

Company registration number: 02634440

Charity registration number: 1004774

Scottish Charity registration number: SC039220

THE CHRISTIAN INSTITUTE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

The Christian Institute

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The Christian Institute

Reference and Administrative Details

Trustees	Mr J Burn OBE Mr R L Badams Rev R P Bentley-Taylor Rev G R Curry Rev D R J Holloway Mr T E James Mr M T S Judge (appointed 1 January 2019) Rev J H A Leggett Mr K J Nelson MBE Rev Dr W J U Philip Dr P A Robinson Rev Dr R D Turnbull
Key Management Personnel	Mr C Hart (Chief Executive) Mr S Calvert (Deputy Director) Mr C Kelly (Deputy Director) Mr J Errington (Head of Operations) Mr D Greatorex (Head of Research) Mr S Webster (In-house Solicitor)
Registered Office	Wilberforce House 4 Park Road Gosforth Business Park Newcastle upon Tyne NE12 8DG The charity is incorporated in England and Wales.
Company Registration Number	02634440
Charity Registration Number	1004774
Scottish Charity registration number	SC039220
Bankers	Bank of Scotland 33 Broad Street London BX2 1LB
Auditor	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

The Christian Institute

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2019.

Structure, governance and management

Company and Charity Status

The Christian Institute ("The Institute") is a company limited by guarantee and is governed by its Articles of Association. It was incorporated on 1 August 1991 and registered with the Charity Commission in England on 16 October 1991. It was entered on the Scottish Charity Register on 29 January 2008. The members of The Institute have no shareholdings but in the event of a winding up each has undertaken to contribute to the payment of liabilities such an amount as may be required not exceeding a total of £1. The number of guarantees as at 31 December 2019 totalled 14.

Governance

The charity is governed by its Council of Management which meets at least three times a year to set strategy and oversee governance. The Chief Executive has operational responsibility.

Recruitment and appointment of the Council of Management

Other than in these paragraphs Council Members are referred to as trustees. They are appointed by the company in general meeting. They must be members of the company and will therefore have affirmed agreement to the Doctrinal Basis of The Institute. Thereafter, the aim is to have a mix of experience and skills.

Each year one-third of Council Members retire by rotation and those retiring are eligible for re-election.

The Council has appointed an Executive Committee comprising three members of The Council whose meetings are normally attended by the Chief Executive. This committee operates under specific terms of reference which delegate certain functions to it from The Council and reports its decisions fully and promptly to The Council. The Council and the Executive each meet at least three times a year.

Induction and training of trustees

New trustees are recruited from individuals who are known to support the work of The Institute. New trustees are given an induction briefing which includes: -

- The obligations of trustees including the latest guidance from the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.
- The Articles of Association, and any operational documents adopted by the trustees.
- The latest trustees' report and financial statements, and information on the current financial position of the charity.
- Future plans and objectives.
- Minutes of the trustees' meetings for the twelve months preceding appointment.

New trustees with little previous experience of trusteeship are strongly encouraged to attend a course or seminar dealing with the role and responsibilities of a trustee. They, along with all trustees, are also required to complete 'Declaration of Interests' and 'Fit and Proper Person' forms. All trustees take seriously their obligations to maintain their knowledge and attend relevant courses and seminars.

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Trustees' Report

Risk Management

The trustees have identified the major risks to which they believe The Institute is exposed. Where appropriate, systems or procedures have been established to minimise those risks. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety requirements covering staff, volunteers, and visitors to The Institute's premises. The trustees believe that corruption, bribery and unfair actions as well as being contrary to Christian beliefs also hamper development and impede progress. The trustees insist on integrity in all aspects of The Institute's activities and expect the same from all those who work with The Institute.

Objectives and activities

The principal activity of The Institute is the furtherance and promotion of the Christian Religion in the United Kingdom and elsewhere, and the advancement of education in accordance with the doctrines and principles set out in the Doctrinal Basis in the Articles of Association. Within this The Institute seeks to promote Christian influence in a secular world. It does so by disseminating Christian teaching relevant to current moral and ethical debates over marriage and the family, education, religious liberties, medical ethics, drugs and the constitution. It seeks to inform and educate government, the media and the public at large about such teaching; and to encourage Christian men and women in their own witness by helping to equip them for it in whatever sphere God has placed them. The principal means it uses are its own publications, website, lectures and conferences providing theological, philosophical and practical arguments in support of the biblical worldview.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The main activities undertaken to further the charitable purposes of The Institute for the public benefit are described in this section.

The Institute continues to respond to the large number of individual enquiries which come in by telephone, post and email. During 2019 The Institute recorded almost 18,000 such enquiries. More complex questions are dealt with by staff qualified to explain Christian teaching across the range of areas The Institute covers.

