

Keston College
operating as Keston Institute

Financial Statements
for the year ended
31st March 2021

Wenn Townsend
Chartered Accountants
Oxford

**Keston College
operating as Keston Institute**

Reference and Administrative Details

Chair:	Mrs Xenia Dennen
Council members (trustees):	Mr Robert Brinkley CMG (to 7th November 2020) Dr Christopher Campbell The Revd Dr Keith Clements Mrs Xenia Dennen Dr Elisabeth Robson Mr David Gowan CMG Professor Kathy Hillman, <i>ex officio</i> (Keston Center) Dr Zoe Knox Ms Helena Kojevnikov Mr Roland Smith CMG Mr Giles Udy (resigned 8th October 2020)
Secretary:	Mr Michael Hart
Registered Office:	262 Watford Road Croxley Green Rickmansworth Herts WD3 3DD
Registered Company Number:	991413
Registered Charity Number:	314103
Auditors:	Wenn Townsend Chartered Accountants and Statutory Auditor Oxford
Bankers:	National Westminster Bank Beckenham
Solicitors:	Freeths 5000 Oxford Business Park South Oxford OX4 2BH

**Keston College
Operating as Keston Institute**

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**Keston College
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**Report of the Council of Management
for the year ended 31st March 2021**

The Council present their report and the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Objectives and Activities for the Public Benefit

Keston Institute's Memorandum and Articles of Association define the objects of Keston Institute as follows:

A. To promote the advancement of education in religion, the history of religion, including religious beliefs, and practices in furtherance of the above objects and ancillary thereto.

B. To promote and encourage the study of and research into religion, religious beliefs and religious practices in Communist States, or States which have been Communist or present or former Totalitarian States (whether in Europe, Asia or elsewhere) and the relationship between organised religion and the State in such States and the relationship between different religions and between religion, the ideologies of Marxism, humanism and other ideologies and the relation between religion, national cultures and national life in such states; the result of such research to be disseminated.

C. To establish at any University within the United Kingdom a centre for the Study of Religion and Communism in the Soviet Union, Eastern Europe and any other state which the Council of Management shall, at its absolute discretion, think fit.

D. To endow Chairs, Lectureships or Fellowships at any University within the United Kingdom or elsewhere for the purposes of the said study and research.

E. To print or publish (or assist in the making of grants or otherwise) the product of such study and research, or relevant source material to such study and research, and to assist in the printing or publication or dissemination (whether through films, recordings or any other medium of communication) of works (including books, periodicals or leaflets) that the Institute may think desirable for the promotion of its objects.

F. To provide scholarships, grants or bursaries to students (whether graduate students or not) or research workers engaged in the said study and research whether in the United Kingdom or elsewhere.

Keston Institute, founded in 1969 by the Revd Canon Dr Michael Bourdeaux and Sir John Lawrence, with the help of the distinguished academics Professor Leonard Schapiro and Professor Peter Reddaway, under the title of Centre for the Study of Religion and Communism, has specialised in the study of all religions and all forms of religious expression in Communist and formerly Communist countries. Its field of expertise has focused particularly on the former Soviet Union as well as on Eastern and Central Europe. In order to distribute well-researched information, Keston has published books and journals. It has always had an academic emphasis which complements its wider public education role.

Keston Institute has continued to encourage research in its field by offering grants and short-term scholarships to students from all over the world. It has been particularly keen to support students from Eastern Europe and the former Soviet Union who have been unable in their own countries to find archival material from the Communist period that is preserved by Keston Institute in its archive.

The creation and development of an archive to support the study of religion in Communist and formerly Communist countries has always been a core aim of Keston Institute, whose reputation for reliability is based on careful research and verification of information through primary sources. The archive was composed originally of *samizdat* and research materials collected by the founder, the Revd Canon Dr Michael Bourdeaux. Over the years it has grown extensively, until today it comprises a large and unique collection of primary source material for those studying the 20th century religious history of the former Soviet Union and the countries of Eastern and Central Europe.

In addition, Keston has built up a library of over 8,000 books and 200 periodicals which complement the archive. This library and archive continue to grow year by year. With the agreement of the Charity Commission and Keston's members, and following the signing of a contract between Keston Institute and Baylor University in June 2007, the archive and library were transferred to the newly created Keston Center for Religion, Politics and Society at Baylor University, Texas, USA, in August 2007.

