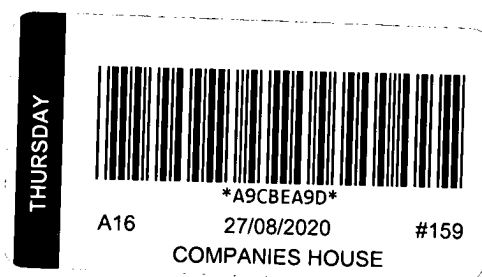


COMPANY REGISTRATION NUMBER: 03785551  
CHARITY REGISTRATION NUMBER: 1076519

**The Institute for Orthodox Christian Studies**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year Ended 31 August 2019**



# **The Institute for Orthodox Christian Studies**

**Company Limited by Guarantee**

## **Trustees' Annual Report (incorporating the Directors' Report)**

**Year ended 31 August 2019**

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	<b>Page</b>
Trustees' annual report (incorporating the Directors' report)	<b>1</b>
Independent examiner's report to the trustees	<b>9</b>
Statement of financial activities (including income and expenditure account)	<b>10</b>
Balance sheet	<b>11</b>
Notes to the financial statements	<b>12-19</b>

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# **The Institute for Orthodox Christian Studies**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (incorporating the Directors' Report)**

**Year ended 31 August 2019**

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#### **Reference and administrative details**

##### **Directors and Trustees**

H.E. Metropolitan Kallistos of Diokleia (Timothy Richard Ware) (President)  
H.E. Silouan (Oner), Metropolitan of the British Isles and Ireland (co-opted on 14/09/2018)  
V Revd Archpriest Stephen T R Platt (Chairman)  
Dr John R Binns (Vice Chairman)  
Dr Adrian Pabst  
Simon Jennings (Treasurer)  
Gladys K Bland  
V Revd Archpriest Dr Samir T Gholam  
Revd Dr Christopher Knight  
Sebastian Koga  
V Revd Archpriest Raphael Armour  
Revd Dr Anastasios Brandon Gallaher  
V Revd Archpriest David Lowell (co-opted on 14/09/2018)  
Revd Dr Demetrios Bathrellos  
Dr Michael Basham  
Dr Elizabeth Theokritoff  
Leslie Jerome Benson (co-opted on 18/10/2019)  
Ostap Paparega (left the Board - no consent for re-election at AGM 17/05/2019).

##### **Secretary**

Dr Razvan Porumb

##### **Principal**

Father Dragos Herescu

##### **Representative of the Cambridge Theological Federation**

Vacant

Company registered number

03785551

Charity registered number

1076519

Registered office

Wesley House

31 Jesus Lane

Cambridge

CB5 8BJ

##### **Accountants**

Bidwells LLP

Bidwell House

Trumpington Road

Cambridge CB2 9LD

##### **Independent Examiner**

Geoff Mann FCIE

Geoff Mann Limited, Dee House

Highworth Avenue, Cambridge

CB4 2BQ

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# **The Institute for Orthodox Christian Studies**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (incorporating the Directors' Report)**

**Year ended 31 August 2019**

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The Directors (who are also referred to as "Trustees") present their annual report together with the financial statements of The Institute for Orthodox Christian Studies ("the Charity", or "the Institute") for the year ended 31 August 2019. The comparatives show information for the year ended 31 August 2018.

Since the Charity qualifies as a small company under section 383, Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required.

## **STRUCURE, GOVERNANCE AND MANAGEMENT**

### **a. CONSTITUTION**

The Charity is incorporated as a company limited by guarantee (Registered Number 03785551) whose Memorandum and Articles of Association were adopted on 2 March 1999, and have been amended subsequently, most recently on 3 July 2012.

The Charity is registered as a charity with the Charity Commission (Charity number 1076519).

The principal objects of the Charity are to advance religious and theological education, especially of members of the Orthodox Church.

### **b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the Charity is the responsibility of the Board of Directors ("the Board"). The Directors are appointed at General Meetings of the Charity, except for the President, who is appointed by the Pan-Orthodox Episcopal Assembly for Great Britain and Ireland, and is a Director ex officio, and two representatives nominated by the Cambridge Theological Federation (CTF), who would be entitled to attend Board Meetings, but not to vote. At present, this office is vacant as the CTF has not nominated any new representative.