Both the website and Annual Review, referred to below, include The Institute's doctrinal basis and beliefs on many contemporary issues.

The Institute's meetings enable it to encourage Christians across the country to be a positive Christian influence and to pray for the nation. During 2019 staff of The Institute gave presentations at 395 meetings and church services, speaking to over 18,000 people. Meetings were held throughout England, Wales, Scotland and Northern Ireland. Every church meeting outlines biblical principles which underpin The Institute's work, and shows how those biblical principles should affect Christian involvement in today's society. During 2019 The Institute provided biblical teaching on a range of areas, including on the value of all human life, parental responsibility, and Christian's duty to engage with democratic processes. Many supporters first learn about The Institute's work at one of its meetings. In addition to the meetings, The Institute was represented at 77 conferences, bringing it into direct contact with many thousands of Christian people.

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Although regular meetings in churches are rarely recorded, many of The Institute's other meetings are. The majority of these are available from The Institute's website in the form of free downloadable audio files. There were a total of 72,556 audio downloads from The Institute's website in 2019.

Every year The Institute holds an 'Autumn Lectures' series given by guest speakers. This year's theme was 'Independency and freedom', focussing on the quest for religious liberty in the 17th century. Talks were given on the origins and rise of independency, the Pilgrim Fathers, Oliver Cromwell, the Puritans, and the Restoration.

The Institute's Christian worldview DVD series, 'Living Christianity', was launched in March 2019 and was well received. It continues to be very popular and is now on its third print run. A US edition has recently been released, and a version for younger people is also in progress.

During the year The Institute continued a thorough programme of ongoing staff training which reviews the ethical, social and legal issues taken up by The Institute over the years. The regular sessions are prepared by social policy expert Dr Sharon James. The Institute also continued its theological seminars for staff. In addition, Institute staff were addressed by visiting speakers on a range of topics.

Of The Institute's total mailing list of 60,203 people, more than 5,300 are church leaders or representatives at a given church. The Institute's financial support comes from its mailing list, including from many of these churches and church leaders. Many church leaders often say how much The Institute's briefings help them in their preaching and pastoral work. Hundreds of churches use The Institute's material in their prayer meetings and services. The Institute is aware that thousands of Christians on The Institute's mailing list use the material in their own prayers. Many use the material to promote discussion about Christian teaching in their homes and community.

The Institute is contacted almost every week by the media - local and national radio, TV and newspapers - usually to request a Christian view on an event, issue or argument upon which the media has chosen to report. In 2019 there were 130 opportunities to put forward a Christian view to the media. The Institute also responded to individual journalists' requests for information on ethical and moral issues.

As well as being clear about Christian belief, in any consideration of contemporary moral and ethical issues it is imperative that the facts are presented in a way which enables them to be easily understood. This means a large amount of staff time and resources is spent researching and writing about an issue from a Christian perspective in order to produce a publication accessible to all. In addition The Institute publishes research into issues of religious liberty which directly affect The Institute, its supporters and other religious charities.

The Institute's website continued to provide a valuable means of disseminating information about the application of the Christian faith to contemporary issues. During 2019 there were 4,731,262 visits to The Institute's website. The Institute's website stories are also posted on Facebook and Twitter, where it has a combined following of 61,902 - a 13 per cent increase on the previous year. There were 1,306,208 views of 364 Institute videos which were posted online in 2019.

The Institute produced six new publications in 2019, as well as four newsletters, its Annual Review and two Week of Prayer leaflets, to provide clear and accurate information on a range of issues from a Christian perspective. The publications were used by Christians, politicians, journalists and the general public.

The Institute published an Election Briefing containing analysis of party policies on many issues where important Christian principles are at stake. A booklet designed for Christian parents, teachers and pupils was published, to help them know what schools are and are not required to do under equality legislation. This booklet has also been turned into a series of short videos.

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The Institute published a leaflet highlighting helpful guidance from the Charity Commission for charities in England and Wales. Leaflets informing supporters about the dangers of legalising cannabis and helping Christians understand the issues at stake regarding the ban on parental smacking in Wales were also made available.

Throughout the year The Institute's Education Officer John Denning continued to equip Christians to be salt and light in the education system. John gave tailored practical advice to over 250 parents, teachers and school governors, helping them navigate issues with the Equality Act, sex education, Religious Education and how issues of sexuality and gender can be dealt with in school.

England

During 2019 The Institute continued to monitor the teaching and plans for statutory Relationships and Sex Education (RSE) in English schools. Parents alerted us to particularly inappropriate content being used already in primary schools in Warwickshire, and The Institute helped get it withdrawn.

The Institute helped supporters in England respond to Government plans to create a register of home-educated children.