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**Report of the Council of Management
for the year ended 31st March 2021**

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Objectives and Activities for the Public Benefit (continued)

Within its own field, Keston is widely recognised as a leading repository of knowledge and expertise, and has always striven to ensure that its material is as freely available as possible to the interested public, both in the United Kingdom and worldwide. Through the agreement with Baylor University, the material in Keston's unique archive is being made accessible to internet users throughout the world. At the same time, by providing scholarships and grants for research using the archive, Keston is seeking to ensure that the many stories which it contains are brought to life and communicated to the public.

The funding of Keston Institute's work has been affected over the years by international developments and more recently by global economic problems, even though the Institute's members continue to support its work most generously. But the value of the work is undiminished. Keston's trustees believe that it is important to remember the religious history of the former Soviet Union and that of Central and Eastern Europe, with its heroic examples of how to resist tyrannical systems of control. This history provides vital clues about what is most important in human society. For this reason Keston Institute believes that its archive will provide the basis of much future research. To make sure that the documentary evidence in the archive about religious faith during the Communist era is preserved for future generations, the Trustees work closely with the Keston Center for Religion, Politics and Society at Baylor University to ensure that the collection is well managed and made available to researchers worldwide.

Public Benefit Statement

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

Achievements and Performance

On 29th March 2021 the death of Keston's founder and president, the Revd Canon Michael Bourdeaux, was announced. Keston Institute was founded by him in 1969 and in his memoirs, *One Word of Truth: The Cold War Memoir of Michael Bourdeaux and Keston College*, he described the organisation as "my concept" into which he poured his "energy and commitment over a period of 30 years". His contribution to the work of this charity has been immense and his presence on the Council of Management will be sorely missed by the trustees. The Chairman was invited to deliver a tribute at his funeral and spoke about his remarkable life, his founding of Keston and his contribution to the study of religion in Communist countries. Appreciations of his life and work were posted on the institute's website. Obituaries appeared in *The Times*, the *Guardian*, *The Daily Telegraph*, the *Church Times*, *Sobornost*, and the *Religious Service of Ukraine* while a notice about his death was published by the Templeton Foundation. A vivid appreciation of his life was broadcast by the BBC in both English and Russian. Canon Bourdeaux's vision will continue to guide the work of both Keston's trustees and the Keston Center for Religion, Politics and Society at Baylor University in Texas, USA.

The Covid-19 pandemic affected the work of Keston Institute during the year. All meetings of the trustees were held virtually, with the advantage that the Director of the Keston Center at Baylor University, Professor Kathy Hillman, was able to attend all Council meetings, whereas in the past she had only been able to be present at the summer meeting. The 2020 Annual General Meeting was also held virtually in November. This enabled some Keston members to attend who were unable to travel, so in future the trustees plan to organise a hybrid general meeting with some joining on-line and others in person. The speaker at the 2020 AGM was Dr Roman Lunkin, a member of the Institute of Europe in Moscow and editor-in-chief of his institute's journal *Contemporary Europe*: he spoke about the effect of the Covid-19 pandemic on the Russian Orthodox Church in the Russian Federation.

Keston Institute's major research project, which began over twenty years ago, is the production of an Encyclopaedia in seven volumes (in Russian) about all aspects of religious life in the Russian Federation, entitled *Religious Life in Russia Today: A Systematic Description*. The first edition of this Encyclopaedia was completed by the end of 2008. Work on an updated second edition began soon afterwards. The first volume of the second edition was published at the beginning of 2014, the second volume in early 2016, and the third in the spring of 2018, with a book launch (attended by the Chairman) on 24th May 2018 in Moscow. All volumes are made available on Keston's website as soon as possible after publication. Work on the remaining volumes continues. The Covid-19 pandemic affected the Encyclopaedia project: all field trips in 2020-2021 had to be cancelled, apart from one to St Petersburg in March 2021, which was required in order to complete the research for a volume on the religious situation in St Petersburg.