### **c. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

A Memorandum of Agreement adopted as part of the Articles of Association at an Annual General Meeting, held on 21 June 2008, provides for delegation of day to day management to the Principal, supported by an Executive Committee comprising the Chair, the Principal and the Treasurer. During the period covered by these Accounts, the Executive Committee has functioned efficiently, largely by keeping in touch by email and over the telephone, consulting each other and reaching decisions that way on an almost weekly basis.

It is proposed that the organisational and management structure be revised, and that this be done in conjunction with a change of legal form from that of a company limited by guarantee to a Charitable Incorporated Organisation. This will be put to Members for approval at a future General Meeting, subject to the consent of the Charity Commissioners.

# The Institute for Orthodox Christian Studies

Company Limited by Guarantee

## Trustees' Annual Report (incorporating the Directors' Report)

Year ended 31 August 2019

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### OBJECTIVES AND ACTIVITIES

#### a. POLICIES AND OBJECTIVES

The principal object of the Charity is to advance religious and theological education, especially of members of the Orthodox Church.

The Directors confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

### ACHIEVEMENTS AND PERFORMANCE

#### a. FINANCIAL ISSUES

- i. *Income from student fees* has reduced somewhat (£67819 in 2019 down from £73079 in 2018, but is considered to have been reasonably in line with expectations. This may be partly due to IOCS changing university accreditation for the bulk of its courses, from Durham to Anglia Ruskin University, as part of the CTF restructuring which took place the previous year. Hope remains that the student number will continue to grow, based on expressions of interest from potential students. However, the Directors remain aware that student fee revenue is unpredictable and not in itself sufficient to ensure long-term sustainability – a reality shared by all higher education institutions in the UK.
- ii. *Revenue from small and medium-size regular donations* continues to be less than hoped (£820/month). The aim is to attract more regular donations from among the Orthodox parishes in the UK but, short of visiting parish communities every Sunday, this fundamentally requires having a closer and clearer relationship with the Orthodox jurisdictions in the UK. This requires – among other things – a clearer liaison with the Orthodox dioceses operating in the UK. A stronger connection between IOCS and Orthodox dioceses in the UK would potentially translate into: increased student fees (and educational cooperation with the various jurisdictions), increased donations, and access to a select network of major donors, with episcopal blessings and help.
- iii. *Major donors and endowments.* The Directors remain aware that without major donor support and / or endowments, a sustainable long-term projection cannot be made realistically. While securing major donors can be a long and rather uncertain process, this can be helped by: references and lobbying from Board members, bilateral cooperation partnerships with similar institutions as IOCS, and preparing and delivering a key fundraising event once a year.
- iv. *Annual deficit.* The Board of Directors is aware that – while the Institute's accounts show that the Institute is solvent, without urgent financial concerns – the charity is running at a deficit of about £140,000 per annum, which has to be funded year on year. Given this deficit and the fact that the Institute has had to fund the long-term tenure at Wesley House (although a significant part has now been defrayed by the Laing Trust), the Institute needs to commit to continually seek donations and benefactions, without which its future operation may be at risk. The net amount paid (after the Laing grant) for the lease and service charges was £169,500 which was paid in advance in January 2020. The lease is for 15 years.

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Trustees' Annual Report (incorporating the Directors' Report)

Year ended 31 August 2019

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- v. *Fr Michael & Jeanne Harper legacy.* The bulk of the inheritance - £400,000 – was transferred to the Institute's accounts, with another estimated £62,000 due to be transferred as the final distribution.
- vi. *Gerald Palmer Eling Trust grant.* A grant of £20,000 per year for three years was generously awarded by the Gerald Palmer Eling Trust – an extremely positive development for the Institute. The purpose of the grant is to allow for the employment of a new staff member to take charge of office administration, and the administration and development of the Distance Learning programme. Because of the need to move to limited space in alternative accommodation while the premises at Jesus Lane are refurbished, IOCS has asked that drawdown of this grant be deferred until the Institute can return to its leased premises, is the Board intends to secure further funding to defray the full cost of that position, which in time would be expected to be self-funding through the expansion of the Distance Learning project.
- vii. *Important outgoing payments.* The Directors have knowledge of two further non-recurring payments: the repayment of the loan to the Nicea Trust by way of a settlement in the sum of £172,968.27 (reflecting the original loan of £160,000 plus claims for interest and compensation for exchange losses). Another payment was made to HMRC in settlement of the tax due in respect of the former Principal's Accommodation allowance of £18,054 (a much smaller amount than anticipated). The settlement of these liabilities is considered a positive step, which brings to an end a period of uncertainty.