Wales

The Welsh Government announced plans to amend legislation to make sure Religious Education (RE) covers non-religious worldviews like humanism, and said it will end the right of withdrawal for parents from both RE and RSE from 2022. The Institute briefed supporters and helped them respond to consultations.

The Institute has continued to support the Be Reasonable campaign in Wales, which opposes the Welsh Government's law criminalising parents who smack their children.

England and Wales

The Institute continued to urge the Commission for Countering Extremism to recognise concerns over laws embracing concepts like 'hate speech' and 'non-violent extremism'. The Commission launched a call for evidence in November 2018 and The Institute helped its supporters to put forward a Christian perspective. Helpfully, the Commission agrees that the current definition of extremism as "vocal or active opposition to fundamental British values" is too broad and restricts legitimate free speech.

A Bill to introduce 'no-fault' divorce in England and Wales was published by the Government in December 2019 and was passed by Parliament in June 2020. As with previous attempts to introduce such laws, The Institute helped its supporters to understand the issue and encouraged Christians to engage with their MPs on the issue. The Institute also liaised with other pro-family groups and worked with MPs and Peers to oppose the legislation.

Scotland

In Scotland The Institute held 89 meetings which were attended by 4,143 people.

The Institute welcomed the Scottish Government's announcement in September 2019 that the compulsory Named Person scheme had finally been scrapped. The Institute had been raising awareness of its intrusive nature since 2014, and led a successful judicial review of the law.

The Institute has continued to support the Be Reasonable campaign in Scotland, which opposes the Scottish Government's law criminalising parents who smack their children.

The review of hate crime laws in Scotland, conducted by Lord Bracadale, concluded in February 2019, and the Scottish Government has now published its Hate Crime and Public Order Bill. The legislation extends 'stirring up hatred' from race to religion, sexual orientation, and transgender status, which could have profound consequences for free speech and religious liberty. The Institute helped its supporters respond to the call for evidence on the Bill.

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Northern Ireland

During 2019 staff spoke at 115 meetings in churches and public venues in Northern Ireland, and also gave interviews to a range of Northern Ireland media outlets.

In October 2019 Northern Ireland's pro-life laws were repealed, and in March 2020 regulations were introduced which permit abortion for any reason up to twelve weeks. The Province now has the most liberal abortion regime in the UK. The Institute mobilised its supporters to oppose the changes, and produced an updated abortion briefing detailing biblical teaching in favour of a pro-life position, as well as the legal situation.

Northern Ireland's Department of Justice has also commissioned a review of hate crime. In some ways the threshold there is even lower than in Scotland. The Institute is concerned about offences that capture insulting words or behaviour that are not intended to stir up hatred, and helped Christians respond to the plans.

The Institute helped supporters in Northern Ireland respond to a consultation on requiring home educating parents to register their child with the authorities.

Legal Defence Fund

The Institute's Legal Defence Fund is a restricted fund. It is used to finance the cost of legal actions and their associated campaign work in cases of national importance for religious liberty. It is available to support Christians who claim to have been unlawfully harassed or discriminated against because of their faith. During 2019 it was used, amongst other cases, to:

- Help Cornerstone (North East) Adoption and Fostering Service prepare for legal action against Ofsted. The schools' inspectorate downgraded Cornerstone's fostering work and labelled its Christian ethos "discriminatory" because it only works with evangelical Christians and supports traditional marriage. In July 2020 the High Court ruled that Cornerstone can continue to only recruit evangelical foster carers, although the judge also ruled that Cornerstone cannot require carers to abide by its code of conduct on living consistently with the charity's Christian beliefs about marriage between a man and a woman.
- Support Revd Harry Coulter, a Christian minister in Northern Ireland. Revd Coulter was leading an event in a Belfast hotel on the topic of the impending same-sex marriage law when hotel staff interrupted and demanded an end to the meeting, citing a complaint from another patron. The Institute helped Revd Coulter sue the hotel for breaching religious discrimination law by restricting his right to free speech and violating free speech. In June 2020 he accepted the hotel's unequivocal apology and full refund of his booking fee and legal costs.
- Help street preacher Dale Mcalpine pursue a claim for being wrongfully arrested and detained for six hours. Mr Mcalpine received £4,000 plus costs from Cumbria Police, which he donated to The Institute.
- Assist churches, Christian charities and individuals to avoid legal disputes or unnecessary situations where their religious liberty might be infringed, enabling them to know their rights and legal protections.

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Financial review

The work of The Institute is financed almost entirely by gift income. It receives no public funding. The gift income in the year under review, including gifts to the restricted funds, was £2,912,597 against £3,132,671 for the previous year.

At the end of 2019 the liquid resources available for the general work of the Institute stood at £545,683. The trustees wish to record their thanks to all The Institute's supporters, collectively and severally, for their prayers, advice, words of encouragement, and not least the generosity of their giving. The trustees are particularly encouraged by the continuing growth in committed and regular giving. This is a great help in planning and budgeting.

