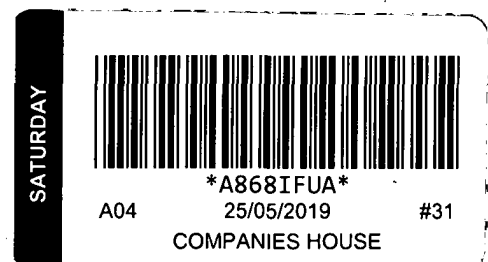


COMPANY REGISTRATION NUMBER: 03785551
CHARITY REGISTRATION NUMBER: 1076519

The Institute for Orthodox Christian Studies
Company Limited by Guarantee
Financial Statements
Year Ended 31 August 2018



The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2018

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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 2018

Reference and administrative details

Directors and Trustees

H.B John X (Yazigi), Patriarch of Antioch and all the East (resigned 18 Oct 2017)
H.E. Metropolitan Kallistos of Diokleia (Timothy Richard Ware) (President)
Rev Dr Andreas Andreopoulos (resigned 4 May 2018)
H.E. Silouan (Oner), Metropolitan of the British Isles and Ireland (co-opted 14 September 2018)
V Revd Archpriest Stephen T R Platt (Chairman)
Dr John R Binis (Vice Chairman)
Dr Adrian Pabst
Simon Jennings (Treasurer)
Gladys K Bland
V Revd Archpriest Dr Samir T Gholam
Karen L Hetherington (resigned 20 Oct 2017)
Revd Dr Christopher Knight
Sebastian Koga
Ostap Paparega
Revd Archpriest Raphael Armour
Deacon Dr Brandon Gallaher
V Revd Archpriest David Lowell (resigned 23 Oct 2017; then co-opted 14 September 2018)
Revd Dr Demetrios Bathrellos (appointed 4 May 2018)
Dr Michael Basham (appointed 4 May 2018)
Dr Elizabeth Theokritoff (appointed 4 May 2018)

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

The Institute for Orthodox Christian Studies

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Independent Examiner

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

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2018

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 2018. The comparatives show information for the year ended 31 August 2017.

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 Director's 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 Financial Statements, 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 2018

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) The sale of the Institutes' premises in Chesterton was completed on 28 February 2018, almost 18 months after the property had been put on the market, realising £1.2 million, with selling costs of £25,258. However, as it was found that the property should not have enjoyed an exemption from VAT when purchased, a settlement had to be reached with H.M Revenue & Customs, under which £128,066.73 was paid in satisfaction of the VAT due. The net profit on the sale was therefore £240,675,

The proceeds of this sale allowed for the loans from the Laing Trust and a number of smaller loans to be repaid. The Nicea Trust allowed an extension of their loans of £160,000 to assist with cash flow, but unfortunately disputed the terms of these loans. This dispute was settled by agreement in March 2019 with an additional payment in compensation for the exchange loss in euro terms which would otherwise have been suffered by Nicea, plus interest at a nominal rate. This results in a charge in this year's financial statements of £11,391. There will be no further charge in the accounts to 31 August 2019.

Finally, in September 2018, a settlement was concluded with HMRC with regards to PAYE and National Insurance due on accommodation allowances.

These payments conclude the negotiations over historic liabilities and, with the realisation of a cash surplus from the sale of Palamas House, should enable the Institute to be free of debt and able to negotiate terms for settled occupation of its premises in Jesus Lane with Wesley House, and concentrate on future development.

- ii) *Move to Wesley House.* IOCS moved to Wesley House on 1st March 2018. Following the move, IOCS agreed with Wesley House a 'license agreement' on a three-month rolling basis. This is a temporary arrangement to cover the Institute's stay at WH until the planned general renovation of 31 Jesus Lane. The current rent is £775/month for the four rooms and a parking space – which also includes expenses like electricity or heating. The mid to long-term plans involve negotiating terms for a medium term lease of 31 Jesus Lane. Preliminary discussions with Wesley House have suggested a cost for a 15 year lease, with refurbishment of the premises, of £350,000. This would take the form of an up front payment. An application has been made, with the support of the CTF and alongside applications from other Houses, for assistance. The Laing Trustees have responded favourably but the terms of their proposed support need to be the subject of further discussions with them, or with Wesley House as a member of the CTF.
- iii) *Jeanne Harper Legacy.* Plans for a stable future for the Institute were greatly enhanced by the generous legacy from the estate of the late Jeanne Harper. This will make it possible to consider ways in which the lease can be funded. This legacy will thus allow for some financial stability in the immediate short term, but the Trustees are acutely aware of the need to increase revenues,
-

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2018

and to concentrate on fund raising. The Institute is unlikely to be self supporting through student fees alone, and there needs to be continued efforts devoted to raising donations, grants and legacies.