**Keston College
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**Report of the Council of Management
for the year ended 31st March 2021**

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Achievements and Performance (continued)

In the light of a feasibility study on the best way to present the Encyclopaedia to an English readership, Keston's Council of Management decided some time ago to fund an English edition once a suitable editor and translator, or team of translators, became available. This will not be a simple question of translation – the information will be presented in rather less detail than in the Russian edition, but on the other hand, a good deal of additional explanation will be required to give English readers the necessary geographical and religious background. No further progress was made on this project during 2020-2021.

The *Keston Newsletter* continued to be published during the year and then posted on Keston's website. The speech given by Right Reverend Lord Williams of Oystermouth (one of Keston Institute's patrons) to celebrate Keston's 50th anniversary in November 2019 on "Why Religious Liberty Matters" was given a prominent position in the spring 2020 issue as it affirmed the importance of Keston's work both in the past and present. Lord Williams ended his talk with the words: "While it would be nice to think that the time would come when Keston's work is no longer necessary, none the less, we can, as a very good second best, celebrate the consistency, the insight, and the professionalism of Keston over this half-century, in bringing to light something about the very nature of religious liberty, and so bringing to light something about the very nature of functioning, just, and legitimate human society." In addition to this talk the Newsletter published during the year interesting new research on the growth of biblical studies in the Russian Orthodox Church in Russia today, which the author linked to the church's increasing involvement in social work; the Newsletter also published an article on Hungary which examined the background to current church-state relations and to Viktor Orbán's political career; material on Belarus and the involvement of Christians in the protests against the re-election of President Lukashenko through the manipulation of the vote count; an article on Christianity in Kyrgyzstan; and two first-hand accounts of the 1991 attempted coup against Mikhail Gorbachev, written by members of Keston's Council of Management who were working in Moscow at the time.

The Chairman who is a member of the Advisory Board of the Keston Center for Religion, Politics and Society at Baylor University was unable to travel to Texas for a meeting of the Board in March 2020, but the following year, as Covid-19 restrictions were still in place and international travel was still not possible, a Board meeting was held virtually and the Chairman was thus able to participate. During the year the relationship between Keston UK and the Keston Center has continued to be strengthened. Keston contributed funding for the digitalisation of material in the Keston archive, such as video tapes which required the expertise of conservation specialists. Despite the restrictions imposed on the Center by the Covid-19 pandemic, an event was organised by the Director, Professor Kathy Hillman: recent researchers at the Center contributed to a series of brief talks, which were relayed to an international audience, and described the effect of the Covid-19 pandemic on their academic work. Contributors from Romania, Russia, Switzerland, the UK as well as the USA took part in this on-line event. Keston UK continued to encourage research in the Keston archive at Baylor by offering funding via its website. Owing to current restrictions there was little interest during the year in taking up Keston's offer, apart from one scholar, who, it is hoped, will be able to work on the Hungarian material held in the archive at a future date.

Thanks to the commitment of Keston's trustees to promoting research on religion in the countries of the former Communist bloc and the use of the Keston archive, the charity has cooperated with a member of Stirling University's academic staff in formulating a proposal for a Collaborative Doctoral Award, which would entail funding a researcher to work in the Keston archive at Baylor University, and to acquire professional skills in archival work and conservation. Although Stirling's Faculty of Arts and Humanities considered that Keston's proposal was excellent (it was one of 55 presented to the Scottish Graduate School for Arts and Humanities) it was not one of the six which were finally selected. Both Keston and the staff member of Stirling University plan to re-enter the application in 2022.

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**Report of the Council of Management
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Financial Review

Following the diminution in the value of Keston's investment assets in Spring 2020 as markets were hit significantly by the impact of Covid-19, markets have largely recovered resulting in a profit on revaluation at the 31st March 2021 of £132,814 (2020: loss of £141,068). The aggregate value of Keston's investments at 31st March 2021 was £967,031 (2020: £834,217).

Keston Institute's principal funding sources have been donations from its members and income from its investments. These have been used to promote the aims of the charity by funding publications which contribute to research on religion in Communist and formerly Communist countries, by supporting work in the Keston archive at Baylor University and funding the on-going digitising programme for the Keston archive's collection. Work in Russia on a second edition of the Encyclopaedia, entitled *Religious Life in Russia Today: A Systematic Description*, received financial support from Keston during the year.