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has a strong positive cash position and is forecasting for this to continue to be the case. The Trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the charity's ability to continue as a going concern. Based on the factors set out above the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

Volunteers

The trustees continue to be grateful for the unstinting efforts of the volunteers who help the work of The Institute. Many have voluntarily given their time to speak at Institute meetings, given seminars to staff and helped in the organisation of The Institute's meetings around the UK. The hospitality of Christians and congregations around the UK is a great blessing to staff as they host meetings and help such events to run smoothly. There are also those who are willing to advise The Institute, giving to The Institute their professional knowledge and expertise. During 2019 volunteers continued to help with mailings at Wilberforce House, often at short notice.

Trustees do not receive any payment or benefits for their work as a trustee.

Pay Policy for Key Management Personnel

The trustees consider that they together with the individuals listed in Note 12 comprise the Key Management Personnel (KMP) of The Institute in charge of directing and controlling the charity, and running and operating the activities on a day-to-day basis.

The pay of the KMP is reviewed annually. No trustee receives remuneration for work as a trustee. For KMP who are employees the trustees benchmark against inflation and against the pay levels of individuals in other sectors with similar roles and responsibilities. Pay levels are then set using this information together with budget and forecast information, ensuring that The Institute can afford any proposed increases. The trustees then agree any uplift to remuneration.

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Fundraising disclosures

The year-on-year fundraising activities of The Institute have been minimal. The Institute does not:

- contact its supporters by telephone in order to solicit donations;
- sell, or, in any way, share details of its own supporters with third parties;
- reveal the details of any donation unless required to do so by a lawful authority;
- use third parties, such as telephone call centres, to contact potential donors on The Institute's behalf;
- retain the services of a professional fundraiser or consultant.

None of the staff have a fundraising brief. In general fundraising events are not held. The Institute's mailing list is free of charge to join. All of The Institute's mailings (in common with most of the meetings) have as their primary aim the furtherance of the charitable objects by disseminating in-house literature and encouraging the recipients to pray about and/or take action on a particular issue. Many mailings do contain a reply slip inviting the recipient to make a donation, but the trustees believe the cost of isolating the expenditure attributable to this would be greater than the expenditure itself.

Policy on reserves

The trustees have examined the requirement for reserves in the light of the main risks to The Institute. The trustees adopted the policy of holding in reserve unrestricted funds, not committed or invested in tangible fixed assets, equivalent to one month's expenditure. The emphasis is on affording a measure of protection against a sudden and unpredicted fall in income or an unpredicted demand on expenditure. An overdraft facility of £50,000 has been arranged with The Institute's bank. This is available in addition to the funds held in reserve. This policy is kept under review by the trustees.

Plans for future periods

The Institute shall continue the work of promoting Christian influence in a secular world, and, by means of publications, website, lectures and conferences, provide theological, philosophical and practical arguments in support of the biblical worldview.

Statement of Trustees' Responsibilities

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities

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Trustees' Report

Statement of Trustees' Responsibilities

The trustees 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 charity 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.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Reappointment of auditor

MHA Tait Walker are deemed to be reappointed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 487(2) of the Companies Act 2006.

The trustees' annual report was approved on 10 September 2020 and signed on behalf of the board of trustees by:



.....
Mr J Burn OBE
Chairman

The Christian Institute

Independent Auditor's Report to the Members of The Christian Institute

Opinion

We have audited the financial statements of The Christian Institute (the 'charity') for the year ended 31 December 2019, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

The Christian Institute

Independent Auditor's Report to the Members of The Christian Institute

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8 and 9), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Christian Institute

Independent Auditor's Report to the Members of The Christian Institute

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 18 9 2020

MHA Tait Walker is a trading name of Tait Walker LLP.

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Statement of Financial Activities for the Year Ended 31 December 2019

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income and Endowments from:					
Donations and legacies	3	2,759,666	152,931	2,912,597	3,132,671
Investment income	4	3,098	2,587	5,685	3,379
Other income	5	17,338	-	17,338	2,490
Total Income		<u>2,780,102</u>	<u>155,518</u>	<u>2,935,620</u>	<u>3,138,540</u>
Expenditure on:					
Raising funds	6	(19,601)	(2,828)	(22,429)	(27,262)
Charitable activities	7	(2,567,384)	(142,913)	(2,710,297)	(2,721,941)
Other expenditure	8	(9,194)	-	(9,194)	(895)
Total Expenditure		<u>(2,596,179)</u>	<u>(145,741)</u>	<u>(2,741,920)</u>	<u>(2,750,098)</u>
Gains/losses on investment assets		869	-	869	-
Net income		<u>184,792</u>	<u>9,777</u>	<u>194,569</u>	<u>388,442</u>
Net movement in funds		184,792	9,777	194,569	388,442
Reconciliation of funds					
Total funds brought forward		<u>2,068,802</u>	<u>442,150</u>	<u>2,510,952</u>	<u>2,122,510</u>
Total funds carried forward	23	<u>2,253,594</u>	<u>451,927</u>	<u>2,705,521</u>	<u>2,510,952</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 23.

