2019.

Bank deposits are readily convertible to cash available for the purpose of short-term liquidity needs and the conversion is subject to insignificant change risk



# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### 21. Cash at bank and in hand (continued)

The exposure of the Fund to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 7 of the financial statements.

### 22. Other reserves

	Fair value reserve - available-for-sale financial assets	Total
	€	€
Balance at 1 January 2018 as previously reported	28,247	28,247
Effect of initial application of IFRS 9	(28,247)	(28,247)
Balance at 1 January 2018 as restated	-	-
<b>Balance at 31 December 2018/ 1 January 2019</b>	-	-
<b>Balance at 31 December 2019</b>	-	-

Refer to note 9 regarding change in accounting policy in relation to available for sale financial assets.

### 23. Trade and other payables

	2019	2018
	€	€
Prepayments from members (Note 24.3)	34	74
Accruals	2,750	3,349
Other creditors	105,369	-
	<b>108,153</b>	<b>3,423</b>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

### 24. Related party transactions

The following transactions were carried out with related parties:

#### 24.1 Member's subscriptions

	2019	2018
	€	€
Member's subscriptions	374	510
	<b>374</b>	<b>510</b>

As per Memorandum and Articles of Association of the Fund, each member is obliged to pay the annual subscription amounting to €34.

#### 24.2 Subscriptions receivable (Note 19)

	2019	2018
	€	€
Annual subscriptions by members receivable	102	34

#### 24.3 Subscriptions payable (Note 23)

	2019	2018
	€	€
Prepaid annual subscriptions by members	34	74
	<b>34</b>	<b>74</b>

# THE RUSSIAN ORTHODOX CHURCH "ST NICHOLAS" FUND

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

### **25. Contingent liabilities**

The Fund had no contingent liabilities as at 31 December 2019.

### **26. Commitments**

The Fund had no capital or other commitments as at 31 December 2019.

### **27. Events after the reporting period**

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

**Independent auditor's report on pages 4 to 6**