Reserves Policy

The unrestricted reserves at 31st March 2021 total £1,039,804 (2020: £894,414), but only £72,773 of this is deemed to be freely available (2020: £60,197), as the balance is represented by investments. Investments with a value of £967,031 are held as at 31st March 2021 in order to generate sufficient income for carrying out the future objects of the charity. When necessary, the Council are prepared to draw on reserves in order to carry out the objects of the Charity.

The Council is satisfied with the level of free reserves held, which is more than sufficient to cover around twelve months budgeted expenditure by the Charity. As part of this assessment of free reserves, the trustees have reviewed and considered the potential impact of Covid-19. Because of Covid-19, the Keston archive at the Keston Center, Baylor University, Texas, was closed for a period to both researchers in person and the public, although staff continued to deal with virtual researchers and handle reference and requests for information. Depending on the situation, it is hoped that access to the Keston Center will be normalised during 2022. Much of the work on the Encyclopaedia - *Religious Life in Russia Today: A Systematic Description* - has had to be postponed, but there are plans for a number of field trips in 2022. Once Covid-19 restrictions are lifted it is hoped that meetings of the charity's members will be able to take place. The charity's Council continues to meet virtually on a regular basis and will start to meet in person once Covid-19 restrictions are lifted. The *Keston Newsletter* continues to be produced, and other day-to-day operations continue.

Plans for Future Periods

The founding of the Keston Center for Religion, Politics and Society at Baylor University continues to open up new possibilities for Keston, despite the limitations imposed by the Covid-19 pandemic, and to enable its mission to continue. Conservation work on the archive will continue, and more digitised material from the collection will be made available to a world audience on the Keston Center's website set up as part of Baylor University. The library in the Keston Center will continue to add new books to its holdings. As part of Keston Institute's 2007 legal agreement with Baylor University, the Keston archive was established as a "living" archive: the Keston Center will therefore continue to welcome donations of further documents and historical materials relevant to Keston's period and area of study.

Before his death, the Revd Canon Michael Bourdeaux sorted out his substantial personal archive enabling the Institute to arrange the transfer of this material to the Keston archive at Baylor. In honour of Canon Bourdeaux, two members of Baylor University's academic staff and Keston's chairman, Xenia Dennen, plan to organise and publish a *Festschrift* containing articles by contemporary specialists working in Keston's field.

Although the research work of Keston's Encyclopaedia team was hampered during the year and the team unable to organise the many field trips which had been planned during 2020-21 because of travel restrictions, a final field trip in March 2021 was able to take place and the work on the volume about the religious situation in St Petersburg was completed. This volume will be published in the near future. Depending on the situation, the team hope to organise field trips in 2022 to Samara, Penza, Oryol, Perm and Rostov-on-Don. Plans will continue to be developed for an English edition of the Encyclopaedia, reorganised in such a way as to appeal to an English-speaking readership.

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**Report of the Council of Management
for the year ended 31st March 2021**

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Plans for Future Periods (continued)

The Council will continue to offer scholarships and grants to encourage research in Keston's field. It will also continue to work with the University of Stirling on a proposal for a Collaborative Doctoral Award. The website will continue to be improved and updated, and will be used for future publishing. The *Keston Newsletter* will continue to be produced for Keston members and for others interested in the work of the Institute. The November 2021 Annual General Meeting will be organised as a hybrid meeting, with those unable to travel attending virtually. At this meeting, Dr Wallace Daniel, a Distinguished University Professor at Mercer University, Georgia, will give a talk about his research on the late Fr Gleb Yakunin, who became famous as a defender of religious freedom during some of the most oppressive periods of the Soviet regime.

The Chairman, Xenia Dennen, who was asked to write obituaries about the late Canon Michael Bourdeaux, will continue to promote the public face of the Institute, and has been invited to give a talk about Canon Bourdeaux and Keston at the Great Britain-Russia Society, and in 2022 to submit a paper on Canon Bourdeaux and his use of primary sources in his academic work at a conference organised by the Russian Historical Institute.

Close contact with the Keston Center at Baylor University will be maintained. Keston's Council of Management will start meeting in person once Covid-19 restrictions are lifted, but plan to hold two meetings a year on-line to enable Professor Kathy Hillman, the Center's Director and an *ex officio* Council member, to participate, and in order to reduce the number of long journeys for Council members. Keston's Chairman plans to visit the Keston Center and attend an Advisory Board meeting in 2022 if the Covid-19 pandemic restrictions allow travel to the US.