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Comparative Statement of Financial Activities for the Year Ended 31 December 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)


	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	2,866,430	266,241	3,132,671
Investment income	4	1,511	1,868	3,379
Other income	5	2,490	-	2,490
Total income		<u>2,870,431</u>	<u>268,109</u>	<u>3,138,540</u>
Expenditure on:				
Raising funds	6	(22,934)	(4,328)	(27,262)
Charitable activities	7	(2,503,298)	(218,643)	(2,721,941)
Other expenditure	8	(895)	-	(895)
Total expenditure		<u>(2,527,127)</u>	<u>(222,971)</u>	<u>(2,750,098)</u>
Net income		<u>343,304</u>	<u>45,138</u>	<u>388,442</u>
Net movement in funds		343,304	45,138	388,442
Reconciliation of funds				
Total funds brought forward		<u>1,725,498</u>	<u>397,012</u>	<u>2,122,510</u>
Total funds carried forward	23	<u><u>2,068,802</u></u>	<u><u>442,150</u></u>	<u><u>2,510,952</u></u>

The Christian Institute

(Registration number: 02634440)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	1,757,300	1,805,285
Investments	16	50,869	-
		<u>1,808,169</u>	<u>1,805,285</u>
Current assets			
Stocks	17	6,866	1,707
Debtors	18	51,764	206,601
Cash at bank and in hand		<u>1,306,719</u>	<u>1,063,245</u>
		1,365,349	1,271,553
Creditors: Amounts falling due within one year	19	<u>(217,641)</u>	<u>(255,128)</u>
Net current assets		<u>1,147,708</u>	<u>1,016,425</u>
Total assets less current liabilities		2,955,877	2,821,710
Creditors: Amounts falling due after more than one year	20	<u>(250,356)</u>	<u>(310,758)</u>
Net assets		<u>2,705,521</u>	<u>2,510,952</u>
Funds of the charity:			
Restricted funds		451,927	442,150
Unrestricted income funds			
Unrestricted funds		<u>2,253,594</u>	<u>2,068,802</u>
Total funds	23	<u>2,705,521</u>	<u>2,510,952</u>

The financial statements on pages 13 to 33 were approved by the trustees, and authorised for issue on 10 September 2020 and signed on their behalf by:


.....
Mr T E James
Trustee

The Christian Institute

Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash income		194,569	388,442
Adjustments to cash flows from non-cash items			
Depreciation	10, 15	61,120	60,661
Investment income	4	(5,685)	(3,379)
Revaluation of investments		(869)	-
		<u>249,135</u>	<u>445,724</u>
Working capital adjustments			
Increase in stocks	17	(5,159)	(71)
Decrease/(increase) in debtors	18	154,837	(119,245)
(Decrease)/increase in creditors	19	(9,214)	48,991
Net cash flows from operating activities		<u>389,599</u>	<u>375,399</u>
Cash flows from investing activities			
Interest receivable and similar income	4	5,685	3,379
Purchase of tangible fixed assets	15	(13,135)	(7,742)
Purchase of investments	16	(50,000)	-
Net cash flows from investing activities		(57,450)	(4,363)
Cash flows from financing activities			
Repayment of loans and borrowings	19, 20	(88,675)	(35,814)
Net increase in cash and cash equivalents		243,474	335,222
Cash and cash equivalents at 1 January		<u>1,063,245</u>	<u>728,023</u>
Cash and cash equivalents at 31 December		<u>1,306,719</u>	<u>1,063,245</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Charity status

The charity is a private company limited by guarantee, registered in England and Wales and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation. It is also a registered charity in England and Wales, and in Scotland.

The address of its registered office is: Wilberforce House, 4 Park Road, Gosforth Business Park, Newcastle upon Tyne, NE12 8DG.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) regulations 2006 (as amended). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Christian Institute meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has a strong positive cash position and is forecasting for this to continue to be the case. The Trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the charity's ability to continue as a going concern. Based on the factors set out above the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The main estimates are in relation to the calculation of prepayments and accrued income and accruals. Included within accrued income are legacies notified to the charity prior to the year end in accordance with the legacy accounting policy.

Income and endowments

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 the income receivable can be measured reliably. The following specific policies are applied to particular categories of income.