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.

MAJOR DEVELOPMENTS AND CHALLENGES

The move to Wesley House has opened up new possibilities for collaboration, exchange and development, both within the CTF and beyond. It has certainly increased the visibility and ecumenical profile of the Institute in both the CTF and the University context.

This relocation has helped IOCS establish better and closer relationships with other members of the CTF and has greatly helped its ecumenical endeavours. The staff at Wesley House have been most welcoming and the Trustees, the Principal and IOCS staff express their appreciation, hoping that this will prove the starting point for many years of collaboration.

In the light of such positive developments, the Principal has discussed with the Trustees a draft Strategic plan that would set out budgetary projections for the next 5 years while also spelling out the main academic objectives and directions of the Institute.

Developments in the Cambridge Theological Federation (CTF) and their impact on IOCS.

The Principals of CTF Houses as well as other members of its governing structures, together with some key support staff have been involved in an intricate process of restructuring, reshaping, and repurposing of the Federation. The aim has been twofold: financial sustainability on the one hand and educational relevance. In short, the outcomes of this process have been: first a financial model that no longer relies directly on student numbers and student capitation fees – rather it relies on an annual House member-fee. Secondly, the establishment of three distinct university groups relating to the suite of awards that respective houses are offering (Anglia Ruskin Group, Cambridge University Group, Durham Group), all

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

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Year ended 31 August 2018

operating under the umbrella of the Federation. These university groups have different degrees and compliance arrangements, with varying financial costs and/or human resources demands.

EDUCATIONAL DEVELOPMENTS

IOCS In-house Distance Learning Programme: The popularity of the Institute's Distance Learning programme has continued – while the staff have managed to renew a number of the old modules (a process still ongoing but expected to be completed by the end of the academic year). In May 2018, there were 49 students enrolled for the Certificate (10 modules) and 4 for the temporarily discontinued Diploma programme (10 modules). The number of new registrations has remained consistent throughout the last years, which we believe to be the result of advertising efforts, promotion by alumni, and word-of-mouth.

MA in Theology, Ministry and Mission: There are currently 13 part-time post-graduate students enrolled for the MA in Theology, Ministry and Mission (Common Awards, Durham University). Due to major changes in the Cambridge Theological Federation, IOCS will discontinue the Durham MA in the next two years. In cooperation with Wesley House, Margaret Beaufort Institute and Westminster College, the Institute is planning to offer two new MAs that will be accredited by Anglia Ruskin University: an MA in Faith and Belief in Contemporary World, and an MA in Christian Spirituality. The required paperwork had been submitted and the validation event was scheduled for 9th May 2018. Pending approval from ARU, the Institute will be able to recruit students for the intake in October 2018. The new MA programmes are successfully and sustainably running at the time of the submission of this report. The Institute intends to teach the following modules both on-site and by Distance Learning:

- Theology and Science
- Ecumenism in Theory and Practice
- Orthodox Spirituality: Life in Liturgy
- Christian Spirituality in Context
- Secularisation and Christianity
- The Mystery of Love
- Philosophical Theology
- Christian Theology and Ecology

These modules will be (co-)taught by Revd Dragos Herescu, Dr Elizabeth Theokritoff, Revd Dr Christopher Knight, Dr Razvan Porumb, Dr Christoph Schneider, and other tutors from the Federation.

PhD/MPhil: The Institute has one doctoral student. Two new students are in the process of being admitted by Anglia and will start their research in the following months. One of the students is from Ethiopia and will do research on 'Lamentations in the Andemta Commentary of Psalms, and the other one is from the US and will work on 'Theosemiotics: John of Damascus and C.S. Peirce in Synthesis'.

Professional doctorate: In the new academic year, IOCS will for the first time offer a degree called Professional Doctorate (DProf) – through CTF and Anglia Ruskin University. The course description reads as follows: "A professional doctorate is a doctoral level research degree aimed at the 'researching professional'. It is of particular interest to practitioners and professionals who want to research a question arising from their practice and through their research to contribute to the community of practice in their own profession or voluntary work.

Visiting Scholars and Exchange Students: The Institute has recently admitted a Visiting Scholar working on a project on 'Discipleship in the work of Fyodor Dostoevsky, George Eliot and Leo Tolstoy:

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Year ended 31 August 2018

1860-1890'. This summer, IOCS was also expecting three Erasmus exchange students from Iasi, Romania: Diogene Mihailă, Revd Dr Nathanael Neacsu and Father Teofil Pântiru.