Structure, Governance and Management

The charity is governed by its Memorandum and Articles of Association. It is a company limited by guarantee of its members as well as a registered charity.

The Trustees, who constitute the Council of Management, are elected by the membership. In seeking suitable candidates for election, every effort is made to ensure that the Council will have a range of appropriate expertise. This includes not only general administrative and managerial experience, in particular in the not-for-profit sector, but also knowledge of the former Soviet Union and of other Communist and/or former Communist countries, and especially of the treatment of religious believers and communities. New Trustees are provided with documentation about Keston, and are helped by the existing Trustees to familiarise themselves with the charity's work. They are also encouraged to play as full a part as possible in this work. The Council of Management meets usually four times a year and is responsible for policy decisions.

Data Protection

Keston is fully committed to observing the provisions of the General Data Protection Regulation (GDPR). In order to operate, Keston needs to collect, store and use certain forms of information about its members and a few other individuals. This data is carefully protected, and is not passed on to other organisations. A regular review of data is carried out every two years to establish if Keston still has good reason to retain the information held at the time of the review. If there is no reason to hold information, it is safely destroyed. There are legal guidelines on the period for which Gift Aid declarations need to be retained.

Organisational Risk Management

The trustees have identified the major risks to which the charity is exposed and systems have been established to mitigate those risks. Risk assessments are reviewed every year by the Trustees.

The Council of Management has considered and defined its exposure to risk in its financial resources. The Institute's investments are held for the most part in unit trusts specifically tailored for the charitable sector, with an underlying asset base consisting of UK property and equities.

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**Report of the Council of Management
for the year ended 31st March 2021**

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Statement of Trustees' responsibilities

The Trustees (who are also directors of Keston College operating as Keston Institute 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 Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 Charities SORP 2019 (FRS 102);
- make judgements and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees 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.

This report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006.

The accounts were approved at a meeting of the Trustees on 20th July 2021 and signed by:

Chairman, Mrs Xenia Dennen

Vice Chairman, Mr Roland Smith

Keston College operating as Keston Institute
Independent Auditors' Report to the members of Keston College operating as Keston Institute

Opinion

We have audited the financial statements of Keston College (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021, 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or

Keston College operating as Keston Institute
Independent Auditors' Report to the members of Keston College operating as Keston Institute

Matters on which we are required to report by exception (continued)

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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Graham Cole BA FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend
Chartered Accountants and Statutory Auditor
30 St Giles
Oxford OX1 3LE

20th July 2021

Keston College
operating as Keston Institute

Statement of Financial Activities
(including Income and Expenditure Account)
for the year ended 31st March 2021

		Unrestricted funds	
	Note	Total 2021	Total 2020
Income from:			
Donations		13,281	23,015
Legacies		10,031	-
Investments	3	33,492	42,282
Publications		480	2,259
Total income		57,284	67,556
Expenditure on:			
Charitable activities:			
Encyclopaedia costs		16,270	25,221
Research, freelance, archive and conference costs		10,055	8,017
Publication costs		4,314	4,234
Support costs : administration and governance		14,004	21,537
50 th Anniversary costs		65	18,640
Total expenditure		44,708	77,649
Net income/(expenditure) before gains/(losses) on investments		12,576	(10,093)
Net gains/(losses) on investment assets	5	132,814	(141,068)
Net income/(expenditure)		145,390	(151,161)
Balance at 1st April 2020		894,414	1,045,575
Balance at 31st March 2021		<u><u>£1,039,804</u></u>	<u><u>£ 894,414</u></u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

**Keston College
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**Balance Sheet
31st March 2021**

	Note	2021	2020
Fixed assets			
Investments	5	967,031	834,217
Current assets			
Debtors	6	8,501	9,151
Cash at bank and in hand		81,025	58,963
		<u>89,526</u>	<u>68,114</u>
Creditors: Amounts falling due within one year	7	<u>(16,753)</u>	<u>(7,917)</u>
Net current assets		<u>72,773</u>	<u>60,197</u>
Net assets		<u><u>£1,039,804</u></u>	<u><u>£ 894,414</u></u>
Funds			
Unrestricted funds		<u>1,039,804</u>	<u>894,414</u>
Total		<u><u>£1,039,804</u></u>	<u><u>£ 894,414</u></u>