Donations and legacies

Donations are recognised when the charity has been notified in writing of the amount and settlement is foreseeable. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing the amount and settlement is foreseeable. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Investment income consists of bank interest and returns from investments held. Bank interest is recognised on a received basis.

Other income

Other income relates to the sale of teaching materials related to the work of The Institute, such as theological books and CDs. It is recognised on receipt of the money from the sale.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

Raising funds

Expenditure on raising funds includes the costs of all fundraising activities.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	2% straight line
Fixture and Fittings	25% to 40% reducing balance

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stocks are measured at the lower of cost and net realisable value.

Trade debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Donations	2,398,555	152,931	2,551,486	2,854,111
Legacies	291,111	-	291,111	208,560
Grants	70,000	-	70,000	70,000
	<u>2,759,666</u>	<u>152,931</u>	<u>2,912,597</u>	<u>3,132,671</u>

Of the total income above for the 2018 year, £2,866,430 was attributable to unrestricted funds and £266,241 to restricted funds.

4 Investment income

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Interest receivable on bank deposits	<u>3,098</u>	<u>2,587</u>	<u>5,685</u>	<u>3,379</u>

Of the total income above for the 2018 year, £1,511 was attributable to unrestricted funds and £1,868 to restricted funds.

5 Other income

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Sale of books and CDs	<u>17,338</u>	<u>17,338</u>	<u>2,490</u>

Of the total income above for the 2018 year, £2,490 was attributable to unrestricted funds and £nil to restricted funds.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Expenditure on raising funds

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2019	2018
	£	£	£	£
Staff - wages and salaries	217	-	217	236
Staff - Social Security costs	20	-	20	22
Staff - Pension costs	34	-	34	35
Office - Printing, postage and stationery	9,094	-	9,094	14,922
Bank and financial charges	10,197	2,828	13,025	12,007
General expenses	39	-	39	40
	<u>19,601</u>	<u>2,828</u>	<u>22,429</u>	<u>27,262</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

7 Expenditure on charitable activities

		Unrestricted funds	Restricted funds	Total 2019	Total 2018
	Note	General £	£	£	£
The furtherance and promotion of the Christian religion in the UK and elsewhere		1,069,357	63,759	1,133,116	1,217,091
Staff costs		1,480,820	79,154	1,559,974	1,487,703
Governance costs	9	17,207	-	17,207	17,147
		<u>2,567,384</u>	<u>142,913</u>	<u>2,710,297</u>	<u>2,721,941</u>

	Activity undertaken directly	Activity support costs	Total 2019	Total 2018
	£	£	£	£
The furtherance and promotion of the Christian religion in the UK and elsewhere	2,693,090	-	2,693,090	2,704,794
Governance costs	-	17,207	17,207	17,147
	<u>2,693,090</u>	<u>17,207</u>	<u>2,710,297</u>	<u>2,721,941</u>

£2,567,384 (2018 - £2,503,298) of the above expenditure was attributable to unrestricted funds and £142,913 (2018 - £218,643) to restricted funds.

8 Other expenditure

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Purchase cost of books and CDs	9,194	9,194	895
	<u>9,194</u>	<u>9,194</u>	<u>895</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

9 Analysis of direct, governance and support costs

Charitable activities expenditure

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Staff - Wages and Salaries	1,181,071	63,300	1,244,371	1,180,644
Staff - Social Security costs	114,304	6,068	120,372	117,192
Staff - Pension costs	185,445	9,786	195,231	189,867
Rent and rates	39,454	2,088	41,542	38,358
Light and heat	17,122	906	18,028	17,187
Repairs and maintenance	43,940	2,147	46,087	53,594
Insurance	9,348	3,716	13,064	11,280
Computer costs	29,731	1,325	31,056	16,917
Travel costs	144,349	559	144,908	148,450
Professional fees	79,577	45,261	124,838	260,845
Office - Telephone	26,924	1,424	28,348	29,387
Office - Printing, postage and stationery	464,623	2,699	467,322	433,225
Office - Equipment	45,839	2,105	47,944	35,978
Depreciation	61,120	-	61,120	60,661
Reference materials	63,358	1,221	64,579	64,353
Bank and financial charges	3,664	284	3,948	3,792
Conference and meeting costs	27,803	-	27,803	27,875
General expenses	923	24	947	1,866
Mortgage Interest	11,582	-	11,582	13,323
	<u>2,550,177</u>	<u>142,913</u>	<u>2,693,090</u>	<u>2,704,794</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

9 Analysis of direct, governance and support costs (continued)

Governance costs

	Unrestricted funds	Total 2019	Total 2018
	General	2019	2018
	£	£	£
Staff costs			
Wages and salaries	1,782	1,782	3,681
Social security costs	175	175	355
Pension costs	290	290	612
Audit fees			
Audit of the financial statements	4,300	4,300	4,200
Other governance costs	10,660	10,660	8,299
	<u>17,207</u>	<u>17,207</u>	<u>17,147</u>

The charitable company allocates costs directly to activities as far as possible, then identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned between the key charitable activities undertaken during the year. Timesheet data forms the basis for apportionment of these remaining support costs.