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Year ended 31 August 2018

OUTREACH EVENTS

Conference 2018

From 31st August – 1st September 2018, IOCS held a conference with the title *The Newness of the Old: Tradition, Doctrine and Christian Life between Preservation and Innovation*. The conference took place at Sidney Sussex College and the keynote addresses were delivered by Revd Prof Andrew Louth, Dr Brandon Gallaher, Revd Prof Nikolaos Loudovikos, and Prof Jens Zimmerman. The programme included a number of 20-minute papers.

IOCS Conversation Days 2018

The Institute continues its Cambridge-based events in a different, more dynamic arrangement that is appealing to a wider audience. Four Conversation day were planned for 2018 – two of which had already taken place:

1. 17 March 2018: *'Working salvation in the midst of the earth': Ecology and Christian tradition*, Dr Elizabeth Theokritoff (IOCS)/ Dr Rebecca Watson (Research Associate, The Faraday Institute for Science and Religion)
2. 28 April 2018: *Modern Science and Orthodox Christianity: Friends or Foes?*, Revd Dr Christopher Knight/Dr Elizabeth Theokritoff (IOCS)
3. 19 May 2018: *Monastic Life in today's World*, Metropolitan Kallistos/Revd George Guiver (Mirfield, Community of the Resurrection)
4. 16 June 2018: *Persecution and Religious Freedom*, Archbishop Angaelos of London (Coptic Orthodox)/Revd Prof Andrew Louth (Durham University)

This programme continues.

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).

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Year ended 31 August 2018

PUBLICATIONS AND FORTHCOMING PUBLICATIONS

Dr Christoph Schneider – Academic Director

Current projects:

- Editor of *Theology and Philosophy in Eastern Orthodoxy* (Eugene, OR: Wipf & Stock) (submission in 2019). Contributors: Crina Gschwandtner, Sergey S. Horujy, Evert Van der Zweerde, David Bentley Hart, Pawel Rojek, Rico Vitz, Christoph Schneider;
- 'Orthodox Theology and Philosophy of Language', in *Theology and Philosophy in Eastern Orthodoxy* (Eugene, OR: Wipf & Stock) (submission in 2019);
- 'Faith and Reason: Sergei Bulgakov, Pavel Florensky and the contemporary debate about ontotheology and fideism', in *Analogia: The Pemptousia Journal for Theological Studies* (forthcoming);
- 'P.A. Florensky: at the Boundary of Immanence and Transcendence', in George Pattison, Caryl Emerson & Randall Poole (eds), *Oxford Handbook of Russian Religious Thought* (Oxford: Oxford University Press) (forthcoming).

Dr Razvan Porumb – Vice-Principal

Current/future projects:

- *Orthodoxy and Ecumenism: Towards an Active Metanoia* (forthcoming book, Peter Lang, 2019);
- 'N. Steinhadrt et la transperence des pierres' in *itinéraires*, 103:2 (2018), 19-23.

Father Dragos Herescu – Principal

- 'Prayer as Practical Ontology', in *Forerunner* (Journal of the Orthodox Fellowship of St John the Baptist, No. 71, Winter 2018-19).

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Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2018

Financial review

a. RESERVES POLICY

The Directors are aware that, after the sale of Palamas House, the Institute will not have the investment income of the rent (£48,000), though the estimated net profit on rental income was only about half that sum, due to the various costs associated with maintaining tenants. The Institute will have to replace something in the region of £25,000 of rental income with an increased donation record.

Roughly, the Institute estimates that IOCS needs to raise over £100,000 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.

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2018

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 *17 May 2019* and signed on their behalf by:



V Revd Archpriest Stephen T R Platt

Chairman

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Independent Examiner's Report

Year ended 31 August 2018

I report on the financial statements for the year ended 31 August 2018, 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:

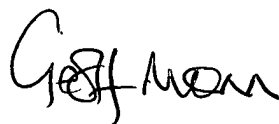
(1) which gives me reasonable cause to believe that in any material respect the requirements:

- 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:
Geoff Mann FCIE



Dated:

21 May 2019

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 2018

		Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	16,651	—	16,651	58,441
Charitable activities		73,079	—	73,079	74,922
Other trading activities	6	9,190	—	9,190	41,530
Investment income	7	10	—	10	10
Other income	8	240,675	—	240,675	—
Total income		<u>339,605</u>	<u>—</u>	<u>339,605</u>	<u>174,903</u>
Expenditure					
Expenditure on charitable activities	9	227,838	—	227,838	224,524
Total expenditure		<u>227,838</u>	<u>—</u>	<u>227,838</u>	<u>224,524</u>
Net income/(expenditure) and net movement in funds	10	<u>111,767</u>	<u>—</u>	<u>111,767</u>	<u>(49,621)</u>
Reconciliation of funds					
Total funds brought forward		48,542	12,951	61,493	111,114
Total funds carried forward		<u>160,309</u>	<u>12,951</u>	<u>173,260</u>	<u>61,493</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 15 to 22 form part of these financial statements.