## REVIEW OF ACTIVITIES

### CHARITABLE ACTIVITY

The Charity operates for the purposes of promoting theological education and knowledge of the doctrines, history and practices of the Orthodox Church at all levels, from pre university training, through Bachelors' and Master of Arts degrees, up to doctoral qualifications. Through its Distance Learning programmes it makes its teaching resources available in English to students world-wide, who undertake two-year courses taught via a web-based learning platform. It encourages its staff and visiting lecturers to allow material to be broadcast through the American internet Orthodox broadcaster, Ancient Faith Radio. It promotes its activities through membership of the Cambridge Theological Federation and offers public lectures entitled Conversation Days, free of charge, as well as an annual international conference available to participants for a nominal, not-for-profit fee. Through its own website the Institute makes available worldwide, and without charge, videos of lectures on topics of general interest given by major Orthodox speakers at its conference and at study days throughout the year. The catechetical course which it has produced, THE WAY, is widely used by churches in the English-speaking world, has been adopted for adult catechesis throughout the Patriarchate of Romania, and is currently being translated under episcopal sponsorship for use in Greece.

The Institute was formed in 1999 and formally recognised and blessed in May 2012 by the Pan-Orthodox Episcopal Assembly Bishops for Great Britain and Ireland, who appointed the Institute's first President, Metropolitan Kallistos of Diokleia, to liaise between the Bishops and the Institute. The Charity aims to offer opportunities to all who are interested in the history, doctrine and culture of the Orthodox Church.

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Trustees' Annual Report (incorporating the Directors' Report)

Year ended 31 August 2019

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#### MAJOR DEVELOPMENTS AND CHALLENGES

- i. *Laing Trust funding for the refurbishment of 31 Jesus Lane.* The support of the Laing Trust granted to all colleges of the CTF has enabled IOCS to proceed with taking the lease at 31 Jesus Lane, allowing Wesley House to refurbish the property. After negotiation, the Trustees of the Laing Trust agreed that the portion allocated to IOCS (approximately £180,000) should be the responsibility of Wesley House as the immediate landlords, with Wesley House assuming the obligations and conditions imposed by the grantor.
- ii. *Refurbishment of 31 Jesus Lane and temporary relocation of IOCS.* In terms of plans for the renovation of 31 Jesus Lane, work was expected to begin in autumn – September or October 2019, though there was no fixed date yet. Renovation works can only start once the Laing Trust release their funds. Arrangements have been made for the Institute to move temporarily in the building which houses the general headquarters of the Federation (The Bounds). IOCS will have to pay rent – but less than it currently pays at WH, as the space is much smaller. IOCS will not continue to pay rent to WH during the renovation.

As noted, IOCS has paid (in January 2020) the sum of £169,500 for the grant of the lease and provision of services, and the total sums paid to Wesley House will enable the refurbishment of the property to be undertaken.

The Directors have been notified by the Principal that there is a great deal of friendship, trust and cooperation in dealing with Wesley House.

- iii. *Cooperation between IOCS and the University of St Katherine.* Efforts continued to establish a new cooperation between IOCS and The University of St Katherine, San Marcos, California, USA, (USK) following the signing of a Memorandum of Agreement for Academic Cooperation between the two Institutions. Saint Katherine is a nationally recognized US-University that provides a balanced education in the liberal arts and sciences, founded and rooted in the life of the Orthodox Christian Tradition.

The Directors believe that this cooperative partnership will provide unique opportunities for study, research, and exchange for students based in either the US, the UK or elsewhere in the world, interested in university-accredited study programmes rooted in the theology and practice of the Orthodox Christian Tradition.

IOCS is working together with USK, towards developing a new Master's programme validated by USK and taught jointly by IOCS and USK. The new programme will be a Master of Arts in Eastern Orthodox Studies and the Institute hopes to be able to offer this course as early as the following academic year.