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2019	2018
	£	£
Audit fees	4,300	4,200
Other non-audit services	2,180	2,100
Depreciation of fixed assets	<u>61,120</u>	<u>60,661</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration or any other benefits from the charity during the year for work as a trustee.

Directly incurred expenses of the trustees borne by the charity or paid to or on behalf of the trustees totalled £9,028 (2018: £7,164). All claims for expenses are subject to the charity's normal internal control procedures.

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

12 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	1,246,370	1,184,561
Social security costs	120,567	117,569
Pension costs	195,555	190,514
	<u>1,562,492</u>	<u>1,492,644</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2019 No	2018 No
Charitable staff	<u>48</u>	<u>46</u>

The number of employees whose emoluments fell within the following bands was:

	2019 No	2018 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The key management personnel (KMP) of the charity comprise the trustees and the following six staff; Mr C Hart, Mr S Calvert, Mr J Errington, Mr D Greatorex, Mr C Kelly and Mr S Webster. The total employee benefits (including social security and pension costs) of the six key management members of staff of the charity were £405,273 (2018 - £388,833).

13 Auditors' remuneration

	2019 £	2018 £
Audit of the financial statements	<u>4,300</u>	<u>4,200</u>
Other fees to auditors		
All other non-audit services	<u>2,180</u>	<u>2,100</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

14 Taxation

The charity is a registered charity and is therefore exempt from taxation on its income and gains used for charitable purposes.

15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2019	2,134,072	270,582	2,404,654
Additions	-	13,135	13,135
Disposals	-	(12,564)	(12,564)
At 31 December 2019	<u>2,134,072</u>	<u>271,153</u>	<u>2,405,225</u>
Depreciation			
At 1 January 2019	398,065	201,304	599,369
Charge for the year	42,682	18,438	61,120
Eliminated on disposals	-	(12,564)	(12,564)
At 31 December 2019	<u>440,747</u>	<u>207,178</u>	<u>647,925</u>
Net book value			
At 31 December 2019	<u>1,693,325</u>	<u>63,975</u>	<u>1,757,300</u>
At 31 December 2018	<u>1,736,007</u>	<u>69,278</u>	<u>1,805,285</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

16 Fixed asset investments

	2019 £
Other investments	<u>50,869</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
Additions	50,000	50,000
Revaluation gain	<u>869</u>	<u>869</u>
At 31 December 2019	<u>50,869</u>	<u>50,869</u>
Net book value		
At 31 December 2019	<u>50,869</u>	<u>50,869</u>

The historical cost of the investment is £50,000.

17 Stock

	2019 £	2018 £
Resources, including books and CD's	<u>6,866</u>	<u>1,707</u>

18 Debtors

	2019 £	2018 £
Gift Aid tax refunds	30,290	32,503
Legacies	12,738	163,431
Other debtors	<u>8,736</u>	<u>10,667</u>
	<u>51,764</u>	<u>206,601</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

19 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans	64,704	92,977
Trade creditors	139,831	102,710
Accruals	13,106	59,441
	<u>217,641</u>	<u>255,128</u>

20 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans	<u>250,356</u>	<u>310,758</u>

Included in the creditors are the following amounts due after more than five years:

	2019 £	2018 £
After more than five years by instalments	<u>104,433</u>	<u>173,373</u>

In 2015 The Institute financed the purchase of 6 Park Road by a commercial mortgage arranged with its bankers, the Bank of Scotland. The sum borrowed is repayable over 15 years. The Institute now owns 4 Park Road (Wilberforce House) 5 and 6 Park Road (The John Newton Centre). The mortgage is secured on these properties. The rate of interest payable is 2.56% above the Bank of England base rate.

21 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £195,555 (2018 - £190,514).

22 Commitments

Operating lease commitments

The total amount of other financial commitments not provided in the financial statements was £123,904 (2018 - £182,417).