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Statement of Financial Position

31 August 2018

		2018 £	2017 £
Fixed assets			
Tangible fixed assets	13	275	928,694
Current assets			
Debtors	14	3,503	25,175
Cash at bank and in hand		420,510	97,159
		<u>424,013</u>	<u>122,334</u>
Creditors: amounts falling due within one year	15	251,028	989,535
Net current assets/(liabilities)		<u>172,985</u>	<u>(867,201)</u>
Net assets		<u>173,260</u>	<u>61,493</u>
Funds of the charity			
Restricted funds		12,951	12,951
Unrestricted funds		160,309	48,542
Total charity funds	17	<u>173,260</u>	<u>61,493</u>

For the year ended 31 August 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees 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 were approved by the board of trustees and authorised for issue on 17 May 2019, and are signed on behalf of the board by:



V Revd Archpriest Stephen T R Platt
Chairman

The notes on pages 15 to 22 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 2018

1. General information

The charity is 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 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 Charities Act 2011.

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

There are no material uncertainties about the charity's ability to continue.

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 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 2018

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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

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 2018

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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The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

3. Accounting policies *(continued)*

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.

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 the 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 £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations received	15,025	–	15,025
Royalties	1,626	–	1,626
	<u>16,651</u>	<u>–</u>	<u>16,651</u>

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations			
Donations received	57,425	795	58,220
Royalties	221	—	221
	<u>57,646</u>	<u>795</u>	<u>58,441</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Rental income	<u>9,190</u>	<u>9,190</u>	<u>41,530</u>	<u>41,530</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>

8. Other income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Gain on disposal of tangible fixed assets held for charity's own use	<u>240,675</u>	<u>240,675</u>	<u>—</u>	<u>—</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2018 £	Total fund 2017 £
Theological education	226,941	—	226,941	224,463
Governance costs	—	897	897	61
	<u>226,941</u>	<u>897</u>	<u>227,838</u>	<u>224,524</u>

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	352	351
Gains on disposal of tangible fixed assets	(240,675)	—

11. Staff costs

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

	2018	2017
	£	£
Wages and salaries	109,645	158,412
Social security costs	1,684	10,746
Employer contributions to pension plans	1,463	—
	<u>112,792</u>	<u>169,158</u>

The average head count of employees during the year was 3 (2017: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2018	2017
	No.	No.
Number of staff	<u>3</u>	<u>3</u>

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

12. Trustee remuneration and expenses

No Trustees received any remuneration (2017 - £Nil) during the year.

During the year, one Trustee received reimbursement of travel expenses of £84 (2017 - £Nil) in connection with their service.

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 September 2017	928,067	16,456	944,523
Disposals	(928,067)	–	(928,067)
At 31 August 2018	<u>–</u>	<u>16,456</u>	<u>16,456</u>
Depreciation			
At 1 September 2017	–	15,829	15,829
Charge for the year	–	352	352
At 31 August 2018	<u>–</u>	<u>16,181</u>	<u>16,181</u>
Carrying amount			
At 31 August 2018	<u>–</u>	<u>275</u>	<u>275</u>
At 31 August 2017	<u>928,067</u>	<u>627</u>	<u>928,694</u>

14. Debtors

	2018 £	2017 £
Trade debtors	–	21,537
Prepayments and accrued income	660	795
Other debtors	2,843	2,843
	<u>3,503</u>	<u>25,175</u>

15. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	6,980	45,285
Accruals and deferred income	35,720	159,855
Social security and other taxes	3,107	19,984
Other loans	205,221	755,221
Other creditors	–	9,190
	<u>251,028</u>	<u>989,535</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 £1,463 (2017: £Nil).

The Institute for Orthodox Christian Studies

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2018

17. Analysis of charitable funds

Unrestricted funds

	At 1 September 2017	Income	Expenditure	At 31 August 2 018
	£	£	£	£
General funds	48,542	339,605	(227,838)	160,309

Restricted funds

	At 1 September 2017	Income	Expenditure	At 31 August 2 018
	£	£	£	£
Michael Marks Trust	700	—	—	700
The Way	11,456	—	—	11,456
Library Fund	795	—	—	795
	12,951	—	—	12,951

18. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	2018 £
Tangible fixed assets	275	—	275
Net Current assets	160,034	12,951	172,985
Net assets	160,309	12,951	173,260