#### EDUCATIONAL DEVELOPMENTS

##### *MA courses*

*MA in Contemporary Faith and Belief / MA in Spirituality.* In October 2018, the Institute admitted four students to its new postgraduate degrees: the MA in Contemporary Faith and Belief and the MA in Spirituality. Due to lengthy negotiations between Anglia Ruskin University and the Federation, the Institute was only able to advertise these new degrees in July 2018. This was far from ideal and had a negative effect on the student intake in October. In January, three new students joined IOCS courses, so – at the time of the AGM – that the Institute had seven postgraduate students enrolled for the Anglia Ruskin MAs. Three more students had already been admitted for the academic year 2019/20.

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# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Trustees' Annual Report (incorporating the Directors' Report)

#### Year ended 31 August 2019

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Apart from IOCS core staff, Revd Dr Christopher Knight and Dr Elizabeth Theokritoff were also to contribute to the teaching for the ARU MAs.

*The MA in Theology, Ministry and Mission*, accredited by Durham University, will be discontinued in 2019/20. For this reason, IOCS did not recruit any new students in October 2018 for this particular degree. The Institute's task is to make sure that the remaining six candidates can successfully complete their studies by the end of the academic year 2018/19. Five students were writing their MA dissertations, which they were to submit by September 2019; one of them needed to take a few more modules in 2019/20 to gain sufficient credits for his degree.

#### *PhD/MPhil courses*

IOCS has two doctoral students: one from Ethiopia and one from the US.

#### *IOCS Certificate/Diploma Distance Learning Programme*

There were 34 students enrolled for the Certificate, and 2 for the Diploma.

#### *Visiting Scholars*

The Institute received two new visiting scholars: Fr Abraham Thomas (Orthodox Theological Seminary, Kottayam, Kerala, India, March – July 2019) and Dr Sigrud Lefsrud (Edmonton, Canada, August – October 2019).

### OUTREACH EVENTS

#### **Summer School 2019**

IOCS offered a two-day Summer School from 30-31 August 2019 at Wesley House. This taught course is open to everyone and discusses the topic of *Community, Difference and Division in the Orthodox Church*.

The team of lecturers will include: Metropolitan Kallistos Ware, Revd Prof Andrew Louth, Revd Prof Nikolaos Loudovikos, Revd Dr John Jillions, Dr Elizabeth Theokritoff, Revd Dragos Herescu, Dr Razvan Porumb, Dr Christoph Schneider.

### EVENTS

#### *Conversation Days*

5th April 2019: *'In the Image and Likeness': Human Perfection and Disability*, Revd Professor Frances Young OBE FBA (Emeritus Professor, University of Birmingham), Dr Petre Maican (University of Aberdeen), IOCS.

4th May: *A Temple not Made by Hands: The Christian Vision of Creation and its Liturgical Roots*, IOCS & Margaret Beaufort Institute of Theology, Dr Margaret Barker, Dr Elizabeth Theokritoff.

21st June: *Musical Conversation Day* with Father Ivan Moody.

#### *Book Launch*

29th August 2019: Razvan Porumb, *Orthodoxy and Ecumenism. Towards Active Metanoia* (Oxford et al.: Peter Lang, 2019). Speakers and respondents: Dr Razvan Porumb; Dame Mary Elizabeth Tanner, DBE; Very Rev. Dr John Jillions (St. Vladimir's Orthodox Theological Seminary); Revd Dr Jeremy Morris (Master of Trinity College, Cambridge).

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# **The Institute for Orthodox Christian Studies**

**Company Limited by Guarantee**

**Trustees' Annual Report (incorporating the Directors' Report)**

**Year ended 31 August 2019**

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## **STAFF ACTIVITIES**

All three staff members continue to be involved in both teaching and administration activities for IOCS as well as in the CTF (teaching at both graduate and postgraduate level).

## **TRUSTEES' POLICIES & RESPONSIBILITIES**

### **a. RESERVES POLICY**

The Institute estimates that IOCS needs to raise approximately £140,000 a year through voluntary donations, and grants, if it is to preserve the resources derived from the sale of Palamas House and the legacy from Jeanne Harper. This will prove a challenge, but the Trustees are determined to maintain prudent reserves to cover at least one year's anticipated needs, and to devote energy to securing a regular base of supporters and donors.