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

23 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds						
<i>General</i>						
Unrestricted Operating Fund	583,692	2,597,991	(2,535,059)	(101,810)	869	545,683
<i>Designated</i>						
Unrestricted Fixed Asset Fund	1,401,550	-	(61,120)	101,810	-	1,442,240
Legacy Fund	83,560	182,111	-	-	-	265,671
	<u>1,485,110</u>	<u>182,111</u>	<u>(61,120)</u>	<u>101,810</u>	<u>-</u>	<u>1,707,911</u>
Total Unrestricted funds	<u>2,068,802</u>	<u>2,780,102</u>	<u>(2,596,179)</u>	<u>-</u>	<u>869</u>	<u>2,253,594</u>
Restricted funds						
Legal Defence Fund	438,187	154,198	(145,739)	-	-	446,646
Growth Fund	3,963	1,320	(2)	-	-	5,281
Total restricted funds	<u>442,150</u>	<u>155,518</u>	<u>(145,741)</u>	<u>-</u>	<u>-</u>	<u>451,927</u>
Total funds	<u>2,510,952</u>	<u>2,935,620</u>	<u>(2,741,920)</u>	<u>-</u>	<u>869</u>	<u>2,705,521</u>

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

23 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

The Unrestricted Operating Fund represents the cash resources freely available to further the general aims and objectives of the charity.

The Unrestricted Fixed Asset Fund represents the fixed assets, such as land and buildings, purchased for the use in furthering the general aims and objectives of the charity.

The value of the fund at 31 December 2019 is represented by the net book value of The Institute's fixed assets at that date less the balance due on the commercial mortgage taken out to finance the purchase of 6 Park Road in March 2015. The transfer into the fixed asset fund represents the capital element of the mortgage payments throughout 2019 and the amount paid to purchase fixed assets during the year.

The Legacy Fund provides a measure of stability against the fluctuation in this source of income. When legacy income exceeds expected levels set in the budget approved by the trustees for the year, the excess is placed in the fund. Such funds are then released at the discretion of the Executive Committee.

A restricted fund identifies money donated for a particular purpose and expenditure of those funds for that purpose.

The Legal Defence Fund is used to finance the cost of legal actions and the associated campaign work in cases of national importance for religious liberty. It is available to support Christians who claim to have been unlawfully harassed or discriminated against because of their faith.

The Growth Fund was set up to purchase the John Newton Centre (5 & 6 Park Road) and support the growth of The Institute's work, including the development of three centres of excellence; for legal work, media work and supporting Christians.

24 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	-	1,757,300	-	1,757,300
Fixed asset investments	-	50,869	-	50,869
Net current assets/(liabilities)	545,683	150,098	451,927	1,147,708
Creditors over 1 year	-	(250,356)	-	(250,356)
Total net assets	545,683	1,707,911	451,927	2,705,521

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

25 Analysis of net funds

	At 1 January 2019 £	Cash flow £	At 31 December 2019 £
Cash at bank and in hand	1,063,245	243,474	1,306,719
Mortgage due within one year	(92,977)	28,273	(64,704)
Mortgage due after more than one year	(310,758)	60,402	(250,356)
Net debt	659,510	332,149	991,659

	At 1 January 2018 £	Cash flow £	At 31 December 2018 £
Cash at bank and in hand	728,023	335,222	1,063,245
Mortgage due within one year	(29,674)	(63,303)	(92,977)
Mortgage due after more than one year	(409,875)	99,117	(310,758)
Net debt	288,474	371,036	659,510

26 Related party transactions

During the year the charity made the following related party transactions:

Coalition for Marriage Limited

The Coalition for Marriage Limited (company number 07880604) is an umbrella group of individuals and organisations in the UK that support traditional marriage. Mr C Hart, The Institute's Chief Executive, is an unpaid Director of Coalition for Marriage Limited. Mr R Badams, a Trustee of The Institute is an unpaid Director of Coalition for Marriage Limited. Expenses incurred by The Institute on behalf of Coalition for Marriage Limited and reimbursed were £25,599 (2018: £21,242). At the balance sheet date the amount due from Coalition for Marriage Limited was £3,911 (2018 - £5,422).

Scotland for Marriage Limited

Scotland for Marriage Limited (company number SC411348) is a campaign to support marriage as the union of one man and one woman in Scotland. Mr C Hart is an unpaid Director of Scotland for Marriage Limited. During the year a contribution was made by The Institute to Scotland for Marriage Limited of £1,600 (2018: £8,000).

The Christian Institute

Notes to the Financial Statements for the Year Ended 31 December 2019

26 Related party transactions (continued)

The Bible Teaching Trust

The Bible Teaching Trust (charity number 1156102) provides teaching and training to Christian organisations and individuals. Rev Rupert Bentley-Taylor, who is not a trustee of the Bible Teaching Trust, provides teaching services on behalf of the Trust. The Institute paid the Trust £4,645 (2018: £3,718) for the provision of teaching and training in the year. In addition expenses relating to the provision of this teaching and training of £873 (2018: £257) were reimbursed.

Richard Turnbull

Richard Turnbull, Trustee of The Institute, provides teaching and training to The Institute. The Institute paid £1,500 (2018: £1,250) for the provision of teaching and training in the year. In addition expenses relating to the provision of this teaching and training of £1,129 (2018: £855) were reimbursed.