The financial statements are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Council of Management on 20th July 2021, and signed on its behalf by:

Chairman, Mrs Xenia Dennen

Vice Chairman, Mr Roland Smith

The notes on pages 11 to 14 form part of the financial statements

**Keston College
operating as Keston Institute**

**Notes to the Accounts
for the year ended 31st March 2021**

1 Accounting policies

Keston College is a charitable company limited by guarantee in the United Kingdom. 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. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Accounting Practice.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in sterling which is the functional currency of the charity.

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

Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes and includes dividends and interest. It is included when the amount can be measured reliably, and dividend income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Keston College
operating as Keston Institute

Notes to the Accounts (continued)
for the year ended 31st March 2021

1 Accounting policies (continued)

Funds

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.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements, including a revision of expectations for the potential impact of COVID-19 on the charity. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Net income/(expenditure) for the year

	2021	2020
Net income/(expenditure) for the year is stated after charging:		
Trustee remuneration	£ -	£ 7,977
Auditors' remuneration - audit fee	£ 1,450	£ 1,400
- other	£ 1,670	£ 1,780
	<u>£ 3,120</u>	<u>£ 11,157</u>

Emoluments for the president related not to his position as trustee but solely to his remuneration for specific services undertaken on behalf of the charity. The legal authority to make payments to Trustees comes from the charity's memorandum and articles.

**Keston College
operating as Keston Institute**

**Notes to the Accounts (continued)
for the year ended 31st March 2021**

3. Investment income

	2021	2020
Bank interest receivable	48	335
Income from fixed asset investments	33,444	41,947
	<u>£ 33,492</u>	<u>£ 42,282</u>

4. Governance costs

	2021	2020
Audit and accountancy	3,120	3,180
Bank charges and office costs	1,515	619
Meeting expenses	225	5,764
Trustee expenses	678	2,779
	<u>£ 5,538</u>	<u>£ 12,342</u>

4.1 Trustee and key management personnel remuneration and expenses

Aside from the amount shown in note 2, the trustees neither received nor waived any remuneration during the year (2020: £Nil).

The total amount of employee benefits received by key management personnel is £4,581 (2020: £13,167). The Trust considers its key management personnel comprise the Council of Management and the Secretary.

Expenses of administration totalling £678 (2020: £2,779) were reimbursed to one trustee during the year.

Expenses of £Nil (2020: £25,221) were also reimbursed to a trustee (Mrs Xenia Dennen) in respect of travel, accommodation and research costs incurred by the team working on the Charity's Encyclopaedia of Religion in Russia. No fee or salary is paid to Mrs Dennen for this work.

**Keston College
operating as Keston Institute**

**Notes to the Accounts (continued)
for the year ended 31st March 2021**

5. Investments

Quoted investments

	Cost	Valuation
1st April 2020	685,992	834,217
Unrealised gains in the year	-	132,814
31st March 2021	<u>£ 685,992</u>	<u>£ 967,031</u>

The following investments represent the portfolio:

	Cost at 1st April 2020	Cost at 31st March 2021	Market Value at 1st April 2020	Revaluation	Market Value at 31st March 2021
M & G Charifund	418,315	418,315	442,138	102,425	544,563
The Charities Property Fund	222,052	222,052	261,092	(4,322)	256,770
Standard Life Managed Fund	45,063	45,063	130,937	34,672	165,609
Royal Bank of Scotland plc	562	562	50	39	89
	<u>£ 685,992</u>	<u>£ 685,992</u>	<u>£ 834,217</u>	<u>£ 132,814</u>	<u>£ 967,031</u>

6. Debtors: amounts falling due within one year

	2021	2020
Income tax recoverable	1,098	1,036
Prepayments and accrued income	7,403	8,115
	<u>£ 8,501</u>	<u>£ 9,151</u>

7. Creditors: amounts falling due within one year

	2021	2020
Accruals and deferred income	<u>£ 16,753</u>	<u>£ 7,917</u>