### **b RISK ASSESMENT**

The Trustees' carry out regular assessments of risk, both financial and social. They have reviewed their policies towards safeguarding and vulnerable students and believe that processes are adequate to protect those with whom the Institute comes into contact.

# **The Institute for Orthodox Christian Studies**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (incorporating the Directors' Report)**

**Year ended 31 August 2019**

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#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Directors (who are also Trustees of Charity for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. They must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

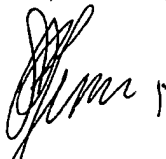
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Directors on and signed on their behalf by:



Simon Jennings

Treasurer of the Board of Trustees

# **The Institute for Orthodox Christian Studies**

**Company Limited by Guarantee**

## **Independent Examiner's Report**

**Year ended 31 August 2019**

---

I report on the financial statements for the year ended 31 August 2019, which comprise the statement of financial activities, the balance sheet and related notes.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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**

In connection with my examination, no matter has come to my attention:

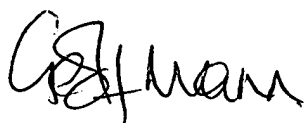
(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

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

Signed:



Dated:



Geoff Mann FCIE  
Geoff Mann Limited, Dee House  
Highworth Avenue, Cambridge  
CB4 2BQ

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2019

		Unrestricted funds	2019 Restricted funds	Total funds	2018 Total funds
	Note	£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	5	439,374	–	439,374	16,651
Charitable activities		67,819	–	67,819	73,079
Other trading activities	6	–	–	–	9,190
Investment income	7	64	–	64	10
Other income	8	–	–	–	240,675
<b>Total income</b>		<u>507,257</u>	<u>–</u>	<u>507,257</u>	<u>339,605</u>
<b>Expenditure</b>					
Expenditure on charitable activities	9	207,314	–	207,314	227,838
<b>Total expenditure</b>		<u>207,314</u>	<u>–</u>	<u>207,314</u>	<u>227,838</u>
<b>Net income and net movement in funds</b>		<u>299,943</u>	<u>–</u>	<u>299,943</u>	<u>111,767</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		160,309	12,951	173,260	61,493
<b>Total funds carried forward</b>		<u>460,252</u>	<u>12,951</u>	<u>473,203</u>	<u>173,260</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 19 form part of these financial statements.

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Balance Sheet

31 August 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible fixed assets	13	—	275
<b>Current assets</b>			
Debtors	14	5,052	3,503
Cash at bank and in hand		524,290	420,510
		<u>529,342</u>	<u>424,013</u>
<b>Creditors: amounts falling due within one year</b>	15	56,139	251,028
<b>Net current assets</b>		<u>473,203</u>	<u>172,985</u>
<b>Net assets</b>		<u>473,203</u>	<u>173,260</u>
<b>Funds of the charity</b>			
Restricted funds		12,951	12,951
Unrestricted funds		460,252	160,309
<b>Total charity funds</b>	17	<u>473,203</u>	<u>173,260</u>

For the year ended 31 August 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

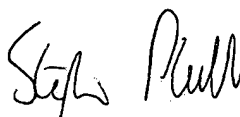
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on and are signed on behalf of the board by:



Simon Jennings  
Treasurer



Fr Stephen Platt  
Chairman

The notes on pages 12 to 19 form part of these financial statements.

# **The Institute for Orthodox Christian Studies**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 August 2019**

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#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 31-32 Jesus Lane, Cambridge, Cambridgeshire, CB5 8BJ, England.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

It is recognised that, in common with many charities, the charity's ability to continue as a going concern in the medium term is dependent on fund raising. In the immediate term, the directors believe there are sufficient funds available to continue as a going concern.

##### **Disclosure exemptions**

The Charity has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

(a) No cash flow statement has been presented for the company.

##### **Judgements and key sources of estimation uncertainty**

Estimates and judgements 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 Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2019

---

#### 3. Accounting policies *(continued)*

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### **Incoming resources**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

It would normally be the policy to recognise Gift Aid recoverable on donations at the time such donations are made. However, due to claims being compiled, the decision has been taken to recognise Gift Aid recovered in respect of years up to 31 August 2019, in 2020 when the claims were finalised and submitted.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

# **The Institute for Orthodox Christian Studies**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

**Year ended 31 August 2019**

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#### **3. Accounting policies *(continued)***

##### **Resources expended**

Expenditure is recognised once there is a legal constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

##### **Tangible assets**

All assets costing more than £1,000 are capitalised.

##### **Depreciation**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	25% straight line
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##### **Impairment of fixed assets**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account.



# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2019

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#### 3. Accounting policies *(continued)*

##### Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Limited by guarantee

The Charity is a company limited by guarantee. The members of the company are Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
<b>Donations</b>				
Donations received	439,267	439,267	15,025	15,025
Royalties	107	107	1,626	1,626
	<u>439,374</u>	<u>439,374</u>	<u>16,651</u>	<u>16,651</u>

#### 6. Other trading activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Rental income	<u>—</u>	<u>—</u>	<u>9,190</u>	<u>9,190</u>

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# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2019

#### 7. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest receivable	<u>64</u>	<u>64</u>	<u>10</u>	<u>10</u>

#### 8. Other income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gain on disposal of tangible fixed assets held for charity's own use	<u>-</u>	<u>-</u>	<u>240,675</u>	<u>240,675</u>

#### 9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Theological education	205,626	-	205,626	226,941
Governance costs	<u>-</u>	<u>1,688</u>	<u>1,688</u>	<u>897</u>
	<u>205,626</u>	<u>1,688</u>	<u>207,314</u>	<u>227,838</u>

#### 10. Net income

Net income is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	275	352
Gains on disposal of tangible fixed assets	<u>-</u>	<u>(240,675)</u>

#### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019 £	2018 £
Wages and salaries	108,700	109,645
Social security costs	11,478	11,707
Employer contributions to pension plans	<u>4,429</u>	<u>1,463</u>
	<u>124,607</u>	<u>122,815</u>

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2019

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##### 11. Staff costs *(continued)*

The average head count of employees during the year was 3 (2018: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2019 No.	2018 No.
Number of staff	<u>3</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

##### 12. Trustee remuneration and expenses

During the year, no Trustees received any remuneration (2018 - £Nil). During the year, no Trustees received any reimbursement of expenses (2018 - £84).

##### 13. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
<b>At 1 September 2018 and 31 August 2019</b>	<u>16,456</u>
<b>Depreciation</b>	
At 1 September 2018	16,181
Charge for the year	<u>275</u>
<b>At 31 August 2019</b>	<u>16,456</u>
<b>Carrying amount</b>	
<b>At 31 August 2019</b>	<u>-</u>
At 31 August 2018	<u>275</u>

##### 14. Debtors

	2019 £	2018 £
Trade debtors	2,585	-
Prepayments and accrued income	2,467	660
Other debtors	<u>-</u>	<u>2,843</u>
	<u>5,052</u>	<u>3,503</u>

# The Institute for Orthodox Christian Studies

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2019

#### 15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	15,932	6,980
Accruals and deferred income	7,308	35,720
Social security and other taxes	2,899	3,107
Other loans	30,000	205,221
	<u>56,139</u>	<u>251,028</u>

#### 16. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,429 (2018: £1,463).

#### 17. Analysis of charitable funds

##### Unrestricted funds

	At 1 September 2018 £	Income £	Expenditure £	At 31 August 2019 £
General funds	<u>160,309</u>	<u>507,257</u>	<u>(207,314)</u>	<u>460,252</u>

	At 1 September 2017 £	Income £	Expenditure £	At 31 August 2018 £
General funds	<u>48,542</u>	<u>339,605</u>	<u>(227,838)</u>	<u>160,309</u>

# The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2019

## 17. Analysis of charitable funds *(continued)*

### Restricted funds

	At 1 September 2018 £	Income £	Expenditure £	At 31 August 2019 £
Michael Marks Trust	700	—	—	700
The Way	11,456	—	—	11,456
Library Fund	795	—	—	795
	<u>12,951</u>	<u>—</u>	<u>—</u>	<u>12,951</u>

	At 1 September 2017 £	Income £	Expenditure £	At 31 August 2018 £
Michael Marks Trust	700	—	—	700
The Way	11,456	—	—	11,456
Library Fund	795	—	—	795
	<u>12,951</u>	<u>—</u>	<u>—</u>	<u>12,951</u>